

**JOHNSON COUNTY, TEXAS**

ANNUAL COMPREHENSIVE  
FINANCIAL REPORT

For the Fiscal Year Ended  
September 30, 2021

JOHNSON COUNTY, TEXAS  
JOHNSON COUNTY AUDITOR'S OFFICE  
#2 North Main Street  
Cleburne, Texas 76033



# JOHNSON COUNTY, TEXAS

## Annual Comprehensive Financial Report

For the Year Ended September 30, 2021

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**INTRODUCTORY SECTION**







## JOHNSON COUNTY AUDITOR

JOHNSON COUNTY COURTHOUSE

#2 N. MAIN

CLEBURNE, TEXAS 76033

Telephone (817) 556-6305 ~ Fax (817) 556-6075

Steven E. Watson  
County Auditor

Jennifer R. Lyon  
First Assistant County Auditor

March 10, 2022

### THE HONORABLE DISTRICT JUDGES AND THE HONORABLE COMMISSIONERS COURT:

In compliance with the statutory duties of the County Auditor as prescribed by Section 114.025 of the Local Government Code of the State of Texas, the Annual Comprehensive Financial Report of Johnson County, Texas (the "County"), for the fiscal year ended September 30, 2021, is submitted herewith. Responsibility for both the accuracy of the presented data, and the completeness and fairness of the presentation, including all disclosures, rests with the County. This report has been prepared using generally accepted accounting principles and guidelines promulgated by the Governmental Accounting Standards Board. We have attempted to conform substantially to the high standards of public financial reporting as recommended by the Government Finance Officers Association of the United States and Canada. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the County. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities have been included.

The County is required to undergo an annual single audit in conformity with the provisions of the Uniform Guidance and *Texas Single Audit Circular* for federal and state awards, respectively. Information related to this single audit, and the independent auditors' reports of the internal control structure and compliance with applicable laws and regulations are included in the single audit section of this report.

In developing the County's accounting system, consideration is given to the adequacy of internal accounting controls. Internal controls are designed to provide reasonable, but not absolute, assurance regarding (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes (1) the cost of a control should not exceed the benefits derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. The County Auditor's Office continually assesses its ability to ensure that adequate internal accounting controls are in place to safeguard assets and provide reasonable assurance of proper recording of financial transactions. With this ongoing effort, and growth of the County, the internal audit function becomes a larger task each year, addressing the needs that change and growth dictate.

## **ECONOMIC CONDITION AND OUTLOOK**

The County is strategically located in North Central Texas and is considered a part of the Fort Worth metropolitan area. The County is a member of the North Central Texas Council of Governments which is comprised of sixteen counties. The area has experienced steady growth, which is expected to continue for several years due to the influence of Dallas and Fort Worth, adjacent to our northern border, and improved transportation routes.

The County is experiencing growth with obvious signs of significant future growth. The region has a varied manufacturing and industrial tax base that contributes to the relatively favorable unemployment rate.

With the creation of the Johnson County Economic Development Commission (JCEDC) in September 1989, the County continues to be a competitive area for creating a favorable business climate. The JCEDC has a goal of attracting new business to the area, resulting in new jobs and significant increases to the tax rolls.

Population growth is noticeable throughout all sections of the County. Even the smaller communities have experienced very impressive residential development. Thirty-six months ago, construction on new residential developments began and new neighborhoods continue to be built today. Combined efforts of the cities and county government have proven to be effective in attracting industry as well. Several communities, including the Cities of Cleburne, Burleson, Godley and Venus continue to experience growth in residential building. Godley, Texas currently has approximately a dozen subdivisions underway, in which, many are valued significantly above the average for the County. The tollway is certainly considered as a contributing factor for this development. Additionally, it has added a measurable quality of life to citizens that must commute to Fort Worth, as the travel time is about half of what it was prior to the tollway.

The County provides a full range of services authorized by statute. These services include general governmental services such as recording and licensing, sustaining the District, County and Justice Court systems, maintaining public facilities, ensuring public safety, preserving public health and welfare, aiding conservation, and maintaining County roads and bridges.

## **MAJOR INITIATIVES**

The County, because of its continued growth, is faced with many challenges in delivering services to its citizens while maintaining a conservative financial approach. The Commissioners Court has been committed to meeting increasing needs for services and facilities. The following initiatives reflect the County's commitment to ensuring that its citizens are able to live and work in an enviable environment.

### **For the Year**

Construction for two significant projects is ongoing. These projects include the nearly completed Burleson Sub-Courthouse renovation, and the ongoing remodel of the Sheriff's Administration building. The increased foot traffic in Burleson, the largest city in the County, will demand the expanded services of the Tax Office, Justice of the Peace, and County Clerk in this facility where satellite offices already exist.

Additionally, the County added a second entrance to the jail, both to increase security and to mitigate the spread of COVID-19. The County has taken over management of the jail from private management and has made capital and non-capital expenditures related to jail management.

## **For the Future**

The growth experienced by the County requires our elected officials to be forward-thinking to address issues before they become significant challenges. As in most Texas counties, the need to accommodate the law enforcement and administration of justice functions can be difficult. The County will endeavor to stay ahead of the curve with the expected growth that is fast becoming a reality. The County is also in the early stages of planning for a new law enforcement telecommunications facility.

## **FINANCIAL CONDITION**

**Current Condition.** The County continues to be well positioned financially, with above average fund balances. This financial strength has been maintained with no hardship, even with decisions to fund capital projects with available cash. The County's Fund Balance Policy, with the minimum balances established, is taken seriously. Fund balances will continue to exceed the popular rules of thumb. The unassigned fund balance of the General Fund has been at a healthy level for consecutive years, and the County has always used prudence in the decisions to use cash to finance qualifying projects.

**Long Range Financial Planning.** The County has a determination to manage funds in a conservative and judicious manner. One initiative adopted by the County includes a separate "Operating Reserve" line-item in the budget which ensures that unexpected situations do not create unmanageable conditions. With the knowledge that mineral royalty revenues and mineral values will fluctuate with the price of natural gas, the County has never and will not put itself in a position to depend upon such revenue.

**Significant Financial Policy.** It is the policy of the County to maintain an above-average fund balance as evidenced by the Fund Balance Policy. To ensure fund balances remain at these levels the County will strive to balance the General Fund budget each year or use only a minimum amount of the fund balance to finance the budget. This conservative practice will ensure that the County has adequate funding in future years should it face economic challenges.

**Administration.** The officials having responsibility for the financial administration of the County are the County Judge and four County Commissioners (the "Commissioners Court"), the County Treasurer (all of whom are elected for four-year terms), and the County Auditor who is appointed for a two-year term by the State District Judges having jurisdiction within the County. The governing body of the County is the Commissioners Court. It has only those powers expressly granted to it by the legislature and powers necessarily implied from such grant. Among other things, it approves the County budget, determines the County tax rate, approves contracts in the name of the County, determines whether a proposition to issue bonds should be submitted to the voters, conducts official business of the County at designated meeting times, and appoints certain individuals to manage various departments.

The County Judge is the presiding officer of the Commissioners Court. Each Commissioner represents one of the four precincts into which the County is divided and is elected by the voters of the precinct. The County Commissioners supervise construction and maintenance of the County road systems as well as perform other administrative duties.

The County Treasurer is the custodian of funds and has the sole authority to disburse funds for the County. This includes receipting and depositing all funds paid to the County. The Treasurer is also the designated County Investment Officer and confers with the County Auditor regarding investments of County funds. The Commissioners Court has adopted an investment policy in compliance with the Public Funds Investment Act.

The County Auditor is responsible for substantially all County financial and accounting control functions. The responsibilities of the County Auditor include those of accounting, auditing, accounts payable and financial operations and reporting. Also, the County Auditor works with the Treasurer to determine the type, terms, and amounts of investments of County funds.

As demonstrated by the statements and schedules included in the financial section of this report, the County continues to meet its responsibility for sound financial management.

## **OTHER INFORMATION**

**Independent Audit.** The County's financial statements have been audited by KM&L, LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended September 30, 2021, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Johnson County, Texas financial statements for the fiscal year ended September 30, 2021 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

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

**Acknowledgments.** The production of this report is attributable to the dedication and work of the County Auditor's Office staff and KM&L, LLC, our independent auditor. I would like to thank all the County Elected Officials, Department Heads, and their staffs for their cooperation and leadership in conducting the financial affairs of the County. A special thanks is extended to my staff that dedicate themselves so fully throughout the year.

Respectfully submitted,



Steven E. Watson  
Johnson County Auditor



Government Finance Officers Association

Certificate of  
Achievement for  
Excellence in  
Financial  
Reporting

Presented to

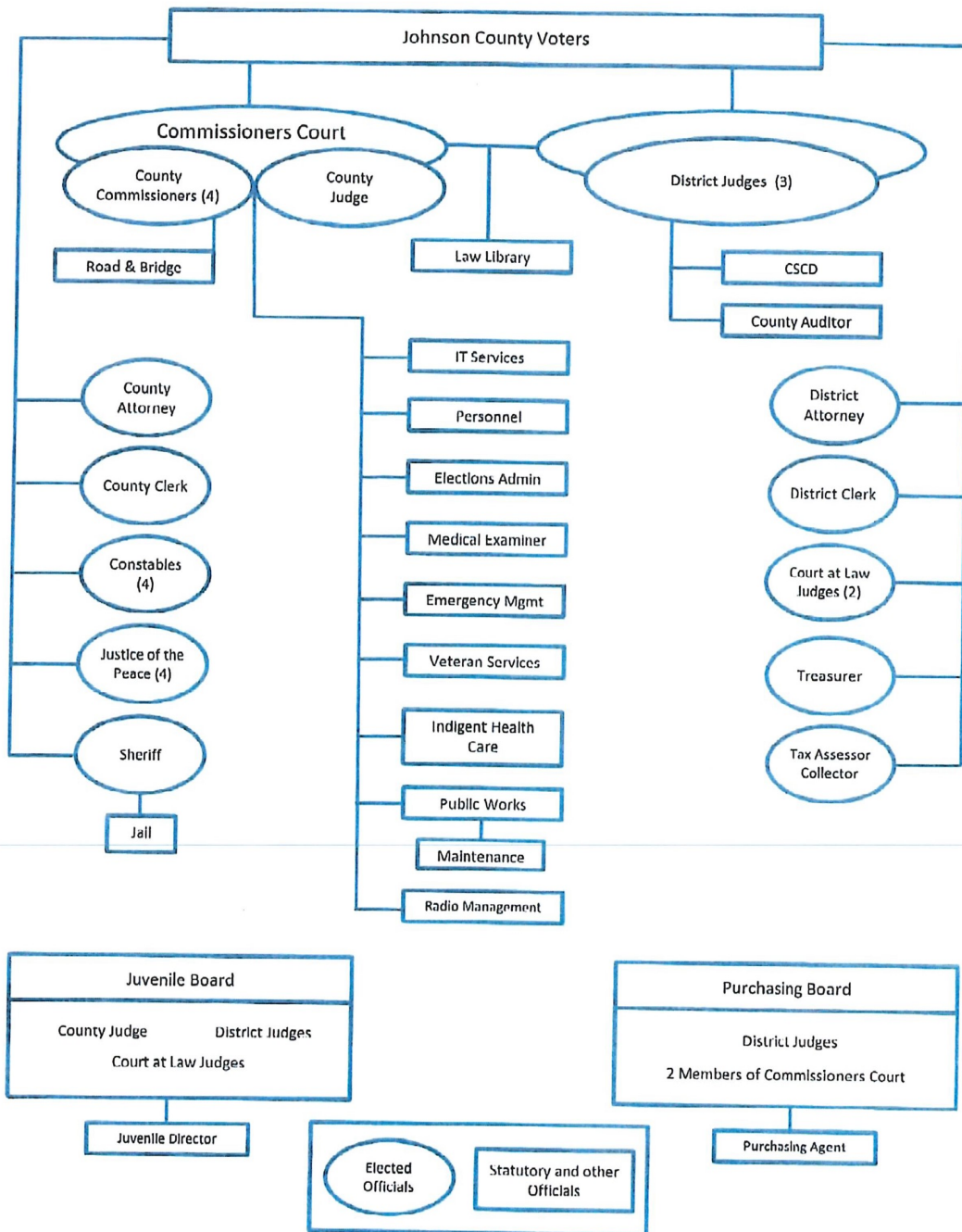
**Johnson County Texas**

For its Annual Comprehensive Financial  
Report  
For the Fiscal Year Ended

September 30, 2020

*Christopher P. Morill*

Executive Director/CEO



**JOHNSON COUNTY, TEXAS**

**PRINCIPAL OFFICIALS**

**COMMISSIONERS COURT**

COUNTY JUDGE  
COUNTY COMMISSIONERS  
Precinct 1  
Precinct 2  
Precinct 3  
Precinct 4

Roger Harmon  
  
Rick Bailey  
Kenny Howell  
Mike White  
Larry Woolley

**JUDICIAL**

DISTRICT JUDGE  
18<sup>th</sup> Judicial District  
249<sup>th</sup> Judicial District  
413<sup>th</sup> Judicial District  
COUNTY COURT-AT-LAW I  
COUNTY COURT-AT-LAW II  
JUSTICE OF THE PEACE  
Precinct 1  
Precinct 2  
Precinct 3  
Precinct 4

Sydney B. Hewlett  
Wayne Bridewell  
William C. Bosworth, Jr.  
Robert B. Mayfield, III  
Steve McClure  
  
Ronald R. McBroom  
Jeff Monk  
Pat Jacobs  
Robert Shaw

**LAW ENFORCEMENT AND LEGAL**

DISTRICT ATTORNEY  
COUNTY ATTORNEY  
SHERIFF  
CONSTABLES  
Precinct 1  
Precinct 2  
Precinct 3  
Precinct 4  
COMMUNITY SUPERVISION DIRECTOR\*  
CHIEF JUVENILE PROBATION OFFICER\*

Dale Hanna  
Bill Moore  
Adam King  
  
Matt Wylie  
Adam Crawford  
Steve Williams  
Troy Fuller  
Bob Barnes  
Cristy Malott

**FINANCIAL ADMINISTRATION**

COUNTY AUDITOR\*  
COUNTY TREASURER  
TAX ASSESSOR - COLLECTOR  
PURCHASING AGENT\*

Steven Watson  
Kathy Blackwell  
Scott Porter  
Ralph McBroom

**COURT CLERKS**

DISTRICT CLERK  
COUNTY CLERK

David Lloyd  
Becky Ivey

\*Denotes appointed officials. All others are elected officials.





## **FINANCIAL SECTION**





## Independent Auditor's Report

The Honorable County Judge,  
and Members of Commissioners  
Court of Johnson County, Texas

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

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

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

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

### ***Auditor's Responsibility***

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

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

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

**Lake Jackson**  
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Lake Jackson, TX 77566  
979-297-4075

**El Campo**  
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El Campo, TX 77437  
979-543-6836

**Angleton**  
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Angleton, TX 77515  
979-849-8297

**Bay City**  
2245 Avenue G  
Bay City, TX 77414  
979-245-9236



The Honorable County Judge,  
and Members of Commissioners  
Court of Johnson County, Texas

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the County, as of September 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, required pension schedules and required OPEB schedules on pages 4 through 16 and pages 70 through 77 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedules of expenditures of federal and state awards are 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 the Texas Single Audit Circular (*Uniform Grant Management Standards*) and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the schedules of expenditures of federal and state 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 schedules of expenditures of federal and state awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The Honorable County Judge,  
and Members of Commissioners  
Court of Johnson County, Texas

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 10, 2022, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

***KM&L, LLC***

Lake Jackson, Texas  
March 10, 2022

## JOHNSON COUNTY, TEXAS

### *Management's Discussion and Analysis For the Year Ended September 30, 2021*

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

#### **Financial Highlights**

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year for governmental activities by \$ 109,874,358 (net position). Of this amount, \$ 37,754,199 (unrestricted net position), may be used to meet the government's ongoing obligations to citizens and creditors with the County's fund designation.
- The County's total net position increased for governmental activities by \$ 7,068,882.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$ 61,639,773. 64.04% of this amount, \$ 39,473,064 (unassigned fund balance), was available for use within the County's fund designations. Of the governmental funds amount, \$ 1,062,807 is nonspendable and \$ 21,103,902 has been restricted for specific uses.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$ 39,473,064 or 60.81% of the total general fund expenditures.

#### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of 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 the County's finances, in a manner similar to a private-sector business.

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

The *statement of activities* presents information showing how the County's net position changed during the fiscal year. All changes in net position are reported when 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 the future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

## JOHNSON COUNTY, TEXAS

### *Management's Discussion and Analysis For the Year Ended September 30, 2021*

The government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*). The *governmental activities* of the County include general government, administration of justice, financial administration, elections, law enforcement, highways and streets, health and welfare, culture and recreation, and conservation. The County has no *business-type activities*.

The government-wide financial statements can be found on pages 18 through 19 of this report.

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

- **Governmental Funds.** *Governmental funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses 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 funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances, provide reconciliations to facilitate this comparison between governmental funds and governmental activities.

The County maintains fifty-two (52) 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 balance for the General Fund, the Road & Bridge Fund, the General Debt Service Fund and the American Rescue Plan Act (ARPA) Fund; all of which are considered to be major funds. Data from the other forty-eight (48) funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report. The basic governmental funds financial statements can be found on pages 20 through 25 of this report.

- **Proprietary Funds.** The County maintains no proprietary funds.

## JOHNSON COUNTY, TEXAS

*Management's Discussion and Analysis  
For the Year Ended September 30, 2021*

**Fiduciary Funds.** *Fiduciary funds* are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the County's operations. The County is the trustee, or *fiduciary*, for these funds and is responsible for ensuring that the assets reported in these funds are used for their intended purposes. The County's basic fiduciary financial statements can be found on page 26 through 27.

**Notes to the Financial Statements.** The notes provide 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 30 through 68 of this report.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information that further explains and supports the information in the financial statements. Required supplementary information can be found on pages 70 through 77 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented following the required supplementary information. Combining and individual statements and schedules can be found on pages 86 through 109 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 the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$ 109,874,358 as of September 30, 2021. This is an increase in net position of \$ 7,068,882 which is primarily due to a net increase in property taxes.

The largest portion of the County's net position is \$ 53,698,673 (48.87%) which reflects its investments in capital assets (e.g., land; construction in progress, buildings and improvements; furniture, equipment and vehicles; and infrastructure) less any debt used to acquire those assets that is still outstanding. The County uses capital assets to provide service to citizens and consequently these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Net investment in capital assets increased by \$ 1,228,518 due to capital additions exceeding depreciation expense and the maturity of long-term debt in the current fiscal year.

An additional portion of the County's net position is \$ 18,421,486 (16.77%) which represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position of \$ 37,754,199 (34.36%) may be used to meet the government's ongoing obligations to citizens and creditors.

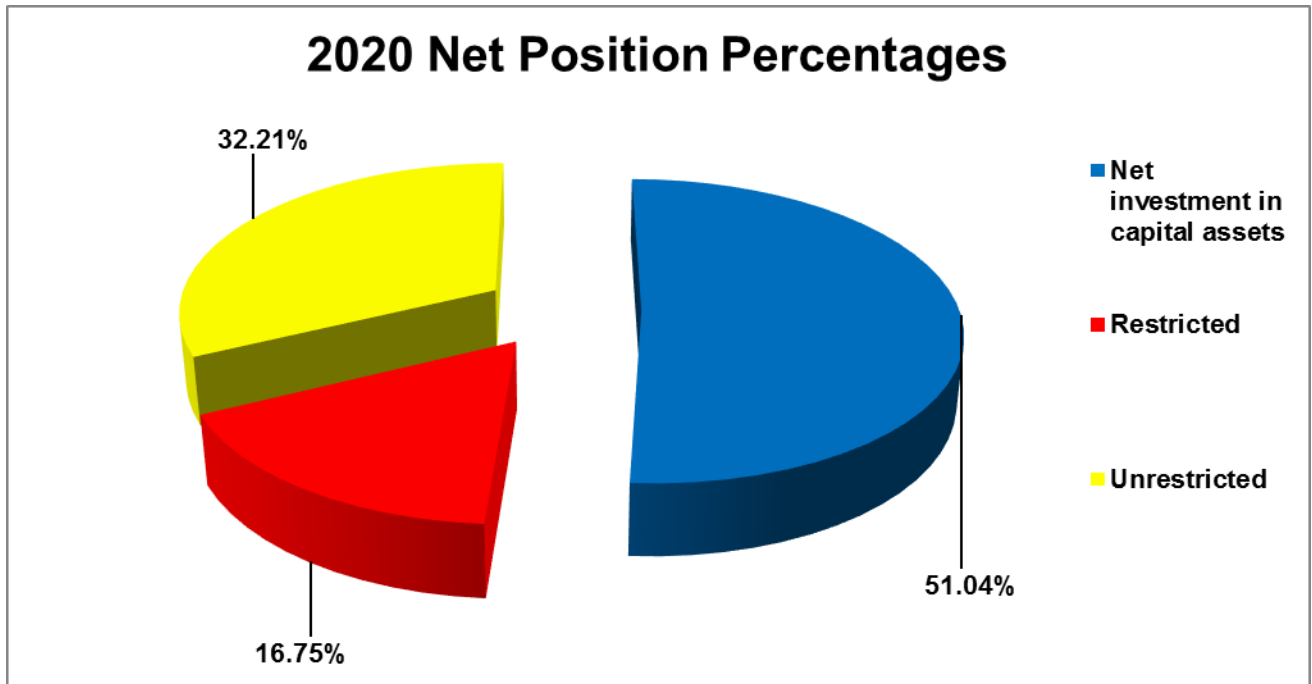
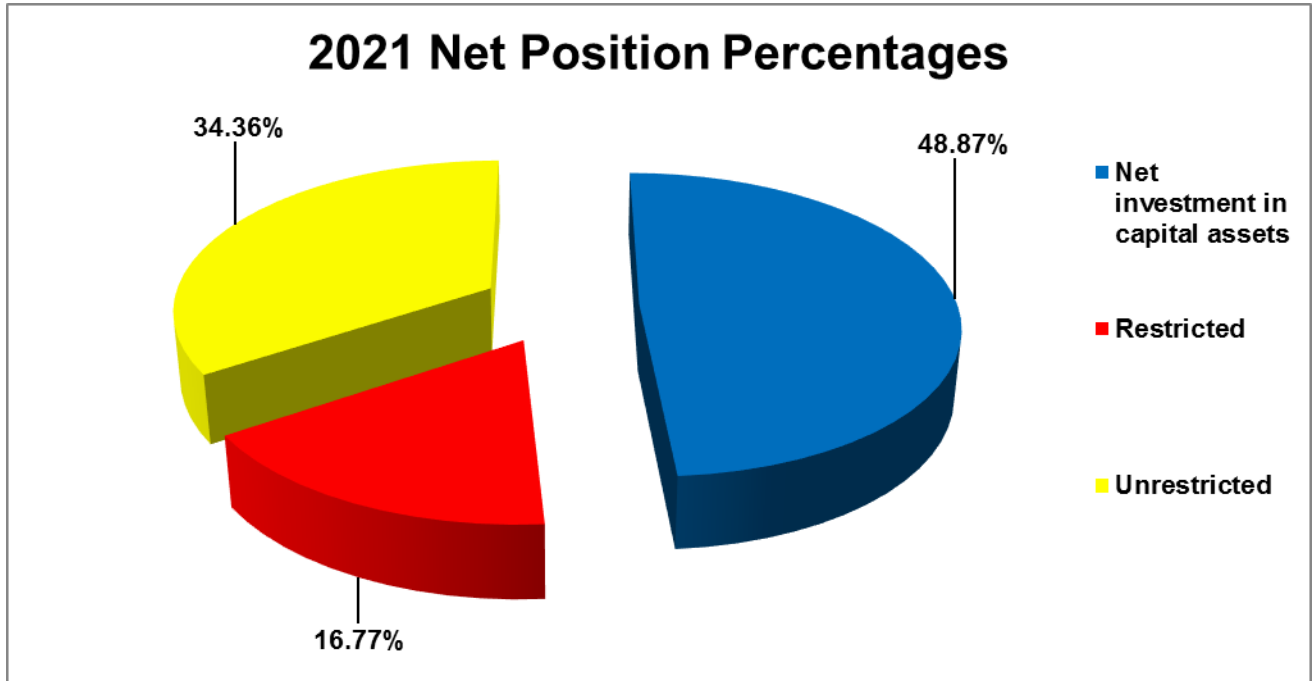


**JOHNSON COUNTY, TEXAS**  
*Management's Discussion and Analysis*  
*For the Year Ended September 30, 2021*

As of September 30, 2021, the County is able to report positive balances in all three categories of net position.

**JOHNSON COUNTY'S NET POSITION**

	<u>Governmental Activities</u>		Net Change
	<u>2021</u>	<u>2020</u>	
<b>ASSETS</b>			
Current and other assets	\$ 94,338,832	\$ 70,547,852	\$ 23,790,980
Capital assets	<u>68,898,918</u>	<u>70,652,911</u>	<u>( 1,753,993)</u>
Total assets	<u>163,237,750</u>	<u>141,200,763</u>	<u>22,036,987</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows of resources	<u>9,904,589</u>	<u>3,484,794</u>	<u>6,419,795</u>
Total deferred outflows of resources	<u>9,904,589</u>	<u>3,484,794</u>	<u>6,419,795</u>
<b>LIABILITIES</b>			
Current and other liabilities	22,974,690	5,297,176	17,677,514
Long-term liabilities	<u>35,585,396</u>	<u>33,181,931</u>	<u>2,403,465</u>
Total liabilities	<u>58,560,086</u>	<u>38,479,107</u>	<u>20,080,979</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows of resources	<u>4,707,895</u>	<u>3,400,974</u>	<u>1,306,921</u>
Total deferred inflows of resources	<u>4,707,895</u>	<u>3,400,974</u>	<u>1,306,921</u>
<b>NET POSITION</b>			
Net investment in capital assets	53,698,673	52,470,155	1,228,518
Restricted	18,421,486	17,220,292	1,201,194
Unrestricted	<u>37,754,199</u>	<u>33,115,029</u>	<u>4,639,170</u>
Total net position	<u>\$ 109,874,358</u>	<u>\$ 102,805,476</u>	<u>\$ 7,068,882</u>

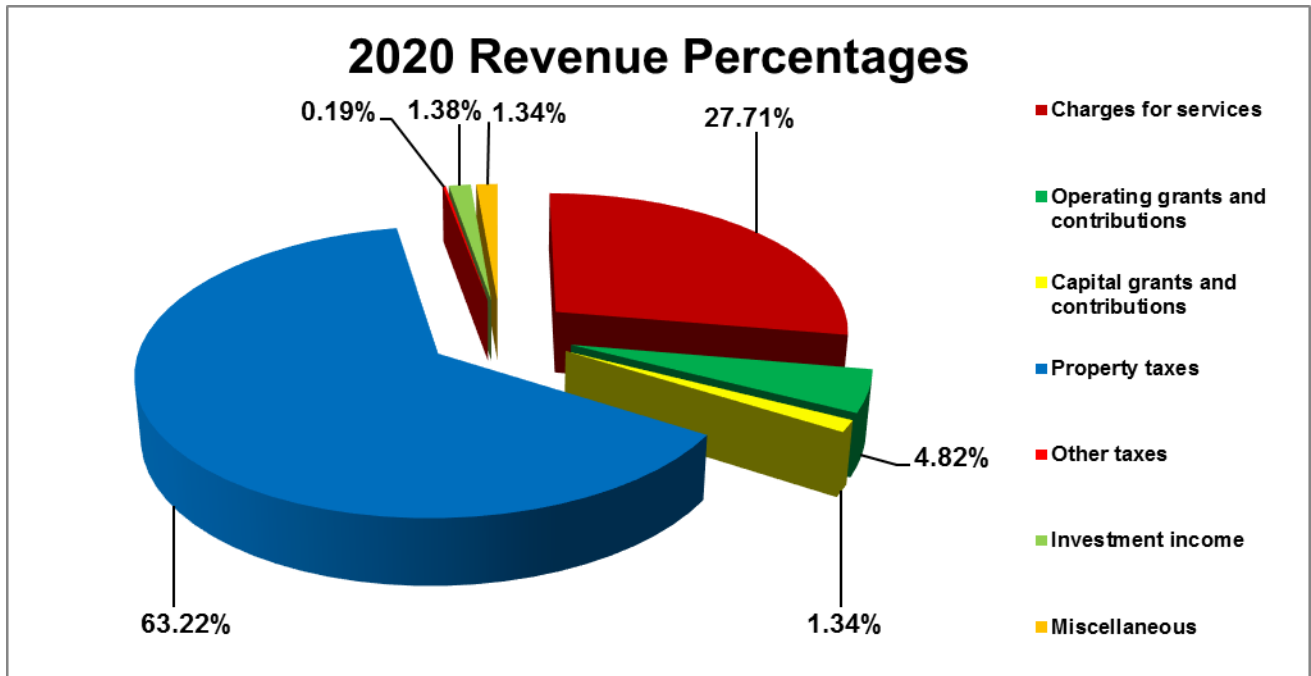
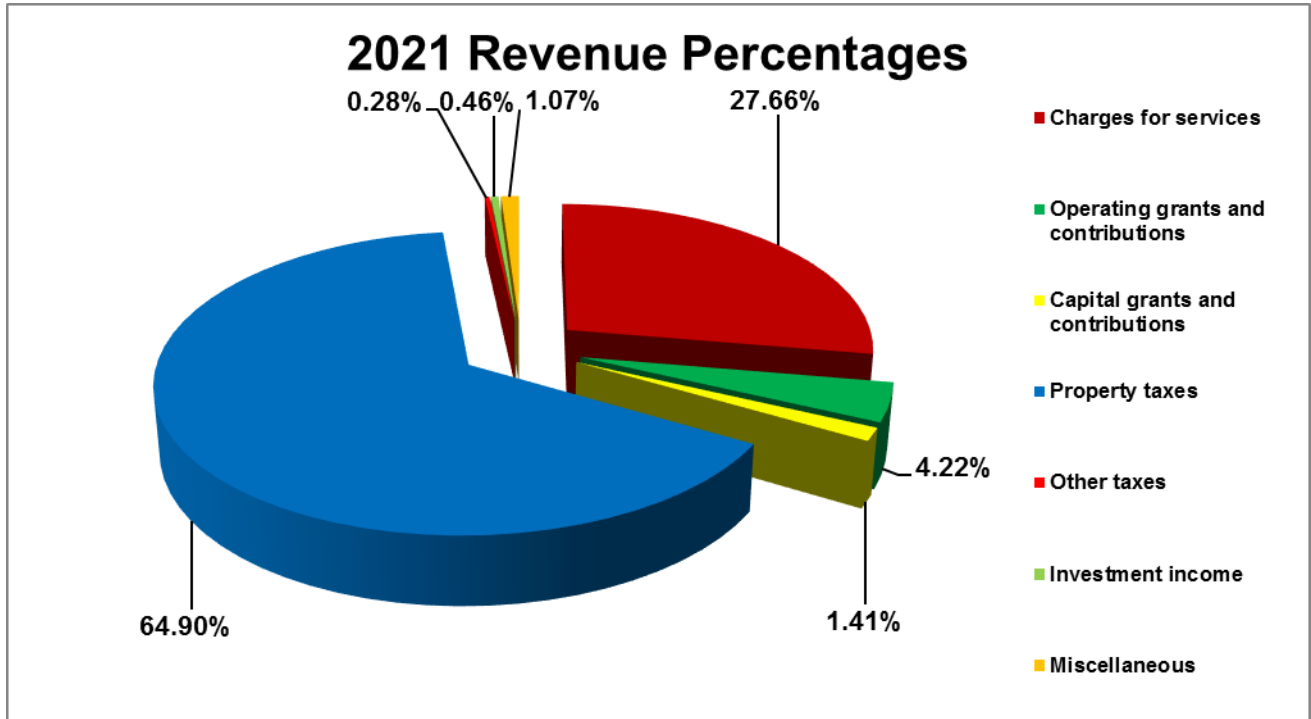


**JOHNSON COUNTY, TEXAS**  
*Management's Discussion and Analysis*  
*For the Year Ended September 30, 2021*

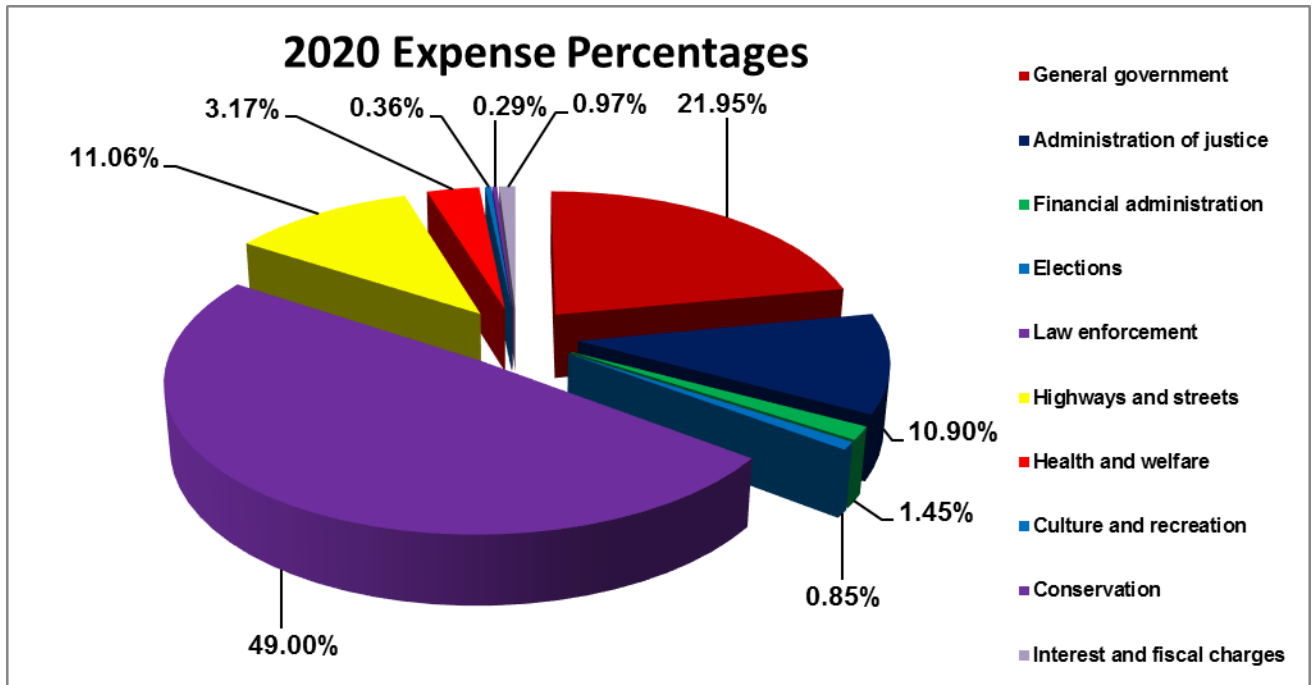
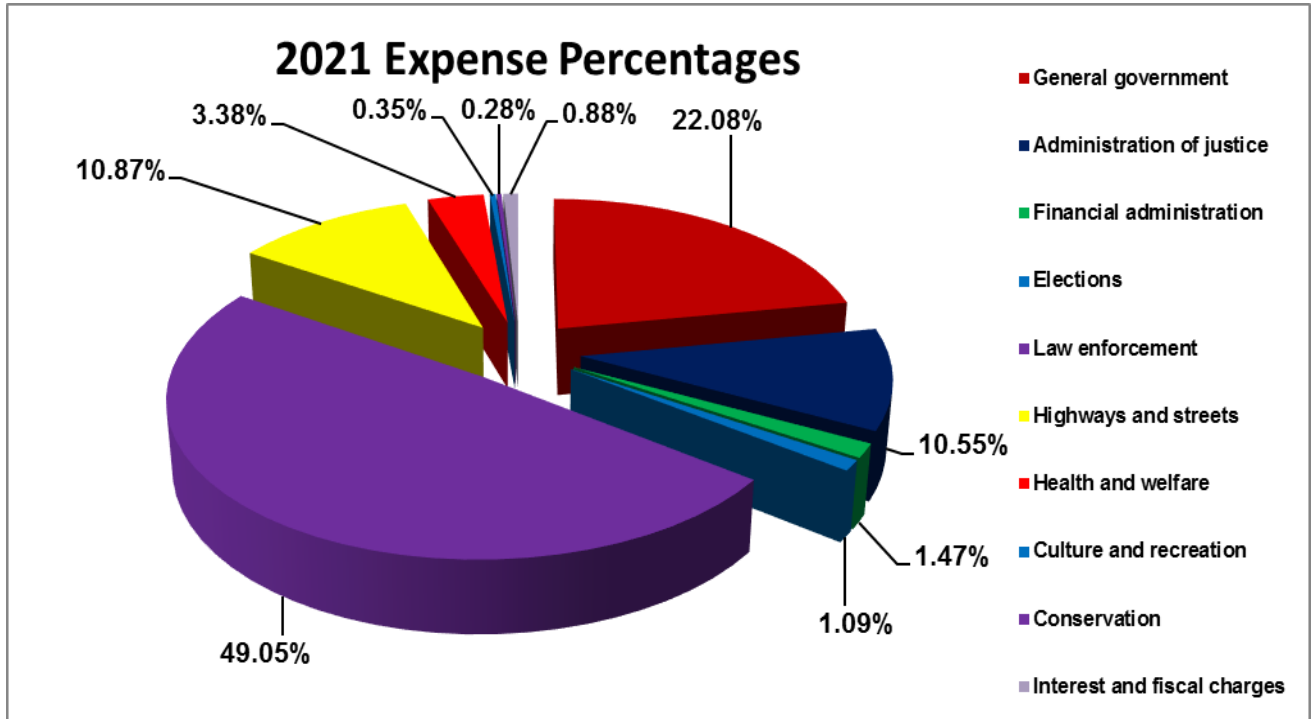
**Analysis of the County's Operations.** Governmental activities reported an increase in net position in the amount of \$ 7,068,882 due to increased property taxes. The following table provides a summary of the County's operations for the years ended September 30, 2021 and 2020.

**JOHNSON COUNTY'S CHANGES IN NET POSITION**

	<u>Governmental Activities</u>		<u>Net Change</u>
	<u>2021</u>	<u>2020</u>	
Revenues:			
Program Revenues:			
Charges for services	\$ 25,537,483	\$ 24,914,621	\$ 622,862
Operating grants and contributions	3,893,806	4,334,545	( 440,739)
Capital grants and contributions	1,305,573	1,203,158	102,415
General Revenues:			
Property taxes	59,925,889	56,834,980	3,090,909
Other taxes	255,264	173,200	82,064
Investment income	420,936	1,240,278	( 819,342)
Miscellaneous	<u>991,595</u>	<u>1,200,034</u>	<u>( 208,439)</u>
Total revenues	<u>92,330,546</u>	<u>89,900,816</u>	<u>2,429,730</u>
Expenses:			
General government	18,828,520	18,663,227	165,293
Administration of justice	8,992,175	9,263,379	( 271,204)
Financial administration	1,251,183	1,230,024	21,159
Elections	928,441	725,418	203,023
Law enforcement	41,822,703	41,667,920	154,783
Highways and streets	9,264,597	9,403,250	( 138,653)
Health and welfare	2,883,698	2,698,608	185,090
Culture and recreation	300,256	302,199	( 1,943)
Conservation	236,892	248,865	( 11,973)
Interest and fiscal charges	<u>753,199</u>	<u>826,935</u>	<u>( 73,736)</u>
Total expenses	<u>85,261,664</u>	<u>85,029,825</u>	<u>231,839</u>
Change in net position	7,068,882	4,870,991	2,197,891
Net position - beginning	<u>102,805,476</u>	<u>97,934,485</u>	<u>4,870,991</u>
Net position - ending	<u>\$ 109,874,358</u>	<u>\$ 102,805,476</u>	<u>\$ 7,068,882</u>



**JOHNSON COUNTY, TEXAS**  
*Management's Discussion and Analysis*  
*For the Year Ended September 30, 2021*



**JOHNSON COUNTY, TEXAS**  
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**Financial Analysis of the County's Funds**

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

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

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$ 61,639,773. The unassigned fund balance of \$ 39,473,064 constitutes 64.04% of ending fund balance. The fund balance is categorized as 1) nonspendable of \$ 1,062,807, 2) restricted of \$ 21,103,902, and 3) unassigned of \$ 39,473,064.

Fund balance of the General Fund increased by \$ 4,574,805; the Road & Bridge Fund increased by \$ 733,881; the General Debt Service Fund decreased by \$ 312,365, the American Rescue Plan Act (ARPA) Fund had no changes and Other Governmental Funds increased by \$ 754,009.

The increase in fund balance in the General Fund is a result of actual revenue exceeding actual expenditures by \$8,256,831 with a net of other financing sources and uses of (\$3,682,026). As for the Road & Bridge Fund (special revenue fund), the increase in fund balance was the result of revenue exceeding expenditures by \$653,224 with a net of other financing sources and uses of \$80,657. The significant decrease in fund balance for the General Debt Service (debt service fund) of \$312,365 was due to the intentional use of surplus fund balance. The increase in fund balance for other governmental funds is primarily due to transfers into the funds from the General Fund for capital expenditures.

**General Fund Budgetary Highlights.** The County budget is prepared by the County Judge's Office and presented to Commissioners Court for approval. The County operates within this budget for the fiscal year with expenditure amendments made as needed.

The difference between the General Fund original expenditure budget and the revised budget was an increase of \$2,244,359, primarily due to amendments allowing the County to resume management of the jail after years of private management. This was unforeseeable during the budgeting process.

During the year, revenues exceeded budget while expenditures were less than the budget. Total revenue exceeded projections primarily due to Coronavirus Relief Funds. Lower than budgeted expenditures resulted in many areas, primarily in the areas of general government and administration of justice. The lower than expected expenditure amounts are somewhat attributable to the pandemic experienced during the first few months of the year.

Total General Fund revenue exceeded the amended budget by approximately 3.07% and total General Fund expenditures were under the amended budget by approximately 9.55%.

**JOHNSON COUNTY, TEXAS**  
*Management's Discussion and Analysis*  
*For the Year Ended September 30, 2021*

**Capital Assets**

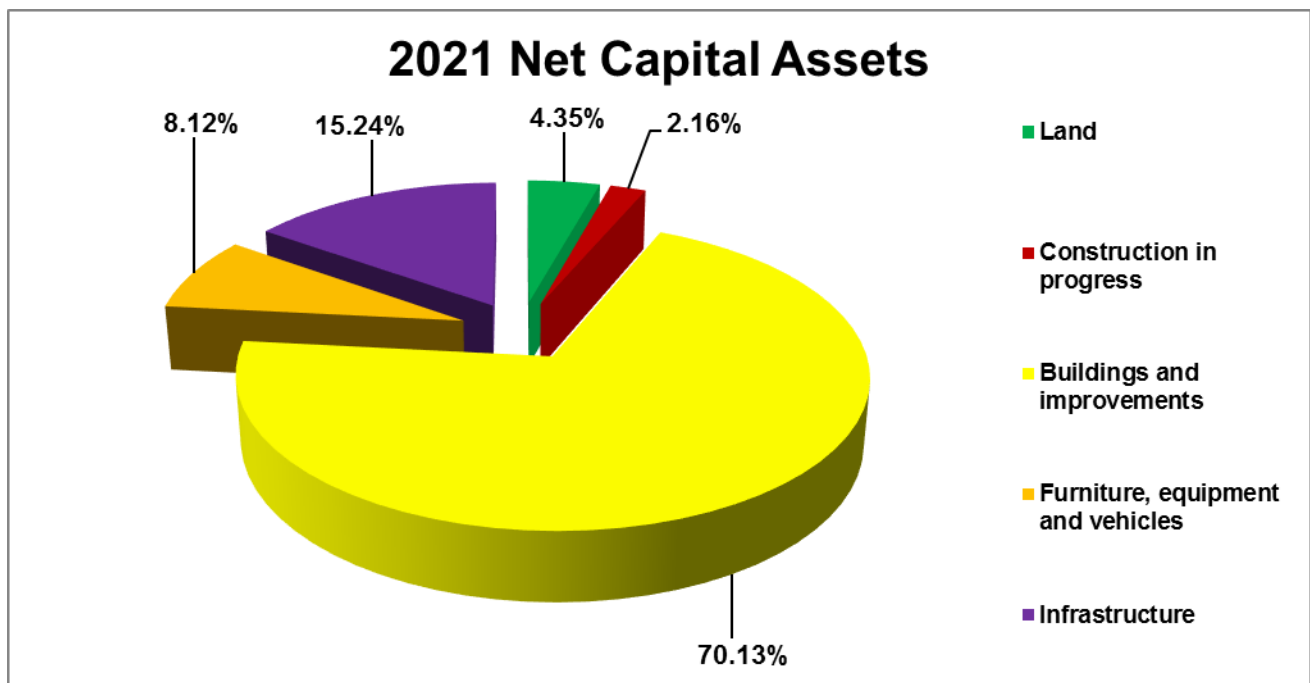
This investment in capital assets includes land; construction in progress; buildings and improvements; furniture, equipment and vehicles; and infrastructure.

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

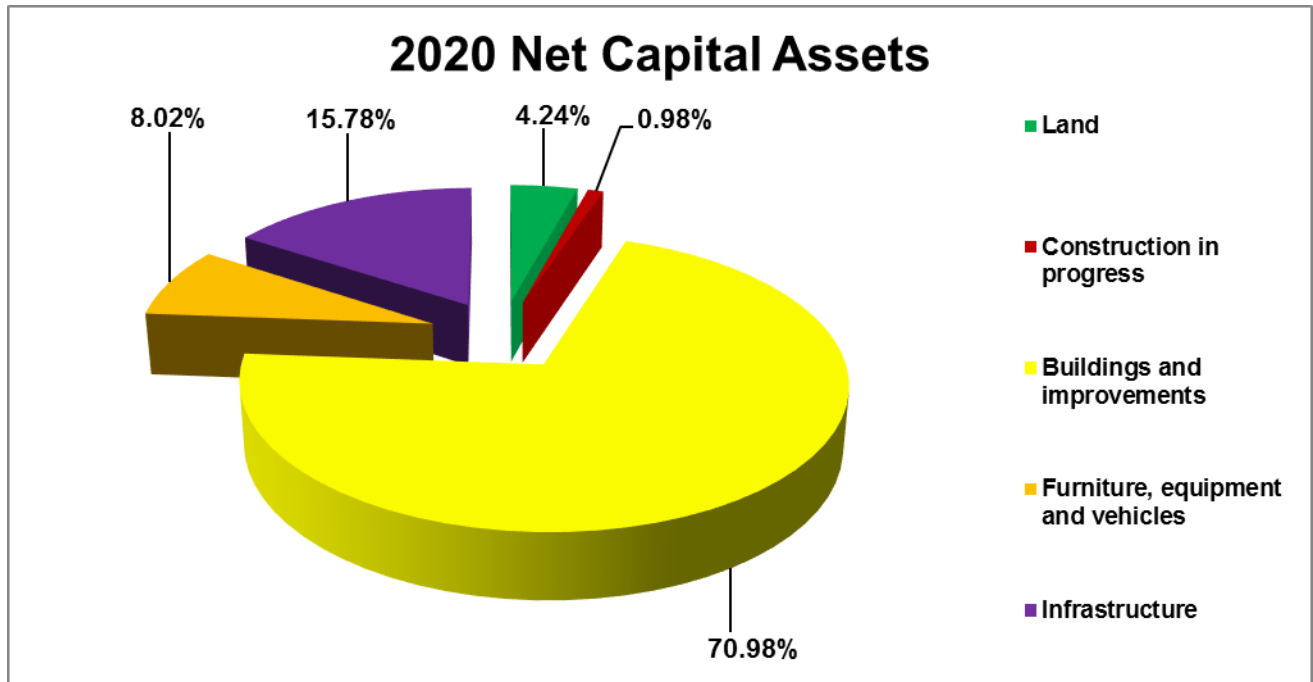
- Acquisition of new vehicles, various road and bridge equipment, and technology equipment.
- Renovation of existing buildings placed in service during the current fiscal year.
- Resurfacing of roads.
- Significant storm damage lead to major building repairs.

**JOHNSON COUNTY'S CAPITAL ASSETS**  
**Net of Accumulated Depreciation**

	<u>Governmental Activities</u>		<u>Net Change</u>
	<u>2021</u>	<u>2020</u>	
Land	\$ 2,997,691	\$ 2,997,691	\$ -
Construction in progress	1,489,887	689,127	800,760
Buildings and improvements	48,320,509	50,149,519	( 1,829,010)
Furniture, equipment and vehicles	5,590,076	5,665,086	( 75,010)
Infrastructure	<u>10,500,755</u>	<u>11,151,488</u>	<u>( 650,733)</u>
 Total	 <u>\$ 68,898,918</u>	 <u>\$ 70,652,911</u>	 <u>\$ ( 1,753,993)</u>



**JOHNSON COUNTY, TEXAS**  
*Management's Discussion and Analysis*  
*For the Year Ended September 30, 2021*



Additional information on the County's capital assets can be found in Note 6 on pages 51 through 52 of this report.

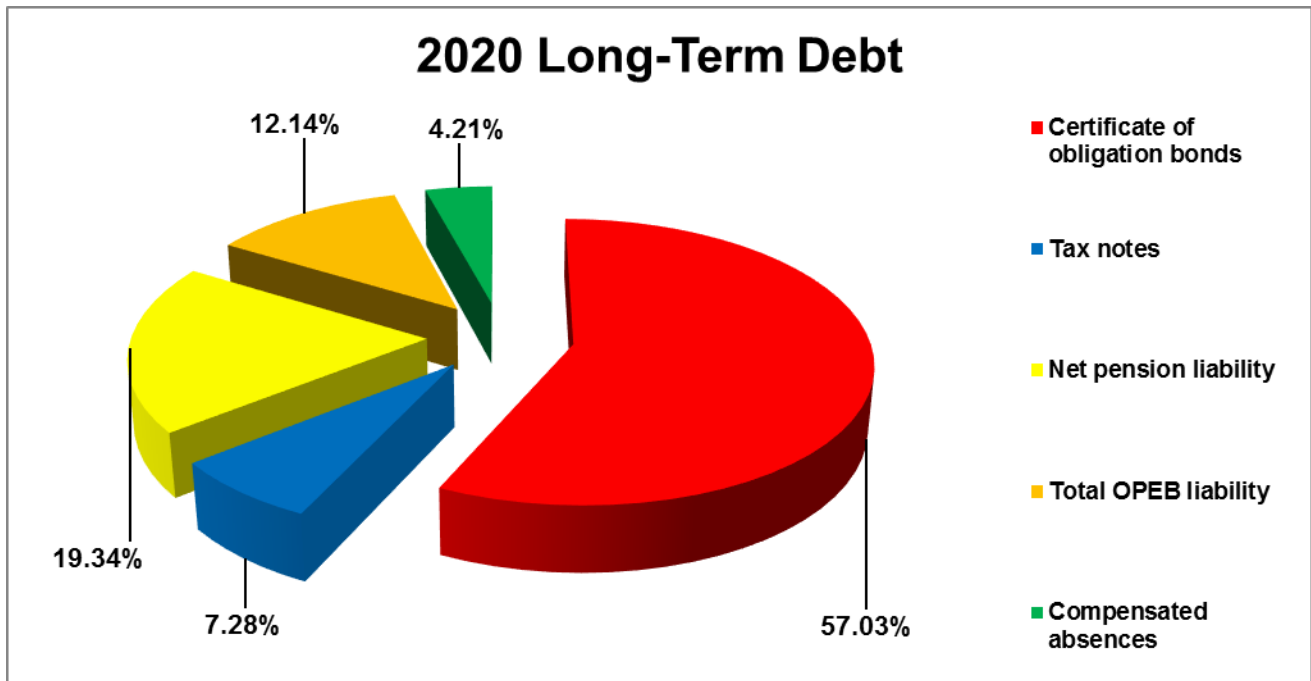
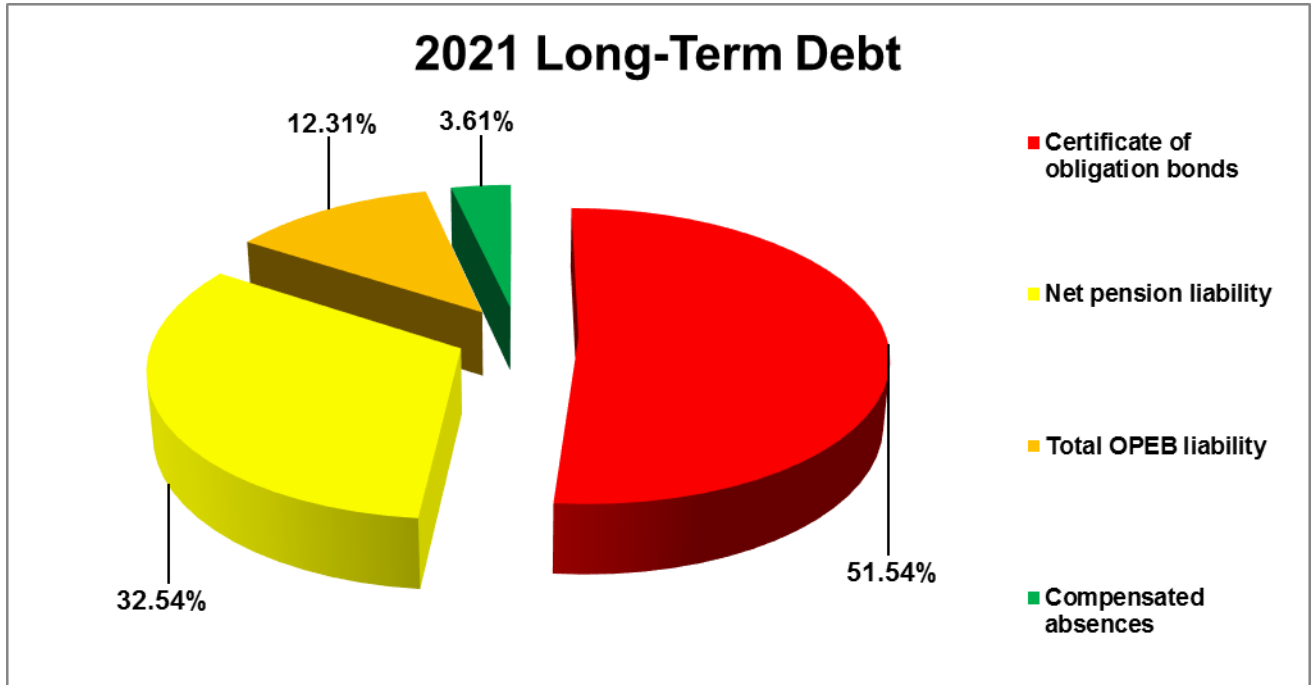
**DEBT ADMINISTRATION**

At the end of the current fiscal year, the County had a total bonded and note debt of \$ 18,340,000, which, comprises bonded and debt backed by the full faith and credit of the County agreement. The bonds and tax notes will be retired with revenues from property taxes.

**JOHNSON COUNTY'S LONG-TERM DEBT**

	Governmental Activities		Net Change
	2021	2020	
Certificates of obligation bonds	\$ 18,340,000	\$ 18,925,000	\$ ( 585,000)
Tax notes	-	2,415,000	( 2,415,000)
Net pension liability	11,578,471	6,418,015	5,160,456
Total OPEB liability	4,382,309	4,027,137	355,172
Compensated absences	1,284,616	1,396,779	( 112,163)
<b>Total</b>	<b>\$ 35,585,396</b>	<b>\$ 33,181,931</b>	<b>\$ 2,403,465</b>





## **JOHNSON COUNTY, TEXAS**

*Management's Discussion and Analysis  
For the Year Ended September 30, 2021*

During the fiscal year, the County's total debt increased \$ 2,403,465 or 7.24%. The net increase was due primarily to the additions to the net pension liability.

All of the outstanding Bonds of the County payable from its limited taxes are insured and are, therefore, rated "A1" by Moody's Investors Service Inc. ("Moody's"), and "AA" by Standard & Poor's ("S&P"). State statutes limit the amount of general obligation debt a government may issue to 25% of its total assessed valuation. The current limitation for the County significantly exceeds the outstanding general obligation debt.

Additional information on the County's long-term debt can be found in Note 8 on pages 53 through 55 of this report.

### **Economic Factors and Next Year's Budgets and Rates**

The annual budget is the means by which Commissioners Court sets the direction of the County, and allocates its resources.

In considering the budget for FY 2022, Commissioners Court considered the following factors:

- Property tax rate was \$ 0.425000, unchanged from the previous year and was under the rollback rate by \$ 0.038962. It appears the County will continue to see increases in unassigned fund balances in the General Fund, primarily due to conservative revenue projections and consistently underspending the budget.
- Employees received an average of a 5% increase in compensation. The increase in positions budgeted represents less than 5% of our total employment.

### **Request for Information**

This financial report is designed to provide a general overview of the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Johnson County Auditor, #2 N. Main Street, Cleburne, Texas, 76033, or call (817) 556-6305.

## **BASIC FINANCIAL STATEMENTS**

**JOHNSON COUNTY, TEXAS**  
**STATEMENT OF NET POSITION**  
September 30, 2021

Exhibit 1

	Governmental Activities
<b>ASSETS</b>	
Cash and temporary investments	\$ 58,916,763
Investments	22,678,879
Receivables (Net of Allowance for Uncollectibles):	
Taxes	711,148
Accounts	10,537,510
Due from other governments	415,315
Accrued interest	16,410
Inventories	413,379
Prepaid expenses	649,428
Capital Assets:	
Land	2,997,691
Construction in progress	1,489,887
Buildings and improvements (net)	48,320,509
Furniture, equipment and vehicles (net)	5,590,076
Infrastructure (net)	<u>10,500,755</u>
Total assets	<u>163,237,750</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred outflows of resources	<u>9,904,589</u>
Total deferred outflows of resources	<u>9,904,589</u>
<b>LIABILITIES</b>	
Accounts and accrued liabilities payable	5,721,536
Accrued interest payable	91,441
Unearned revenue	17,161,713
Noncurrent Liabilities:	
Due within one year	2,226,786
Due in more than one year:	
Other noncurrent liabilities	17,397,830
Net pension liability	11,578,471
Total OPEB liability	<u>4,382,309</u>
Total liabilities	<u>58,560,086</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred inflows of resources	<u>4,707,895</u>
Total deferred inflows of resources	<u>4,707,895</u>
<b>NET POSITION</b>	
Net investment in capital assets	53,698,673
Restricted:	
Road and bridge	7,480,566
Records management	4,206,814
Other purposes	6,734,106
Unrestricted	<u>37,754,199</u>
Total net position	<u>\$ 109,874,358</u>

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

**JOHNSON COUNTY, TEXAS**  
**STATEMENT OF ACTIVITIES**  
For the Year Ended September 30, 2021

Exhibit 2

Functions/Programs	Expenses	Program Revenues		Capital Grants and Contributions	Net Revenue (Expense) and Change In Net Position Governmental Activities
		Charges for Services	Operating Grants and Contributions		
<b>Governmental Activities:</b>					
General government	\$ 18,828,520	\$ 8,239,101	\$ 561,610	\$ -	\$( 10,027,809)
Administration of justice	8,992,175	2,486,839	1,370,298	-	( 5,135,038)
Financial administration	1,251,183	-	-	-	( 1,251,183)
Elections	928,441	324,186	110,294	-	( 493,961)
Law enforcement	41,822,703	12,147,431	631,248	4,216	( 29,039,808)
Highways and streets	9,264,597	2,222,760	97,117	970,030	( 5,974,690)
Health and welfare	2,883,698	-	1,123,239	331,327	( 1,429,132)
Culture and recreation	300,256	117,166	-	-	( 183,090)
Conservation	236,892	-	-	-	( 236,892)
Interest and fiscal charges	753,199	-	-	-	( 753,199)
<b>Total governmental activities</b>	<b>85,261,664</b>	<b>25,537,483</b>	<b>3,893,806</b>	<b>1,305,573</b>	<b>( 54,524,802)</b>
<b>General Revenues:</b>					
Property taxes					59,925,889
Other taxes					255,264
Investment income					420,936
Miscellaneous					991,595
<b>Total general revenues</b>					<b>61,593,684</b>
<b>Change in net position</b>					<b>7,068,882</b>
<b>Net position - beginning</b>					<b>102,805,476</b>
<b>Net position - ending</b>					<b>\$ 109,874,358</b>

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

**JOHNSON COUNTY, TEXAS**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
September 30, 2021

Exhibit 3

	Major Funds				Non-Major Funds	Total Governmental Funds
	General Fund	Road & Bridge Fund	General Debt Service Fund	American Rescue Plan Act (ARPA) Fund	Other Governmental Funds	
<b>Assets</b>						
Cash and temporary investments	\$ 22,909,421	\$ 4,125,973	\$ 339,503	\$ 17,072,342	\$ 14,469,524	\$ 58,916,763
Investments	19,578,634	1,338,197	-	-	1,762,048	22,678,879
Receivables (net of allowance for uncollectibles):						
Taxes	598,279	76,087	17,878	-	18,904	711,148
Accounts	1,055,346	118,597	-	-	41,293	1,215,236
Due from other governments	47,635	232,923	-	-	134,757	415,315
Accrued interest	16,410	-	-	-	-	16,410
Due from other funds	177,029	-	-	-	156,449	333,478
Inventories	-	413,379	-	-	-	413,379
Prepaid expenditures	596,155	44,052	-	-	9,221	649,428
<b>Total assets</b>	<b>\$ 44,978,909</b>	<b>\$ 6,349,208</b>	<b>\$ 357,381</b>	<b>\$ 17,072,342</b>	<b>\$ 16,592,196</b>	<b>\$ 85,350,036</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>						
<b>Liabilities:</b>						
Accounts and accrued liabilities payable	\$ 4,302,693	\$ 326,104	\$ -	\$ -	\$ 1,092,739	\$ 5,721,536
Due to other funds	156,449	-	-	-	177,029	333,478
Unearned revenue	39,140	-	-	17,072,342	50,231	17,161,713
<b>Total liabilities</b>	<b>4,498,282</b>	<b>326,104</b>	<b>-</b>	<b>17,072,342</b>	<b>1,319,999</b>	<b>23,216,727</b>
<b>Deferred Inflows of Resources:</b>						
Deferred inflows of resources	411,408	56,341	12,971	-	12,816	493,536
<b>Total deferred inflows of resources</b>	<b>411,408</b>	<b>56,341</b>	<b>12,971</b>	<b>-</b>	<b>12,816</b>	<b>493,536</b>
<b>Fund Balances:</b>						
Nonspendable	596,155	457,431	-	-	9,221	1,062,807
Restricted	-	5,509,332	344,410	-	15,250,160	21,103,902
Unassigned	39,473,064	-	-	-	-	39,473,064
<b>Total fund balances</b>	<b>40,069,219</b>	<b>5,966,763</b>	<b>344,410</b>	<b>-</b>	<b>15,259,381</b>	<b>61,639,773</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 44,978,909</b>	<b>\$ 6,349,208</b>	<b>\$ 357,381</b>	<b>\$ 17,072,342</b>	<b>\$ 16,592,196</b>	<b>\$ 85,350,036</b>

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

**JOHNSON COUNTY, TEXAS**

Exhibit 3R

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE GOVERNMENTAL ACTIVITIES STATEMENT OF NET POSITION**

September 30, 2021

Total fund balance - governmental funds balance sheet (Exhibit 3)	\$ 61,639,773
<b>Amounts reported for governmental activities in the statement of net position (Exhibit 1) are different because:</b>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Capital assets include \$ 163,811,321 in assets less \$ 94,912,403 in accumulated depreciation.	68,898,918
Judicial accounts receivables net of related allowance for uncollectible accounts are unavailable to pay for current period expenditures and availability of funds that are uncertain as to availability are not recorded in the funds. Judicial receivables of \$ 17,590,764 net of allowance for uncollectible accounts of \$ 8,268,490 amounted to \$ 9,322,274.	9,322,274
Property taxes receivable unavailable to pay for current period expenditures are reported as deferred inflows of resources in the funds. Deferred inflows of resources (property tax revenues) for the General Fund, Road & Bridge Fund, the General Debt Service Fund, and the Indigent Health Care Fund amounted to \$ 411,408, \$ 56,341, \$ 12,971 and \$ 12,816, respectively.	493,536
Pension and OPEB deferred outflows of resources of \$ 9,904,589 less deferred inflows of resources of \$ 4,707,895.	5,196,694
Payables for bond principal are not reported in the funds.	( 18,340,000 )
Payables for net pension liability are not reported in the funds.	( 11,578,471 )
Payables for bonded debt interest is not reported in the funds except for amounts received from the sale of bonds or issuance of notes after the issuance date. Total accrued interest payable of \$ 91,441.	( 91,441 )
Payables for total OPEB liability are not reported in the funds.	( 4,382,309 )
Payables for compensated absences are not reported in the funds.	<u>( 1,284,616 )</u>
Net position of governmental activities - statement of net position (Exhibit 1)	<u>\$ 109,874,358</u>

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





**JOHNSON COUNTY, TEXAS**

Exhibit 4

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
GOVERNMENTAL FUNDS**

For the Year Ended September 30, 2021

	Major Funds				Non-Major Funds	Total Governmental Funds
	General Fund	Road & Bridge Fund	General Debt Service Fund	American Rescue Plan Act (ARPA) Fund	Other Governmental Funds	
<b>REVENUES</b>						
Taxes	\$ 51,414,264	\$ 5,820,096	\$ 1,343,014	\$ -	\$ 1,667,186	\$ 60,244,560
Intergovernmental	1,797,597	359,267	-	2,853	2,732,592	4,892,309
Prisoner housing services	8,702,223	-	-	-	-	8,702,223
Fees	9,191,899	2,222,760	-	-	3,073,981	14,488,640
Fines	1,027,653	-	-	-	50,501	1,078,154
Investment income	348,834	27,637	322	1,662	42,481	420,936
Miscellaneous	686,796	268,563	-	-	444,671	1,400,030
<b>Total revenues</b>	<b>73,169,266</b>	<b>8,698,323</b>	<b>1,343,336</b>	<b>4,515</b>	<b>8,011,412</b>	<b>91,226,852</b>
<b>EXPENDITURES</b>						
Current:						
General government	15,971,872	-	-	-	932,991	16,904,863
Administration of justice	7,370,694	-	-	-	1,517,327	8,888,021
Financial administration	1,234,501	-	-	-	-	1,234,501
Elections	770,742	-	-	-	166,808	937,550
Law enforcement	36,888,259	-	-	-	2,509,321	39,397,580
Highway and streets	-	7,338,311	-	-	-	7,338,311
Health and welfare	1,144,756	-	-	4,515	1,641,396	2,790,667
Culture and recreation	288,299	-	-	-	-	288,299
Conservation	234,979	-	-	-	-	234,979
Capital outlay	1,008,333	706,788	-	-	2,069,224	3,784,345
Debt service:						
Principal	-	-	3,000,000	-	-	3,000,000
Interest and fiscal charges	-	-	771,733	-	-	771,733
<b>Total expenditures</b>	<b>64,912,435</b>	<b>8,045,099</b>	<b>3,771,733</b>	<b>4,515</b>	<b>8,837,067</b>	<b>85,570,849</b>
Excess (deficiency) of revenues over expenditures	8,256,831	653,224	( 2,428,397 )	-	( 825,655 )	5,656,003
Other Financing Sources (Uses):						
Proceeds from sale of capital assets	23,977	60,660	-	-	9,690	94,327
Transfers in	343,221	19,997	2,116,032	-	2,013,315	4,492,565
Transfers out	( 4,049,224 )	-	-	-	( 443,341 )	( 4,492,565 )
<b>Total other financing sources (uses)</b>	<b>( 3,682,026 )</b>	<b>80,657</b>	<b>2,116,032</b>	<b>-</b>	<b>1,579,664</b>	<b>94,327</b>
Net change in fund balances	4,574,805	733,881	( 312,365 )	-	754,009	5,750,330
Fund balances - beginning	35,494,414	5,232,882	656,775	-	14,505,372	55,889,443
Fund balances - ending	\$ 40,069,219	\$ 5,966,763	\$ 344,410	\$ -	\$ 15,259,381	\$ 61,639,773

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

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

For the Year Ended September 30, 2021

Exhibit 4R  
Page 1 of 2

Net change in fund balance - total governmental funds (Exhibit 4)	\$ 5,750,330
<b>Amounts reported for governmental activities in the statement of activities (Exhibit 2) are different because:</b>	
Governmental funds report capital outlays as expenditures. However, in the governmental activities statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation of \$ 6,203,103 exceeded capital outlay of \$ 3,784,345 in the current period.	( 2,418,758 )
Contributions of capital assets are not reported in the funds, however, contributions of capital assets are reported as capital contributions in the governmental activities statement of activities. During the current year, \$ 712,096 of capital assets were contributed to and accepted by the County.	712,096
Property tax revenues in the governmental activities statement of activities do not provide current available resources and are not reported as revenues in the funds. The decrease of deferred inflows of resources (property tax revenues) for the General Fund, Road & Bridge, General Debt Service Fund, and Indigent Health Care Fund amounted to \$ 53,053, \$ 2,902, \$ 6,581, and \$ 871, respectively.	( 63,407 )
Governmental funds report proceeds from the sale of assets as revenue. However, in the governmental activities statement of activities, the cost of the assets disposed is offset against the proceeds to report gain or loss on the disposition of assets. The costs of assets disposed were \$ 47,331 (Cost of \$ 1,315,504 less accumulated depreciation of \$ 1,268,173).	( 47,331 )
Judicial revenues (resulting from accounts receivable net of related allowance for uncollectible accounts) in the governmental activities statement of activities do not provide current available resources and are not reported as revenues in the funds. The change in these net receivables resulted in an increase in revenues reported in the governmental activities statement of activities.	408,009
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the governmental activities statement of net position. The fund statements reported \$ 3,000,000 in long-term bond and tax note principal payments.	3,000,000
Some expenses reported in the governmental activities statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This is the net amount of accrued interest on long-term debt. The current change in accrued interest on notes and bonds is \$ 18,534.	18,534
Governmental funds report pension payments as expenditures. However, in the governmental activities statement of activities, the pension cost is calculated actuarially and involves multiple factors. The amount of pension expense reported was \$ 178,805 more than the amount reported in the funds.	( 178,805 )
Governmental funds report OPEB payments as expenditures. However, in the governmental activities statement of activities, the OPEB cost is calculated actuarially and involves multiple factors. The amount of OPEB expense reported was \$ 223,949 more than the amount reported in the funds.	( 223,949 )
	(continued)

**JOHNSON COUNTY, TEXAS**

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

For the Year Ended September 30, 2021

Some expenses reported in the governmental activities statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This is the amount of change in compensated absences.

\$ 112,163

Change in net position of governmental activities (see Exhibit 2)

\$ 7,068,882

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

**JOHNSON COUNTY, TEXAS**  
**STATEMENT OF FIDUCIARY NET POSITION**  
September 30, 2021

Exhibit 5

	<u>Custodial Funds</u>
<b>ASSETS</b>	
Cash and temporary investments	\$ 12,061,328
Accounts receivable	<u>119,093</u>
Total assets	<u>12,180,421</u>
<b>LIABILITIES</b>	
Accounts and accrued liabilities payable	301,351
Held for others	4,678,653
Due to other governments	189,065
Unearned revenue	<u>241,682</u>
Total liabilities	<u>5,410,751</u>
<b>NET POSITION</b>	
Individuals, organizations and other governments	<u>6,769,670</u>
Total net position	<u>\$ 6,769,670</u>

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

**JOHNSON COUNTY, TEXAS**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
For the Year Ended September 30, 2021

Exhibit 6

	<u>Custodial Funds</u>
Additions	
Collections for adult probation	\$ 3,020,502
Tax collections for other governments	465,451,771
Held for others	4,158,684
Investment income	<u>8,546</u>
Total additions	<u>472,639,503</u>
Deductions:	
Payments for adult probation	3,068,624
Payments to individuals	4,132,700
Payments to other governments	<u>464,820,639</u>
Total deductions	<u>472,021,963</u>
Net change in net position	617,540
Net position - beginning (restated)	<u>6,152,130</u>
Net position - ending	<u>\$ 6,769,670</u>

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



**JOHNSON COUNTY, TEXAS**

*Notes to the Financial Statements*

For the Year Ended September 30, 2021

Note

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## **JOHNSON COUNTY, TEXAS**

### *Notes to the Financial Statements*

For the Year Ended September 30, 2021

#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting and reporting policies of Johnson County, Texas (the "County") related to the funds in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants in the publication entitled Audits of State and Local Governmental Units and by the Financial Accounting Standards Board (when applicable). The more significant accounting policies of the County are described below.

##### Reporting Entity

In evaluating how to define the government, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. Based upon the application of these criteria, the following is a brief review of each potential component unit addressed in defining the County's reporting entity. Financial statements for component units can be obtained from the office of the County Auditor.

Included in the reporting entity:

##### **Johnson County, Texas (Primary Government)**

The County is a political subdivision of the State of Texas. The County is governed by the Commissioners Court, composed of four elected County Commissioners and an elected County Judge. Each of these officials serves a term of four years. The primary activities of the County include: the construction and maintenance of county roads, provision of public safety through a sheriff's department, support of area fire protection and ambulance service, administration of justice, correctional facilities, health and welfare services, culture and recreation, and other social and administrative services.

For the year ended September 30, 2021, no other organizations have been combined for either blended or discrete presentation in the County's financial statements. The following organizations are not considered "related organizations."

Excluded from the reporting entity:

##### **Adult Probation**

This entity is considered a separate agency of the State of Texas. While the County provides office space, utilities, telephone and certain supplies, the operations of this unit are primarily provided for by the State. A separate board develops the operating budget, which is also approved and controlled by the State of Texas. Required County expenditures are disclosed as a department within the County function of Administration of Justice. Due to custodial responsibility, the accounts of this entity are reported as an Agency Fund of the County.



## JOHNSON COUNTY, TEXAS

### Notes to the Financial Statements

For the Year Ended September 30, 2021

#### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

##### Reporting Entity - Continued

##### **Johnson County Appraisal District**

This is a separate entity providing property appraisal services to all taxing units within the County. This entity has its own governing board, elected by the various taxing units, which it serves; however, the taxing units do not designate management or significantly influence operations. The entity's cost of operations is divided on a prorated basis among the various taxing units within the County. The County's share of this cost is disclosed within the General Fund under the general government function.

Other entities within the County, which provide similar services but are not included in the reporting entity because they do not meet the criteria, are: municipalities, school districts, drainage districts, hospital districts, water districts and various non-profit organizations.

##### Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report financial information on all of the nonfiduciary activities of the primary government. For the most part, interfund activity has been removed from these statements; however, interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The County has no business-type activities.

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

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The County has no proprietary funds.

##### Measurement Focus, Basis Of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary and fiduciary fund (excluding agency funds, which have no measurement focus but are on the accrual basis of accounting) financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

## JOHNSON COUNTY, TEXAS

### Notes to the Financial Statements

For the Year Ended September 30, 2021

#### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

##### Measurement Focus, Basis Of Accounting, and Financial Statement Presentation - Continued

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Revenues from taxes, intergovernmental, prisoner housing services, fees, fines, and investment income associated with the current fiscal period are all considered to be susceptible to accrual. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment income is recorded as earned, since they are both measurable and available.

Revenue from investments, including governmental external investment pools, is based upon fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Most investments are reported at amortized cost when the investments have remaining maturities of one year or less at time of purchase. External investment pools are permitted to report short-term debt investments at amortized cost, provided that the fair value of those investments is not significantly affected by the impairment of the credit standing of the issuer, or other factors. For that purpose, a pool's short-term investments are those with remaining maturities of up to ninety days.

Grant funds are considered earned to the extent of the expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as unearned revenues until the related and authorized expenditures have been made. If balances have not been expended by the end of the project period, grantors sometimes require the County to refund all or part of the unused amount.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, and 2) operating and capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, and then unrestricted resources as they are needed.

The County has presented the following major governmental funds:

The *General Fund* is the County's primary operating fund. It accounts for all financial resources of the County, except those required to be accounted for in another fund. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the general fund.

## JOHNSON COUNTY, TEXAS

### Notes to the Financial Statements

For the Year Ended September 30, 2021

#### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

##### Measurement Focus, Basis Of Accounting, and Financial Statement Presentation - Continued

The *Road & Bridge Fund* accounts for the property taxes and fees from auto registration, certificates of title, gross weight and axle fees, and approved expenditures for public transportation projects.

The *General Debt Service Fund* is utilized to account for the accumulation of resources from property tax collections for the repayment of general obligation bonded debt, interest and related costs of the County.

The *American Rescue Plan Act (ARPA) Fund* accounts for the federal grant funds received by the County to 1) respond to or mitigate the public health emergency with respect to the COVID-19 emergency or its negative impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel and hospitality; 2) provide government services to the extent of the reduction in revenue due to the public health emergency; 3) make necessary investments in water, sewer, or broadband infrastructure; 4) state and local governments can transfer the funds to a private nonprofit organization, a public benefit corporation involved in the transportation of passengers or cargo or a special-purpose unit of State or local government; 5) respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers of the County that perform such essential work, or by providing grants to eligible employers that have eligible workers who perform essential work.

Additionally, the County reports the following fiduciary funds:

The *custodial funds* account for assets that the government holds on behalf of others as their agent. The County's custodial funds include Sheriff seizures, Special Crimes Operations Seizures, Unclaimed Property, Sheriff Escrow, Constable, Sheriff Inmate, County Clerk, District Clerk, Juvenile Probation Restitution, Tax Collector and Adult Probation.

##### New Pronouncements

GASB issues statements on a routine basis with the intent to provide authoritative guidance on the preparation of financial statements and to improve governmental accounting and financial reporting of governmental entities. Management reviews these statements to ensure that preparation of its financial statements are in conformity with generally accepted accounting principles and to anticipate changes in those requirements. The following recent GASB Statements reflect the action and consideration of management regarding these requirements:

GASB No. 84 "Fiduciary Activities" was issued in January 2017. The statement was implemented and did not have a material effect on the financial statement of the County. The requirements of this Statement are effective for periods beginning after December 15, 2019.

GASB No. 87 "Leases" was issued in June 2017. The management of the County does expect the implementation of this standard to have a material effect on the financial statements of the County. The requirements of this Statement are effective for periods beginning after June 15, 2021.

## **JOHNSON COUNTY, TEXAS**

### *Notes to the Financial Statements*

For the Year Ended September 30, 2021

#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

##### New Pronouncements - Continued

GASB No. 88 "Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements" was issued in April 2018. The management of the County does not expect the implementation of this standard to have a material effect on the financial statements of the County. The requirements of this statement are effective for reporting periods beginning after December 15, 2020.

GASB No. 89 "Accounting for Interest Cost Incurred before the End of a Construction Period" was issued in June 2018. The management of the County does not expect the implementation of this standard to have a material effect on the financial statements of the County. The requirements of this statement are effective for reporting periods beginning after December 15, 2020.

GASB No. 90 "Majority Equity Interests - an amendment of GASB Statements No. 14 and No. 61" was issued in August 2018. The statement was implemented and did not have a material effect on the financial statement of the County. The requirements of this statement are effective for reporting periods beginning after December 15, 2019.

GASB No. 91 "Conduit Debt Obligations" was issued in May 2019. The management of the County does not expect the implementation of this standard to have a material effect on the financial statements of the County. The requirements of this statement are effective for reporting periods beginning after December 15, 2021.

GASB No. 92 "Omnibus 2020" was issued in January 2020. The management of the County does not expect the implementation of this standard to have a material effect on the financial statements of the County. The requirements of this statement are effective for reporting periods beginning after June 15, 2021.

GASB No. 93 "Replacement of Interbank Offered Rates" was issued in March 2020. The statement was implemented and did not have a material effect on the financial statement of the County. The requirements of this statement are effective for reporting periods beginning after June 15, 2020.

GASB No. 94 "Public-Private and Public-Public Partnerships and Availability Payment Arrangements" was issued in March 2020. The management of the County does not expect the implementation of this standard to have a material effect on the financial statements of the County. The requirements of this statement are effective for reporting periods beginning after June 15, 2022.

GASB No. 95 "Postponement of the Effective Dates of Certain Authoritative Guidance" was issued in May 2020. The statement was implemented and did not have a material effect on the financial statements of the County. The requirements of this statement are effective immediately.

GASB No. 96 "Subscription-Based Information Technology Arrangements" was issued in May 2020. The management of the County does not expect the implementation of this standard to have a material effect on the financial statements of the County. The requirements of this statement are effective for reporting periods beginning after June 15, 2022.

GASB No. 97 "Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans" was issued in June 2020. The management of the County does not expect the implementation of this standard to have a material effect on the financial statements of the County. The requirements of this statement are effective for reporting periods beginning after June 15, 2021.

## **JOHNSON COUNTY, TEXAS**

### *Notes to the Financial Statements*

For the Year Ended September 30, 2021

#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

##### Budgetary Data

The budget law of the State of Texas provides that amounts budgeted for current expenditures from the various funds of the County shall not exceed the balances in the funds, plus the anticipated revenues for the current year as estimated by the County Auditor. The legal level of budgetary control is at the category or line item level (salaries and wages and employee benefits, and operating expenditures) within departments of each fund. Any expenditure, which alters the total budgeted amounts of a fund must be approved by Commissioners Court, and the budget amended. Budgets are adopted on a basis consistent with generally accepted accounting principles.

Annual appropriated budgets are adopted for the General Fund, certain special revenue funds (Road & Bridge Fund, Law Library Fund, Records Management and Preservation Fund, Vital Statistics Preservation Fund, Election Services Contract Fund, District Attorney Forfeiture Fund, Sheriff Forfeiture Fund, STOP SCU Forfeiture Fund, Juvenile Justice Alternative Education Fund, Juvenile Case Manager Fund, Juvenile Probation Fees Fund, Justice of the Peace Technology Fund, Courthouse Security Fund, Justice Court Building Security Fund, Guardianship Fee Fund, Record Archives - County Clerk Fund, Record Archives - District Clerk Fund, County/District Court Technology Fund, Court Records Preservation Digital Fund, District Court Records Technology Fund, Indigent Health Care Fund, Right of Way Fund, Historical Commission Fund, Pre-Trial Supervision Fund, STOP SCU Operations Fund), and the General Debt Service Fund.

Prior to May 1 of each year, or as soon thereafter as practical, the County Judge, assisted by the County Auditor, prepares a proposed operating budget for the subsequent fiscal year beginning the following October 1st. The proposed operating budget establishes estimated revenues and other resources available for appropriation. Proposed expenditures may not exceed estimated revenues, other resources, and available fund balances.

Subsequent to May 15 and after proper publication of notice, a public hearing is conducted by the Commissioners Court to obtain taxpayer comments. If an increase to the effective tax rate of more than 3% is proposed as a result of the proposed budget, additional notices and public hearings are required.

After the public hearing(s) the Commissioners Court makes appropriate budget changes and adopts the budget through the passage of an order at a regularly scheduled meeting. A separate order is adopted to levy the taxes necessary to finance the budgeted expenditures.

Although the level of budgetary control is total revenues plus available fund balance, the County adopts its budget at a line-item level for managerial control purposes. Line item level is defined for revenue purposes as the type of revenue to be derived and for expenditure purposes by department and type of expenditures (salaries and wages, and employee benefits; operating expenses/expenditures; and capital outlay).

At the discretion of Commissioners Court, transfers of line item budgets within a fund may be made. Amendments to provide for items not included in the original budget may be made by the Commissioners Court upon finding and declaration of the existence of an emergency sufficient to require action. County management has no prerogative to amend the budget without the approval of Commissioners Court. Appropriations not exercised in the current year lapse at the end of the year. Numerous supplemental budget amendments in the general and special revenue funds were deemed necessary due to the timing of planned expenditures and construction projects.

## **JOHNSON COUNTY, TEXAS**

### *Notes to the Financial Statements*

For the Year Ended September 30, 2021

#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

##### Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting - under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation - is utilized. Encumbrances outstanding at year-end do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year. As of September 30, 2021, the County had no encumbrances outstanding.

##### Cash and Investments

Cash and temporary investments include amounts in demand deposits and short-term investments with a maturity date within three months of the date acquired by the County. For purposes of the cash flow statement, cash and temporary investments are considered cash equivalents. In accordance with GASB Statement 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", investments are stated at fair value.

The County maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as cash and temporary investments under each fund's caption. Funds are allowed to exceed the amount of their equity in the pooled cash account. Funds with overdrawn accounts are disclosed as an interfund payable in the liability section of the balance sheet.

##### Property Taxes

Property taxes are levied as of October 1st of each year with statements prepared and mailed at that date or soon thereafter. The tax levy is based upon appraised property values as of each previous January 1st for all taxable property within the County. Payments are due and payable when taxes are levied and may be timely paid through January 31st. On February 1st, taxes become delinquent and subject to penalty and interest charges. After June 30th, any uncollected taxes are subject to tax suit and additional charges to offset related legal costs. The lien date for property taxes is July 1st.

The appraisal of property within the county is the responsibility of the Johnson County Appraisal District. The Texas Legislature established the Appraisal District and the related Appraisal Review Board in 1979 through the adoption of a comprehensive Property Tax Code. The Appraisal District is required under the Code to assess property at 100% of its appraised value. Real property is reappraised at least every four years. Under certain circumstances, taxpayers and taxing units including the County, may challenge orders of the Appraisal Review Board through various appeals and, if necessary, legal action.

Under the Code, the Commissioners Court will continue to set annual tax rates on the property. The Code also provides that, if approved by the qualified voters in the Appraisal District, collection functions may be placed with the Appraisal District. The County bills and collects its property taxes and those of certain other taxing entities. Collections of those taxes pending distribution are accounted for in an agency fund.

The County is permitted by Article VIII, Section 9 of the State of Texas Constitution to levy taxes up to \$ .80 per \$ 100 assessed valuation for general governmental services including payment of principal and interest on general long-term debt and maintenance of roads and bridges. Article 6790 of Vernon's Civil Statutes permits the County to collect an additional \$ 0.15 per \$ 100 valuation for road and bridge purposes. Article 7048a of Vernon's Civil Statutes permits the County to collect \$ 0.30 per \$ 100 valuation for road, bridge and flood control purposes.

**JOHNSON COUNTY, TEXAS**

*Notes to the Financial Statements*

For the Year Ended September 30, 2021

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

The County's 2020 tax levy, supporting the 2021 fiscal period budget, totaled \$ 0.425000 per \$ 100 valuation and was comprised as follows:

General Fund	\$ 0.363323
Indigent Health Care Fund	0.011836
Road & Bridge Fund	0.040300
General Debt Service Fund	<u>0.009541</u>
Combined tax rate	<u>\$ 0.425000</u>

Interfund 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 outstanding balances between funds are reported as "due to/from other funds". The County had no advances between funds. All activity between funds was for short-term cash flow requirements. See Note 5 for additional discussion of interfund receivables and payables.

Inventories and Prepaid Items

The County utilizes the consumption method to account for inventory and prepaid items. Under this method, inventory and prepaid items are considered an expenditure/expense when used rather than when purchased. Significant inventories are reported on the balance sheet at cost, using the first-in, first-out method, with an offsetting reservation of fund balance in the governmental fund financial statements since they do not constitute "available spendable resources" even though they are a component of current assets. Inventories in the governmental funds are comprised of road materials, bulk fuel, parts, and chemicals.

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

Capital Assets

Capital assets, which include land, buildings and improvements, furniture, equipment and vehicles, infrastructure, and construction in progress are reported in the governmental activities column in the government-wide financial statements. All capital assets are valued at historical cost or estimated historical cost if actual historical is not available. Donated assets are valued at their acquisition value on the date of donation. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. 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 amount of interest cost to be capitalized on assets with tax-exempt borrowing is equal to the cost of the borrowing less interest earned on the related tax-exempt borrowing. During the year ended September 30, 2021, no capitalized interest was included in the cost of capital assets under construction.

**JOHNSON COUNTY, TEXAS**

*Notes to the Financial Statements*

For the Year Ended September 30, 2021

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

Capital Assets - Continued

Assets capitalized have an original cost of \$ 5,000 or more and over two years of useful life. Depreciation has been calculated on each class of depreciable property using the straight-line method. Leased assets are depreciated over the lesser of the term of the related lease or the estimated useful lives of the assets. Estimated useful lives are as follows:

Buildings and improvements	5-50 Years
Furniture, equipment and vehicles	5-20 Years
Infrastructure	20-35 Years

Compensated Absences

Employees are allowed paid absences due to sickness and vacation time. Sick leave benefits are earned by all full time employees at a rate of 96 hours annually. The leave policy allows employees to accumulate up to ninety days of sick leave benefit. Sick leave benefits are recognized in the period in which time off is actually taken. Vacation benefits accrue monthly at rates depending upon an employee's length of service. Employees may accumulate a maximum of 18 months of vacation credits based on the earning rate and length of service. Employees who reach the maximum accumulated rate will not accrue additional time until they use sufficient vacation to bring their accumulated rate below the maximum level.

The liability for compensated absences disclosed in the financial statements represents accumulated vacation and compensatory time at September 30, 2021, computed at pay rates in effect at that time was \$ 1,284,616.

Compensated absence liabilities for governmental activities have been paid from the general fund and various special revenue funds.

Deferred Outflows and Inflows of Resources

Guidance for deferred outflows of resources and deferred inflows of resources is provided by GASB No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position". Concepts Statement No. 4, Elements of Financial Statements, introduced and defined those elements as a consumption of net assets by the government that is applicable to a future reporting period, and an acquisition of net assets by the government that is applicable to a future period, respectively. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities. Further, GASB No. 65, "Items Previously Reported as Assets and Liabilities", had an objective to either (a) properly classify certain items that were previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources or (b) recognize certain items that were previously reported as assets and liabilities as outflows of resources (expenses or expenditures) or inflows of resources (revenues).



## **JOHNSON COUNTY, TEXAS**

### *Notes to the Financial Statements*

For the Year Ended September 30, 2021

#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

##### Pension Plans

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

##### Other Post-Employment Benefits

The fiduciary net position of the Johnson County Retiree Health Care Plan (the "Plan") has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits, OPEB expense, and information about assets, liabilities and additions to/deductions from the Plan's total OPEB liability. Benefit payments are recognized when due and payable in accordance with the benefit terms. There are no assets as this is a pay-as-you-go plan. The general fund is used to liquidate any future liabilities.

##### Long-Term Debt

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as interest and fiscal charge expenses.

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 the debt is reported as other financing resources. 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.

##### Fund Equity

The County's Commissioners Court meets on a regular basis to manage and review cash financial activities and to ensure compliance with established policies. The County's unassigned General Fund Balance is maintained to provide the County with sufficient working capital and a margin of safety to address local and regional emergencies without borrowing. The unassigned General Fund Balance may only be appropriated by resolution of the County's Commissioners Court. Fund Balance of the County may be committed for a specific source by formal action of the County's Commissioners Court. Amendments or modifications of the committed fund balance must also be approved by formal action by the County's Commissioners Court. When it is appropriate for fund balance to be assigned, the County's Commissioners Court has delegated authority to the County Judge or the County Auditor. In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended are as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and lastly, unassigned fund balance.

## JOHNSON COUNTY, TEXAS

### Notes to the Financial Statements

For the Year Ended September 30, 2021

#### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

##### Fund Equity - Continued

###### Fund Balance Classifications:

The *nonspendable* fund balance includes a portion of net resources that cannot be spent because of their form or because they must be maintained intact. Resources not in spendable form include inventories, prepaid expenditures and long-term receivables.

The *restricted* fund balance includes net resources that can be spent only for the specific purposes stipulated by constitution, external resource providers (creditors, grantors, and contributors), laws and regulations of other governments, or through enabling legislation.

The enabling legislation authorizes the County to access, levy, charge or otherwise mandate payment of resources from external resource providers; those resources can be used only for the specific purposes stipulated in the legislation. The County's fee revenue generated through enabling legislations include auto registration fees, birth/death certificate fees, adult bond supervision fees, child abuse protection fees, court technology fees, election service fees, family protection fees, financial security fees, juvenile case management fees, law library fees, records archive fees, and records management and preservation fees reported under Non-Major Special Revenue Funds, and auto registration fees, certificates of title, and gross weight and axle fees reported under the Road & Bridge Fund.

The *committed* fund balance includes spendable net resources that can only be used for specific purposes pursuant to constraints imposed by formal Commissioners Court actions, no later than the close of the fiscal year. Those constraints remain binding unless removed or changed in the same manner employed to previously commit those resources. At September 30, 2021, there are no commitments of fund balance.

The *assigned* fund balance includes amounts that are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Such intent should be expressed by Commissioners Court or its designated officials to assign amounts to be used. Constraints imposed on the use of assigned amounts can be removed with no formal Commissioners Court actions. At September 30, 2021, there are no assignments of fund balance.

The *unassigned* fund balance represents spendable net resources that have not been restricted, committed, or assigned to specific purposes. The general fund is the only fund that reports a positive unassigned fund balance amount.

**JOHNSON COUNTY, TEXAS**

Notes to the Financial Statements

For the Year Ended September 30, 2021

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

The following schedule presents details of fund balance components at September 30, 2021:

	Major Funds			Non-Major	Total
	General	Road & Bridge	General	Other	
	Fund	Fund	Debt Service	Governmental	Governmental
			Fund	Funds	Funds
Fund Balance:					
Nonspendable:					
Inventories	\$ -	\$ 413,379	\$ -	\$ -	\$ 413,379
Prepaid expenditures	596,155	44,052	-	9,221	649,428
Restricted:					
Capital projects	-	-	-	3,139,755	3,139,755
Contributor purposes	-	-	-	52,436	52,436
Court improvements and operations	-	-	-	647,550	647,550
Debt service	-	-	344,410	-	344,410
Election services	-	-	-	663,586	663,586
Health services	-	-	-	2,659,495	2,659,495
Inmate services	-	-	-	853,419	853,419
Juvenile services	-	-	-	227,463	227,463
Library services	-	-	-	142,063	142,063
Public safety personnel training	-	-	-	31,678	31,678
Public transportation projects	-	5,509,332	-	1,457,462	6,966,794
Records management	-	-	-	4,206,814	4,206,814
Special crimes operations	-	-	-	588,729	588,729
County/District attorney services	-	-	-	176,834	176,834
Sheriff services	-	-	-	3,336	3,336
Other	-	-	-	399,540	399,540
Unassigned	<u>39,473,064</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,473,064</u>
Total fund balance	<u>\$ 40,069,219</u>	<u>\$ 5,966,763</u>	<u>\$ 344,410</u>	<u>\$ 15,259,381</u>	<u>\$ 61,639,773</u>

Net Position

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

**JOHNSON COUNTY, TEXAS**

*Notes to the Financial Statements*

For the Year Ended September 30, 2021

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

Net Position - Continued

	<u>Governmental Activities</u>
Net Position:	
Net investment in capital assets	\$ 53,698,673
Restricted:	
Public transportation projects	7,480,566
Records management	4,206,814
Other:	
Contributor purposes	52,436
Court improvements and operations	647,550
Debt service	265,940
Election services	663,586
Health services	2,672,311
Inmate services	859,385
Juvenile services	227,463
Library services	142,063
Public safety personnel training	31,678
Special crime operations	591,984
County/District attorney services	176,834
Sheriff services	3,336
Other	399,540
Unrestricted	<u>37,754,199</u>
Total net position	<u>\$ 109,874,358</u>

**NOTE 2 - DEPOSITS AND INVESTMENTS**

The County classifies deposits and investments for financial statement purposes as cash and temporary investments, and investments based upon both liquidity (demand deposits) and maturity date (deposits and investments) of the asset at the date of purchase. For this purpose, a temporary investment is one that when purchased had a maturity date of three months or less. Investments are classified as either short-term investments or investments. Short-term investments have a maturity of one year or less and investments are those that have a maturity of one year or more. See Note 1 for additional Governmental Accounting Standards Board Statement No. 31 disclosures. Cash and temporary investments as reported on the financial statements at September 30, 2021 are as follows:

# JOHNSON COUNTY, TEXAS

## Notes to the Financial Statements

For the Year Ended September 30, 2021

### NOTE 2 - DEPOSITS AND INVESTMENTS - Continued

	<u>Governmental Funds</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Cash and Temporary Investments:			
Cash (petty cash accounts)	\$ 17,425	\$ -	\$ 17,425
Financial Institution Deposits:			
Demand deposits	41,170,453	12,061,328	53,231,781
Local Government Investment Pools:			
Texas CLASS	4,442,952	-	4,442,952
Texas CLASS Government	6,017,777	-	6,017,777
Texpool	4,212,251	-	4,212,251
Texpool Prime	<u>3,055,905</u>	<u>-</u>	<u>3,055,905</u>
Sub-total	<u>58,916,763</u>	<u>12,061,328</u>	<u>70,978,091</u>
Investments:			
Broker Dealer:			
Government Securities	501,830	-	501,830
U.S. Agency Securities	9,739,486	-	9,739,486
Certificates of deposit	<u>12,437,563</u>	<u>-</u>	<u>12,437,563</u>
Sub-total	<u>22,678,879</u>	<u>-</u>	<u>22,678,879</u>
Total Cash and Temporary Investments and Investments	<u>\$ 81,595,642</u>	<u>\$ 12,061,328</u>	<u>\$ 93,656,970</u>

#### Deposits

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that in the event of a financial institution failure, the County's deposits may not be returned to them. The County requires that all deposits with financial institutions be collateralized in an amount equal to 103 percent of uninsured balances.

At year-end, in addition to petty cash accounts of \$ 17,425, the carrying amount of the County's financial institution deposits, was \$ 65,669,344, while the financial institution balances totaled \$ 64,634,135. Of these balances, \$ 1,975,006 represents amounts controlled by County courts and held by various financial institutions jointly under the name of the County and the court's beneficiaries and carrying the identification number of the beneficiaries. These accounts are entirely covered by federal deposit insurance. Of the remaining balances, \$ 14,912,569 was covered by federal depository insurance coverage and \$ 47,746,560 was covered by collateral held by the County's agent in the County's name.

#### Investments

Chapter 2256 of the Texas Government Code (the Public Funds Investment Act) authorizes the County to invest its funds under written investment policy (the "investment policy"). The investment policy primarily emphasizes safety of principal and liquidity, addresses investment diversification, yield, and maturity and addresses the quality and capability of investment personnel. This investment policy defines what constitutes the legal list of investments allowed under the policies, which excludes certain instruments allowed under chapter 2256 of the Texas Government Code.

## JOHNSON COUNTY, TEXAS

### Notes to the Financial Statements

For the Year Ended September 30, 2021

#### NOTE 2 - DEPOSITS AND INVESTMENTS - Continued

##### Investments - Continued

The County's deposits and investments are invested pursuant to the investment policy, which is approved by Commissioners Court. The investment policy includes lists of authorized investment instruments and allowable stated maturity of individual investments. In addition it includes an "Investment Strategy Statement" that specifically addresses each investment option and describes the priorities of suitability of investment type, preservation and safety of principal, liquidity, marketability, diversification and yield. Additionally, the soundness of financial institutions (including broker/dealers) in which the County will deposit funds is addressed. The County's investment policy and types of investments are governed by the Public Funds Investment Act (PFIA). The County's management believes it complied with the requirements of the PFIA and the County's investment policy.

The County's Investment Officer submits an investment report each quarter to the Commissioners Court. The report details the investment positions of the County and the compliance of the investment portfolio as it relates to both the adopted investment strategy statements and Texas state law.

The County is authorized to invest in the following investment instruments provided that they meet the guidelines of the investment policy:

1. Obligations of the United States or its agencies and instrumentalities;
2. Direct obligations of the State of Texas or its agencies and instrumentalities;
3. No-load money market mutual funds: regulated by SEC, with a dollar-weighted average stated maturity of 90 days or less, includes in its investment objectives the maintenance of a stable \$ 1.00 net asset value per each share, and limited in quantity to the requirements, set forth in Chapter 2256, Government Code Section 2256.014;
4. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State of Texas or the United States or their respective agencies and instrumentalities;
5. Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent;
6. Certificates of deposit if issued by a state or national bank and is: guaranteed or insured by the Federal Deposit Insurance Corporation or its successor, secured in any manner and amount provided by law for deposits of the County;
7. Eligible investment pools if the Commissioners Court by resolution authorizes investment in the particular pool. An investment pool shall invest funds it receives from entities in authorized investments permitted by the Public Funds Investment Act. The County by contract may delegate to an investment pool the authority to hold legal title as custodian of investments purchased with its local funds; and,

# JOHNSON COUNTY, TEXAS

## Notes to the Financial Statements

For the Year Ended September 30, 2021

### NOTE 2 - DEPOSITS AND INVESTMENTS - Continued

#### Investments - Continued

The County is invested in certificates of deposit at various financial institutions to provide its liquidity needs. The overall weighted average maturity of less than 365 days. This investment is insured, registered, or the County's agent holds the securities in the County's name; therefore, the County is not exposed to custodial credit risk with these deposits.

Texas CLASS and Texas CLASS Government were created as a local government investment pool pursuant to Section 2256.016 of the Public Funds Investment Act, Texas Government Code. Per State Code, entities may pool any of their funds, or funds under their control, to preserve principal, maintain the liquidity of the funds and maximize yield. The Texas CLASS and Texas CLASS Government agreements are agreements of indefinite term regarding the investment, reinvestment, and withdrawal of local government funds. Texas CLASS and Texas CLASS Government seek to maintain a constant net asset value of \$ 1.00, although this cannot be fully guaranteed. Texas CLASS and Texas Class Government are rated AAAM and must maintain a dollar weighted average maturity not to exceed 60 days, which is the limit.

TexPool and TexPool Prime are local government investment pools that were established in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code and the Public Funds Investment Act, Chapter 2256 of the Code. TexPool and TexPool Prime are 2(a)7 like funds, meaning that they are structured similar to a money market mutual fund. Such funds allow shareholders the ability to deposit or withdraw funds on a daily basis. Interest rates are also adjusted on a daily basis. Such funds seek to maintain a constant net asset value of \$ 1.00, although this cannot be fully guaranteed. TexPool and TexPool Prime are rated AAAM and must maintain a dollar weighted average maturity not to exceed 60 days, which is the limit.

At September 30, 2021 Texas CLASS, Texas CLASS Government, TexPool and TexPool Prime had a weighted average maturity of 53 days, 27 days, 34 days and 53 days, respectively. Although the pools had a weighted average maturity, the County considers holdings in these funds to have a one day weighted average maturity. This is due to the fact that the share position can usually be redeemed each day at the discretion of the shareholder, unless there has been a significant change in value.

As of September 30, 2021, the County had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Days)</u>
Certificates of Deposit	\$ 12,437,563	382
Texas CLASS	4,442,952	53
Texas CLASS Government	6,017,777	27
TexPool	4,212,251	34
TexPool Prime	3,055,905	53
Government Securities	501,830	32
U.S. Agency Securities	<u>9,739,486</u>	860
Total	<u>\$ 40,407,764</u>	343

## JOHNSON COUNTY, TEXAS

### Notes to the Financial Statements

For the Year Ended September 30, 2021

#### NOTE 2 - DEPOSITS AND INVESTMENTS - Continued

##### Investments - Continued

Credit Risk - As of September 30, 2021, the LGIP's (which represent approximately 43.87% of the investment portfolio) are rated AAAM by Standard and Poor's, the U.S. Agency securities and government securities (which represent 25.34% of the investment portfolio) were covered by private insurance and the certificates of deposit (which represents 30.79% of the investment portfolio) were covered by Federal Depository Insurance coverage, respectively, therefore, the County does not have a significant exposure to credit risk.

Interest Rate Risk - As a means of minimizing risk of loss due to interest rate fluctuations, the Investment Policy requires that investment maturities will not exceed the lesser of a dollar weighted average maturity of 365 days or the anticipated cash flow requirements of the funds. Quality short-to-medium term securities may be purchased, which complement each other in a structured manner that minimizes risk and meets the County's cash flow requirements.

##### Fair Value Measures

Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application* establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under GASB Statement No. 72 are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.



**JOHNSON COUNTY, TEXAS**

*Notes to the Financial Statements*

For the Year Ended September 30, 2021

**NOTE 2 - DEPOSITS AND INVESTMENTS - Continued**

Fair Value Measures - Continued

The following table sets forth by level, within the fair value hierarchy, the County's assets at fair value as of September 30, 2021:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Government Securities	\$ 501,830	\$ -	\$ -	\$ 501,830
U.S. Agency Securities	<u>9,739,486</u>	<u>-</u>	<u>-</u>	<u>9,739,486</u>
Total assets at fair value	<u>\$ 10,241,316</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,241,316</u>

**NOTE 3 - RECEIVABLES AND UNCOLLECTIBLE ACCOUNTS**

Receivables and Allowances

Receivables as of September 30, 2021, for the government's individual governmental major and nonmajor funds, and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>Major Funds</u>			<u>Non-Major Funds</u>	<u>Total Governmental Funds</u>
	<u>General Fund</u>	<u>Road &amp; Bridge Fund</u>	<u>General Debt Service Fund</u>	<u>Other Governmental Funds</u>	
Receivables:					
Property taxes	\$ 2,604,461	\$ 357,789	\$ 166,485	\$ 101,223	\$ 3,229,958
Accounts	1,055,346	118,597	-	41,293	1,215,236
Due from other governments	47,635	232,923	-	134,757	415,315
Accrued interest	<u>16,410</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,410</u>
Gross receivables	3,723,852	709,309	166,485	277,273	4,876,919
Less Allowance for Uncollectible:					
Property taxes	<u>2,006,182</u>	<u>281,702</u>	<u>148,607</u>	<u>82,319</u>	<u>2,518,810</u>
Net receivables	<u>\$ 1,717,670</u>	<u>\$ 427,607</u>	<u>\$ 17,878</u>	<u>\$ 194,954</u>	<u>\$ 2,358,109</u>

**JOHNSON COUNTY, TEXAS**

Notes to the Financial Statements

For the Year Ended September 30, 2021

**NOTE 3 - RECEIVABLES AND UNCOLLECTIBLE ACCOUNTS - Continued**

Receivables and Allowances - Continued

	<u>Fiduciary Fund</u>
Receivables:	
Accounts:	
Adult probationers	\$ <u>119,093</u>
Net total receivables	\$ <u>119,093</u>

Receivables From Other Governments

The County participates in a variety of federal and state programs from which it receives grants to, partially or fully, finance certain activities. In addition, the County receives entitlements from the State through the legislative actions and taxes collected by the State on behalf of the County (other taxes). All federal grants shown below are either direct or passed through state or local agencies and are reported on the financial statements as due from other governments.

Amounts due from federal and state as of September 30, 2021 are summarized below:

	<u>Federal Grants</u>	<u>State Grants</u>	<u>Total</u>
Major Governmental Funds:			
General fund	\$ -	\$ 47,635	\$ 47,635
Road and Bridge fund	-	232,923	232,923
Non-major governmental funds	<u>26,303</u>	<u>108,454</u>	<u>134,757</u>
Total	<u>\$ 26,303</u>	<u>\$ 389,012</u>	<u>\$ 415,315</u>

Judicial Receivables

Judicial receivables are reported in the governmental activities statement of net position. Since these receivables do not represent current available resources, they are not reported in the governmental funds balance sheet. The allowance for uncollectible receivables related to the County's various court assessments is determined based on historical experience and evaluation of collectability in relation to the aging of customer accounts. The following is a summary of the receivable and allowance for uncollectible as of September 30, 2021:

	<u>Judicial Receivable</u>	<u>Allowance for Uncollectible Accounts</u>	<u>Net Receivable</u>
Judicial Receivables:			
Justice of the peace	\$ 647,324	\$ 194,197	\$ 453,127
County courts	1,589,711	397,428	1,192,283
District courts	<u>15,353,729</u>	<u>7,676,865</u>	<u>7,676,864</u>
Total	<u>\$ 17,590,764</u>	<u>\$ 8,268,490</u>	<u>\$ 9,322,274</u>

**JOHNSON COUNTY, TEXAS**

*Notes to the Financial Statements*

For the Year Ended September 30, 2021

**NOTE 4 - DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES AND UNEARNED REVENUE**

Governmental Funds

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. As of September 30, 2021, the various components of deferred inflows of resources and unearned revenue reported in the governmental funds were as follows:

	Major Funds				Non-Major Funds	Total
	General Fund	Road & Bridge Fund	General Debt Service Fund	American Rescue Plan Act (ARPA) Fund	Other Governmental Funds	
Deferred Inflows of Resources:						
Delinquent property taxes receivable	\$ 411,408	\$ 56,341	\$ 12,971	\$ -	\$ 12,816	\$ 493,536
Unearned Revenue:						
Federal grants	-	-	-	17,072,342	25,961	17,098,303
State grants	-	-	-	-	2,521	2,521
State allocations	38,500	-	-	-	21,749	60,249
Rental deposits	640	-	-	-	-	640
	<u>\$ 450,548</u>	<u>\$ 56,341</u>	<u>\$ 12,971</u>	<u>\$ 17,072,342</u>	<u>\$ 63,047</u>	<u>\$ 17,655,249</u>

Governmental Activities

Governmental activities defer the recognition of pension expense for contributions made from the measurement date to the current year-end of September 30, 2021 and report these as deferred outflows of resources. Governmental activities also defer revenue recognition in connection with resources that have been received, but not yet earned and report these amounts as a deferred inflow of resources. Further, for governmental activities, like governmental funds, defer revenue recognition in connection with resources that have been received, but not yet earned and report these amounts as a liability (unearned revenue).

**JOHNSON COUNTY, TEXAS**

*Notes to the Financial Statements*

For the Year Ended September 30, 2021

**NOTE 4 - DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES AND UNEARNED REVENUE - Continued**

Governmental Activities - Continued

As of September 30, 2021, the various components of deferred outflows and inflows of resources and unearned revenue reported in the governmental activities were as follows:

<u>Governmental Activities:</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Unearned Revenue</u>
<b>Pension Related:</b>			
Differences between expected and actual experience	\$ 852,691	\$ -	\$ -
Net difference between projected and actual investment earnings	-	4,236,433	-
Changes in assumptions	6,082,855	-	-
Subsequent contributions	2,600,298	-	-
<b>OPEB Related:</b>			
Changes in assumptions	325,590	43,030	-
Differences between expected and actual experience	43,155	428,432	-
<b>Unearned Revenue:</b>			
Federal grants	-	-	17,098,303
State grants	-	-	2,521
State allocations	-	-	60,249
Rental deposits	-	-	640
Totals	<u>\$ 9,904,589</u>	<u>\$ 4,707,895</u>	<u>\$ 17,161,713</u>

**NOTE 5 - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

Interfund receivables and payables at September 30, 2021 consisted of the following:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>09-30-21</u>
General Fund	Other Governmental Funds	\$ 177,029
Other Governmental Funds	General Fund	<u>156,449</u>
Total		<u>\$ 333,478</u>

Interfund receivables and payables represent short-term borrowings primarily for cash flow purposes. These include short-term borrowings for reimbursement grants and some revenue or expenditures/expense adjustments between funds at or near year-end.

**JOHNSON COUNTY, TEXAS**

Notes to the Financial Statements

For the Year Ended September 30, 2021

**NOTE 5 - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS - Continued**

Interfund transfers for the year ended September 30, 2021 consisted of the following individual fund transfers in and transfers out:

<u>Transferring Fund</u>	<u>Receiving Fund</u>	<u>09-30-21</u>
General Fund	Road & Bridge Fund	\$ 19,997
General Fund	General Debt Service Fund	2,116,032
General Fund	Other Governmental Funds	1,913,195
Other Governmental Funds	General Fund	343,221
Other Governmental Funds	Other Governmental Funds	<u>100,120</u>
Total		<u>\$ 4,492,565</u>

The Commissioners Court approved these transfers, as transfers of operational funds to cover planned expenditures/expenses.

**NOTE 6 - CAPITAL ASSETS**

Capital Transactions

	<u>Balance 10-01-20</u>	<u>Additions</u>	<u>Retirements</u>	<u>Adjustments &amp; Transfers</u>	<u>Balance 09-30-21</u>
Governmental Activities:					
Capital Assets, Not Depreciated:					
Land	\$ 2,997,691	\$ -	\$ -	\$ -	\$ 2,997,691
Construction in progress	<u>689,127</u>	<u>1,796,035</u>	<u>39,000</u>	<u>( 956,275)</u>	<u>1,489,887</u>
Total capital assets not being depreciated	<u>3,686,818</u>	<u>1,796,035</u>	<u>39,000</u>	<u>( 956,275)</u>	<u>4,487,578</u>
Capital Assets, Being Depreciated:					
Buildings and improvements	85,710,980	78,950	-	956,275	86,746,205
Furniture, equipment and vehicles	31,889,808	1,913,576	709,714	-	33,093,670
Infrastructure	<u>39,342,778</u>	<u>707,880</u>	<u>566,790</u>	<u>-</u>	<u>39,483,868</u>
Total capital assets being depreciated	<u>156,943,566</u>	<u>2,700,406</u>	<u>1,276,504</u>	<u>956,275</u>	<u>159,323,743</u>
Less Accumulated Depreciation For:					
Buildings and improvements	35,561,461	2,864,235	-	-	38,425,696
Furniture, equipment and vehicles	26,224,722	1,980,255	701,383	-	27,503,594
Infrastructure	<u>28,191,290</u>	<u>1,358,613</u>	<u>566,790</u>	<u>-</u>	<u>28,983,113</u>
Total accumulated depreciation	<u>89,977,473</u>	<u>6,203,103</u>	<u>1,268,173</u>	<u>-</u>	<u>94,912,403</u>
Total capital assets being depreciated, net	<u>66,966,093</u>	<u>( 3,502,697)</u>	<u>8,331</u>	<u>956,275</u>	<u>64,411,340</u>
Governmental activities capital assets, net	<u>\$ 70,652,911</u>	<u>\$ ( 1,706,662)</u>	<u>\$ 47,331</u>	<u>\$ -</u>	<u>\$ 68,898,918</u>

During the year ended September 30, 2021, the County received equipment and roads from various sources totaling \$ 712,096.

**JOHNSON COUNTY, TEXAS**

*Notes to the Financial Statements*

For the Year Ended September 30, 2021

**NOTE 6 - CAPITAL ASSETS - Continued**

Depreciation

Depreciation expense was charged as direct expense to functional categories of the County as follows:

	<u>09-30-21</u>
Governmental Activities:	
General government	\$ 1,857,767
Administration of justice	27,970
Law enforcement	2,314,981
Highways and streets	1,904,041
Health and welfare	87,600
Culture and recreation	<u>10,744</u>
Total depreciation expense	<u>\$ 6,203,103</u>

Construction Commitments

Construction in progress for various projects at September 30, 2021 is as follows.

	<u>Contract Value</u>	<u>Expended To Date</u>	<u>Commitment</u>
Burleson Sub Courthouse Renovation	\$ 2,062,997	\$ 1,015,480	\$ 1,047,517
Sheriff's Office Renovation	<u>2,706,005</u>	<u>82,566</u>	<u>2,623,439</u>
Total	<u>\$ 4,769,002</u>	<u>\$ 1,098,046</u>	<u>\$ 3,670,956</u>

**NOTE 7 - DISAGGREGATION OF ACCOUNTS AND ACCRUED LIABILITIES PAYABLE**

Accounts and accrued liabilities payable as of September 30, 2021, for the government's individual governmental major and nonmajor funds, and fiduciary funds in the aggregate are as follows:

	<u>Governmental Funds</u>			<u>Total</u>
	<u>General Fund</u>	<u>Road &amp; Bridge Fund</u>	<u>Other Governmental Funds</u>	
Accounts and Accrued Liabilities Payable:				
Vendors	\$ 1,470,426	\$ 131,377	\$ 791,603	\$ 2,393,406
Accrued compensation	2,364,957	194,727	64,354	2,624,038
Due to other governments	1,755	-	184,072	185,827
Due to others	<u>465,555</u>	<u>-</u>	<u>52,710</u>	<u>518,265</u>
Total	<u>\$ 4,302,693</u>	<u>\$ 326,104</u>	<u>\$ 1,092,739</u>	<u>\$ 5,721,536</u>

**JOHNSON COUNTY, TEXAS**

*Notes to the Financial Statements*

For the Year Ended September 30, 2021

**NOTE 7 - DISAGGREGATION OF ACCOUNTS AND ACCRUED LIABILITIES PAYABLE - Continued**

	<u>Fiduciary Funds</u>
Accounts and Accrued Liabilities Payable:	
Vendors	\$ 14,151
Bonds payable	150,723
Accrued compensation	<u>136,477</u>
 Total	 <u>\$ 301,351</u>

**NOTE 8 - LONG-TERM DEBT**

Certificate of Obligation Bonded Debt

Certificates of obligations payable at September 30, 2021, are summarized as follows:

	Interest Rate %	<u>Series Dates</u>			Bonds Outstanding 09-30-21
		<u>Issued</u>	<u>Maturity</u>	<u>Callable</u>	
Certificates of Obligation Bonds Taxable Series 2015	1.704 - 4.627	2015	2035	2025	\$ <u>18,340,000</u>
Total					\$ <u>18,340,000</u>

Certificates of obligation bond transactions for the year ended September 30, 2021 were as follows:

Bonds outstanding, October 1, 2020	\$ 18,925,000
Maturities	<u>( 585,000)</u>
Bonds outstanding, September 30, 2021	<u>\$ 18,340,000</u>

The bond ordinances require that a tax be levied sufficient to pay current interest and create a sinking fund of not less than the amount to pay current principal and interest. For the year ended September 30, 2021, the amount of ad valorem taxes collected for interest and sinking were \$ 1,343,014, while the debt service requirements for principal and interest was \$ 1,334,756. The bond resolutions provide no express remedies in the event of default and make no provision for acceleration of maturity of the bonds.

**JOHNSON COUNTY, TEXAS**

Notes to the Financial Statements

For the Year Ended September 30, 2021

**NOTE 8 - LONG-TERM DEBT - Continued**

Certificate of Obligation Bonded Debt

The following is a summary of certificate of obligation bond requirements by year as of September 30, 2021:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2022	\$ 1,020,000	\$ 726,859	\$ 1,746,859
2023	1,050,000	696,011	1,746,011
2024	1,085,000	662,454	1,747,454
2025	1,120,000	625,869	1,745,869
2026	1,160,000	585,926	1,745,926
2027-2031	6,530,000	2,198,670	8,728,670
2032-2035	<u>6,375,000</u>	<u>606,947</u>	<u>6,981,947</u>
Total	<u>\$ 18,340,000</u>	<u>\$ 6,102,736</u>	<u>\$ 24,442,736</u>

On November 1, 2015, the County sold \$ 20,605,000 of Certificate of Obligation Bonds, Taxable Series 2015. These bonds were issued to pay for all or a portion of the County’s contractual obligations for the acquisition, construction and equipment of certain public improvements for the renovation and expansion of the County jail and for paying for legal, fiscal and engineering fees in connection with such project.

Tax Note Debt

On November 26, 2013, the County issued a tax note from American National Bank of Texas in the amount of \$ 4,370,000, with an interest rate of 1.82% and a maturity date of November 15, 2020 and a call date of November 15, 2015 at par value. This tax note debt is to be utilized in the County’s software upgrade project.

	<u>Interest Rate %</u>	<u>Issued</u>	<u>Maturity</u>	<u>Callable</u>	<u>Tax Note Outstanding 09-30-21</u>
Tax Note: Series 2013	1.82	2013	2020	2015	\$ _____ -
Total					\$ _____ -

Tax note transactions for the year ended September 30, 2021 were as follows:

Tax notes outstanding, October 1, 2020	\$ 2,415,000
Maturities	<u>( 2,415,000 )</u>
Tax notes outstanding, September 30, 2021	\$ _____ -

The tax note requires that a tax be levied sufficient to pay current interest and create a sinking fund of not less than the amount to pay current principal and interest. For the year ended September 30, 2021, the County did not collect any ad valorem taxes for interest and sinking. The General Fund transferred \$ 2,060,114 to fund the debt service requirements for principal and interest of \$ 2,436,977.



**JOHNSON COUNTY, TEXAS**

*Notes to the Financial Statements*

For the Year Ended September 30, 2021

**NOTE 8 - LONG-TERM DEBT - Continued**

Changes in Long-Term Debt

Transactions for the year ended September 30, 2021 are summarized as follows:

	<u>Balance 10-01-20</u>	<u>Issues or Additions</u>	<u>Payments or Expenditures</u>	<u>Balance 09-30-21</u>	<u>Due Within One Year</u>
Governmental Type Activities:					
Certificates of obligation bonds	\$ 18,925,000	\$ -	\$ 585,000	\$ 18,340,000	\$ 1,020,000
Tax note payable	2,415,000	-	2,415,000	-	-
Net pension liability	6,418,015	10,863,496	5,703,040	11,578,471	-
Total OPEB liability	4,027,137	549,579	194,407	4,382,309	-
Compensated absences	<u>1,396,779</u>	<u>1,392,794</u>	<u>1,504,957</u>	<u>1,284,616</u>	<u>1,206,786</u>
Total governmental activities	<u>\$ 33,181,931</u>	<u>\$ 12,805,869</u>	<u>\$ 10,402,404</u>	<u>\$ 35,585,396</u>	<u>\$ 2,226,786</u>

**NOTE 9 - LEASING OPERATIONS**

Operating Leases - Lessor

The County is involved in various operating leases as lessor. These leases are for facilities rental. These leases expire in 2026. The County has not determined the cost of these facilities as of September 30, 2021.

Minimum future rentals to be received on noncancelable leases, as of September 30, 2021, for each of the next five years and in the aggregate are as follows:

<u>Year Ended September 30,</u>	
2022	\$ 13,091
2023	13,091
2024	13,091
2025	13,091
2026	<u>13,091</u>
Total	<u>\$ 65,455</u>

Gross rental income for operating leases, including month-to-month, for the year ended September 30, 2021 was \$ 13,091.

# JOHNSON COUNTY, TEXAS

## Notes to the Financial Statements

For the Year Ended September 30, 2021

### NOTE 10 - TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM PENSION PLAN

*Plan Description* - The County provides retirement, disability, and death benefits for all of its full-time employees through a non-traditional defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of more than 800 non-traditional defined benefit plans. TCDRS in the aggregate issues a comprehensive annual financial report (ACFR) on a calendar year basis. The ACFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, TX 79768-2034.

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

All eligible employees of the County are required to participate in TCDRS.

The plan provisions are adopted by Commissioners Court of the County, within the options available in the state statutes governing TCDRS. Plan provisions for the County were as follows:

	<u>Plan Year 2021</u>	<u>Plan Year 2020</u>
Employee deposit rate	7.00%	7.00%
Employer deposit rate	11.49%	11.49%
Matching ratio (County to employee)	2 to 1	2 to 1
Years required for vesting	8	8
Service retirement eligibility (expressed as age/years of service)	60/8, 0/20	60/8, 0/20

#### Employees Covered by Benefit Terms:

At the December 31, 2020 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	380
Inactive employees entitled to but not yet receiving benefits	483
Active employees	<u>589</u>
	<u>1,452</u>

*Contributions* - The contribution rates for employees in TCDRS are either 4%, 5%, 6%, or 7% of employee compensation, and the employer matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the employer. Under the state laws governing TCDRS, the contribution rate for each employer is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. Participating employers are required to contribute at the 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.

**JOHNSON COUNTY, TEXAS**

*Notes to the Financial Statements*

For the Year Ended September 30, 2021

**NOTE 10 - TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM PENSION PLAN - Continued**

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.

Employees of the County were required to contribute 7.00% of their annual compensation during the fiscal year. The County’s required contribution rates of 11.16% and 11.49% in calendar years 2021 and 2020, respectively. The County’s contributions to TCDRS for the year ended September 30, 2021 were \$ 3,552,854.

*Net Pension Liability* - The County’s Net Pension Liability (NPL) was measured as of December 31, 2020, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability/Asset was determined by an actuarial valuation as of that date.

Actuarial Assumptions:

The Total Pension Liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall payroll growth	3.00% per year
Investment Rate of Return	7.50%, net of pension plan investment expense, including inflation

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 the County.

Following is a description of the assumptions used in the December 31, 2020 actuarial valuation analysis for the County. This information may also be found in the 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.

## JOHNSON COUNTY, TEXAS

### Notes to the Financial Statements

For the Year Ended September 30, 2021

#### NOTE 10 - TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM PENSION PLAN - Continued

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	3.00%

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

#### Long-Term Expected Rate of Return

The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS' investment consultant, Cliffwater LLC. The numbers shown are based on January 2021 information for a 10-year horizon.

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

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

# JOHNSON COUNTY, TEXAS

## Notes to the Financial Statements

For the Year Ended September 30, 2021

### NOTE 10 - TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM PENSION PLAN - Continued

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

(2) Geometric real rates of return equal the expected return for the asset class minus the assumed inflation rate of 2.00%, per Cliffwater's 2021 capital market assumptions.

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

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

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

**Discount Rate** - The discount rate is the single rate of return that, when applied to all projected benefit payments results in an actuarial present value of projected benefit payments equal to the total of the following:

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

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

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

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

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

**JOHNSON COUNTY, TEXAS**

*Notes to the Financial Statements*

For the Year Ended September 30, 2021

**NOTE 10 - TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM PENSION PLAN - Continued**

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

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

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance as of December 31, 2019	\$ 125,125,237	\$ 118,707,222	\$ 6,418,015
Changes for the Year:			
Service cost	3,983,381	-	3,983,381
Interest on total pension liability <sup>(1)</sup>	10,246,724	-	10,246,724
Effect of plan changes <sup>(2)</sup>	-	-	-
Effect of economic/demographic gains or losses	796,747	-	796,747
Effect of assumptions changes or inputs	8,110,474	-	8,110,474
Refunds of contributions	( 178,969)	( 178,969)	-
Employer contributions	-	3,596,528	( 3,596,528)
Member contributions	-	2,191,101	( 2,191,101)
Net investment income	-	12,264,209	( 12,264,209)
Benefit payment,	( 5,136,225)	( 5,136,225)	-
Administrative expense	-	( 96,125)	96,125
Other changes <sup>(3)</sup>	-	21,157	( 21,157)
Balance as of December 31, 2020	<u>\$ 142,947,369</u>	<u>\$ 131,368,898</u>	<u>\$ 11,578,471</u>

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

<sup>(2)</sup> No plan changes valued.

<sup>(3)</sup> Relates to allocation of system-wide items.

**Sensitivity Analysis** - The following presents the net pension liability of the county, calculated using the discount rate of 7.60%, as well as what the County's net pension liability would be if it were calculated using a discount rate of 1 percentage-point lower (6.60%) or 1 percentage-point higher (8.60%) than the current rate:

**JOHNSON COUNTY, TEXAS**

Notes to the Financial Statements

For the Year Ended September 30, 2021

**NOTE 10 - TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM PENSION PLAN - Continued**

	1% Decrease In Discount Rate <u>(6.60%)</u>	Discount Rate <u>(7.60%)</u>	1% Increase In Discount Rate <u>(8.60%)</u>
Total pension liability	\$ 161,619,326	\$ 142,947,369	\$ 127,277,021
Fiduciary net position	<u>131,368,898</u>	<u>131,368,898</u>	<u>131,368,898</u>
Net pension liability / (asset)	<u>\$ 30,250,428</u>	<u>\$ 11,578,471</u>	<u>\$ (4,091,877)</u>

<i>Pension Expense:</i>	<u>Year Ended 12-31-20</u>
Service cost	\$ 3,983,381
Interest on total pension liability <sup>(1)</sup>	10,246,724
Administrative expenses	96,125
Member contributions	( 2,191,101)
Expected investment return net of investment expenses	( 9,631,069)
Recognition of deferred inflows/outflows of resources:	
Recognition of economic/demographic gains or losses	329,981
Recognition of assumption changes or inputs	2,129,937
Recognition of investment gains or losses	( 1,211,169)
Other <sup>(2)</sup>	<u>( 21,157)</u>
Pension expense	<u>\$ 3,731,652</u>

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

<sup>(2)</sup> Related to allocation of system-wide items.

*Deferred Inflows and Outflows* - At September 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 852,691	\$ -
Net difference between projected and actual investment earnings	-	4,236,433
Changes in assumptions	6,082,855	-
Contributions subsequent to the measurement date <sup>(3)</sup>	<u>2,600,298</u>	<u>-</u>
Totals	<u>\$ 9,535,844</u>	<u>\$ 4,236,433</u>

**JOHNSON COUNTY, TEXAS**

*Notes to the Financial Statements*

For the Year Ended September 30, 2021

**NOTE 10 - TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM PENSION PLAN - Continued**

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 expenses as follows:

<u>Year Ended</u> <u>September 30,</u>	
2022	\$ 1,071,214
2023	2,155,054
2024	( 527 )
2025	( 526,628 )
2026	-
Thereafter <sup>(4)</sup>	-

<sup>(3)</sup> If eligible employer contributions were made subsequent to the measurement date through the employer's fiscal year end, the employer should reflect these contributions, adjusted as outlined in GASB No. 71.

<sup>(4)</sup> Total remaining balance to be recognized in future years, if any. Note that additional deferred inflows and outflows of resources may impact these numbers.

**NOTE 11 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)**

*Plan Description* - The County's defined benefit OPEB plan, Johnson County Retiree Health Care Plan (JCRHCP), provides medical benefits to plan members of the County. JCRHCP is a single-employer defined benefit OPEB plan administered by the County. Local Government Code Section 157.101 assigns the authority to establish and amend benefit provisions to Commissioners Court. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

*Benefits Provided* - Plan participants are full-time regular employees who, at the time they leave County employment, are:

1. Eligible for retirement benefits under Texas County and District Retirement guidelines, and
2. Have a total of 20 years of service with Johnson County, of which at least 10 years are continuous service, and
3. Are covered under the County group health insurance program at the time of the separation, and
4. Are not Medicare eligible, or

Elected officials who, at the time they leave the County employment, are:

1. Eligible for retirement benefits under Texas County and District Retirement guidelines, and
2. Have a total of 16 years of service with the County, of which at least 10 years are continuous service, and
3. Are covered under the County group health insurance program at the time of their separation, and
4. Are not Medicare eligible.

Members retiring under TCDRS disability retirement provisions must satisfy social security disability requirements that are therefore Medicare eligible. Disabled retirees are not eligible for the County's health insurance. Retiree healthcare ceases when a covered retiree becomes eligible for Medicare coverage.



**JOHNSON COUNTY, TEXAS**

Notes to the Financial Statements

For the Year Ended September 30, 2021

**NOTE 11 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) - Continued**

Coverage for dependents who are not Medicare eligible and who are participants in the County’s group health insurance plan at the time of the employee’s separation may also be continued. Premiums will be paid for by the retiree and are to be made to the County Treasurer no later than the 10<sup>th</sup> day of each month. In the event of the retiree’s death, covered dependents may continue coverage until they become Medicare eligible provided they make required premium payments on a timely basis. The County will pay for the retiree’s vision coverage for 3 years or until the age 65. Any dependent coverage the retiree may have will be at the retiree’s cost.

The following table provides a summary of the number of participants in the plan as of September 30, 2021:

Inactive plan members or beneficiaries currently receiving benefits	14
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	<u>457</u>
	<u><u>471</u></u>

*Contributions* - Local Government Code Section 157.102 assigns to Commissioners Court the authority to establish and amend contribution requirements of the plan members. The County may contribute all, part of, or none of the premium payment. The County’s contribution, if any, will be determined annually by Commissioners Court during the County budget process and will be effective on a fiscal year basis. The County does not contribute toward the cost of coverage for retirees who do not meet the eligibility requirements. The County pays no more for retiree healthcare than the premium it pays for active employees for each rate tier structure (retiree only, retiree + spouse, retiree + child, retiree + children, retiree + family).

The plan is funded on a pay-as-you-go basis. For the year ended September 30, 2021, the total benefit payments made to the plan was \$ 194,407. The total benefit payments made include explicit benefit payments made by the County of \$ 163,585 and an implicit benefit payment of \$ 30,822. The implicit subsidy is calculated using a factor which equals the ratio of the expected implicit subsidy to the expected total medical premiums. Since the plan utilizes blended premiums, the benefit payments must include an adjustment for the implicit subsidy. This adjustment reflects the underlying costs of the benefits provided to retirees.

*Total OPEB Liability* - The County’s total OPEB liability of \$ 4,382,309 was measured as of September 30, 2021 utilizing the actuarial valuation performed as of September 30, 2020.

*Actuarial assumptions and other inputs* - The total OPEB liability in the September 30, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial cost method	Individual Entry-Age
Discount rate	2.19%
Inflation	2.50%
Salary increases	0.50% to 5.00%, not including wage inflation of 3.25%
Health care trend rates	Initial rate of 7.00% declining to an ultimate rate of 4.15% after 15 years
Participation rates	90% for retirees eligible for the County subsidy; 10% for retirees not eligible for the County subsidy

**JOHNSON COUNTY, TEXAS**

Notes to the Financial Statements

For the Year Ended September 30, 2021

**NOTE 11 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) - Continued**

The gender distinct RP-2014 Healthy Annuitant Mortality Tables are used with rates for males multiplied by 130% and rates for females multiplied by 110%. For healthy retirees, the valuation employs fully generational mortality projections based on 110% of the ultimate rates of Scale MP-2014.

The gender distinct RP-2014 Disabled Retiree mortality Tables are used with rates for males multiplied by 130% and rates for females multiplied by 115%. For disabled retirees, the valuation employs fully generational mortality projections based on 110% of the ultimate rates of Scale MP-2014.

The gender distinct RP2014 Employee Mortality Tables are used with rates for males and females multiplied by 90%. For active members, the valuation employs fully generational mortality projections based on 110% of the ultimate rates of Scale MP-2014.

The actuarial assumptions used in the September 30, 2020 valuation were based on the experience study covering the four-year period ending December 31, 2016, as conducted for the Texas County and District Retirement System.

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

*Changes in Total OPEB Liability* - The changes in the total OPEB liability as of September 30, 2021 are as follows:

	<u>Total OPEB Liability</u>
Service cost	\$ 331,882
Interest on total OPEB liability	98,711
Difference between expected and actual experience of the total OPEB liability	48,981
Changes in assumptions	70,005
Benefit payments	<u>( 194,407 )</u>
Net change in total OPEB liability	355,172
Total OPEB liability, September 30, 2020	<u>4,027,137</u>
Total OPEB liability, September 30, 2021	<u>\$ 4,382,309</u>

Changes in assumptions reflect a change in the discount rate from 2.41% as of September 30, 2020 to 2.19% as of September 30, 2021.

The benefit payments during the measurement period were determined as follows:

Explicit benefit payments (County's portion of premiums)	\$ 163,585
Implicit benefit payments	<u>30,822</u>
Total benefit payments	<u>\$ 194,407</u>

**JOHNSON COUNTY, TEXAS**

Notes to the Financial Statements

For the Year Ended September 30, 2021

**NOTE 11 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) - Continued**

The implicit benefit payments took the total premiums of \$ 184,565 multiplied by a factor of 0.167. The factor equals the ratio of the expected implicit subsidy to the expected explicit costs.

*Sensitivity of the total OPEB liability to changes in the discount rate* - The following presents the total OPEB liability of the County, calculated using the discount rate of 2.19%, as well as what the County's total OPEB liability would be if it were calculated using a discount rate of 1 percentage-point lower (1.19%) or 1 percentage-point higher (3.19%) than the current rate:

	1% Decrease In Discount Rate <u>(1.19%)</u>	Discount Rate <u>(2.19%)</u>	1% Increase In Discount Rate <u>(3.19%)</u>
Total OPEB liability	\$ 4,709,353	\$ 4,382,309	\$ 4,070,859

*Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates* - The following presents the total OPEB liability of the County, calculated using the healthcare cost trend rate of 7.00%, as well as what the County's total OPEB liability would be if it were calculated using a healthcare cost trend rate rate of 1 percentage-point lower (6.00%) or 1 percentage-point higher (8.00%) than the current rate:

	1% Decrease In Discount Rate <u>(6.00%)</u>	Discount Rate <u>(7.00%)</u>	1% Increase In Discount Rate <u>(8.00%)</u>
Total OPEB liability	\$ 3,850,994	\$ 4,382,309	\$ 5,009,731

<i>OPEB Expense:</i>	<u>Year Ended 09-30-21</u>
Service cost	\$ 331,882
Interest on the total OPEB liability	98,711
Recognition of current year outflow (inflow) due to liabilities	14,153
Amortization of prior year outflow (inflow) due to liabilities	<u>( 26,390)</u>
OPEB expense	<u>\$ 418,356</u>

*Deferred Inflows and Outflows* - At September 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 43,155	\$ 428,432
Changes in assumptions	<u>325,590</u>	<u>43,030</u>
Totals	<u>\$ 368,745</u>	<u>\$ 471,462</u>

**JOHNSON COUNTY, TEXAS**

*Notes to the Financial Statements*

For the Year Ended September 30, 2021

**NOTE 11 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) - Continued**

The County did not have any contributions subsequent to the measurement date due to the measurement date and the date of this report both ending as of September 30, 2021.

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

<u>Year Ended</u> <u>September 30,</u>	
2022	\$( 12,237)
2023	( 12,237)
2024	( 12,237)
2025	( 12,237)
2026	( 11,087)
Thereafter	( 42,682)

**NOTE 12 - GRANTS, ENTITLEMENTS AND SHARED REVENUES**

During the year ended September 30, 2021, the County applied for and received federal and state grants related to various activities. The operations of these grants are reported in the general fund, various special revenue funds, and capital projects fund. For the most part, these grants are reimbursement type grants, therefore, revenues equal expenditures. Grant revenues are classified as intergovernmental revenues. The federal financial assistance programs are covered by the requirements of the Single Audit Act and the Uniform Guidance.

The state financial assistance programs are covered by the State of Texas Single Audit Circular (Uniform Grant Management Standards). A single audit was performed on the federal and state financial assistance programs as the federal and state financial assistance programs met the \$ 750,000 threshold.

**NOTE 13 - BAIL BOND COLLATERAL**

The County holds, as collateral, time deposits and other cash equivalents and real property pledged toward bail bonds. The County does not have access to the assets unless the bond is violated; therefore, these assets are not reported in the financial statements of the County as of September 30, 2021. As of September 30, 2021, bail bonds outstanding totaled \$ 2,550,200 and collateral pledged against these bonds amounted to \$ 1,617,409, respectively.

**NOTE 14 - LITIGATION**

The County is contingently liable in respect to lawsuits and other claims in the ordinary course of its operations. Such lawsuits include various civil claims that are currently between the stages of discovery and pleadings. The outcome of these lawsuits and other claims are not presently determinable and the resolutions of these matters are not expected to have a material effect on the financial condition of the County. The County does not have any contingent estimated liability as of September 30, 2021.

**NOTE 15 - RISK COVERAGE**

The County is a participant in the Texas Association of Counties insurance pool for coverage of liability, property, and worker's compensation. The County pays annual premiums to the pool for the coverage stated. Property and liability insurance provide varying and appropriate coverage, with most claims subject to a \$ 5,000 deductible.

**JOHNSON COUNTY, TEXAS**

*Notes to the Financial Statements*

For the Year Ended September 30, 2021

**NOTE 16 - TAX ABATEMENTS**

The County enters into property tax abatement agreements with taxpayers under the State Property Tax Abatement Act, Tax Code Chapter 312. Under the act, the County may enter into a local agreement with a taxpayer that exempts all or part of the increase in the value of the real property and/or tangible personal property from taxation for a period not to exceed 10 years. Tax abatements are an economic development tool available to the County to attract new industries and to engage in the retention and development of existing businesses through property tax exemptions or reductions.

For the year ended September 30, 2021, the County abated property taxes totaling \$ 753,792 under this program, including the following tax abatement agreements that each exceeded 10 percent of the total amount abated:

- A 50 percent property tax abatement to an oil and gas company for the expansion and development of property to include buildings, structures, fixed machinery and equipment, site improvements plus office space and related fixed improvements necessary to the operation and administration of the facility to accommodate an industrial gas plant and all associated transmission equipment and lines. The abatement in the current fiscal year amounted to \$ 239,782.
- A 60 percent property tax abatement to a high technology manufacturer of building materials for the expansion of its current facility. The abatement in the current fiscal year amounted to \$ 84,029.
- A 75 percent property tax abatement to a manufacturer of tools for the construction of a new facility for increased manufacturing capacity and increased employment. The abatement in the current fiscal year amounts to \$ 106,154.
- A 75 percent property tax abatement to a retail company for the construction of a regional distribution center and increased employment. The abatement in the current fiscal year amounts to \$ 75,885.

**NOTE 17 - PRIOR PERIOD ADJUSTMENT**

During the current fiscal year, the County implemented GASB Statement No. 84, *Fiduciary Activities*. As a result, the beginning net position of the County’s custodial funds has been restated as follows:

	<u>Custodial Fund</u>
Beginning net position, as originally presented	\$ -
Reclassification of groups moved from an agency fund to a custodial fund	<u>6,152,130</u>
Beginning net position, as restated	<u>\$ 6,152,130</u>

# JOHNSON COUNTY, TEXAS

## Notes to the Financial Statements

For the Year Ended September 30, 2021

### NOTE 18 - EVALUATION OF SUBSEQUENT EVENTS

The County has evaluated subsequent events through March 10, 2022, the date which the financial statements were available to be issued.

On December 7, 2021, the County issued \$ 15,865,000 of Series 2021 General Obligation Refunding Bonds, maturing in 2035. The bonds have a stated interest rate of 1.80% - 3.00%. The bonds are to be paid from annual ad valorem interest and bonded indebtedness.

The following is a schedule of principal maturity for the Series 2021 General Obligation Refunding Bonds.

<u>Maturing February 15,</u>	<u>Principal</u>
2022	\$ 385,000
2023	190,000
2024	200,000
2025	205,000
2026	1,360,000
2027-2031	7,225,000
2032-2035	<u>6,300,000</u>
Total	<u>\$ 15,865,000</u>

**REQUIRED SUPPLEMENTARY  
INFORMATION**

**JOHNSON COUNTY, TEXAS**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL - GENERAL FUND AND ROAD & BRIDGE FUND**

For the Year Ended September 30, 2021

	General Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues:				
Taxes	\$ 51,351,734	\$ 51,351,734	\$ 51,414,264	\$ 62,530
Intergovernmental	1,614,739	1,614,739	1,797,597	182,858
Prisoner housing services	9,600,000	9,600,000	8,702,223	( 897,777 )
Fees	6,787,550	6,787,550	9,191,899	2,404,349
Fines	967,000	967,000	1,027,653	60,653
Investment income	364,000	364,000	348,834	( 15,166 )
Miscellaneous	303,180	303,180	686,796	383,616
Total revenues	<u>70,988,203</u>	<u>70,988,203</u>	<u>73,169,266</u>	<u>2,181,063</u>
Expenditures				
Current:				
General government	17,952,960	17,743,494	15,971,872	1,771,622
Administration of justice	8,470,557	8,531,219	7,370,694	1,160,525
Financial administration	1,273,818	1,270,703	1,234,501	36,202
Elections	766,181	812,209	770,742	41,467
Law enforcement	38,430,650	39,930,598	36,888,259	3,042,339
Highways and streets	-	-	-	-
Health and welfare	1,226,832	1,239,988	1,144,756	95,232
Culture and recreation	314,080	314,080	288,299	25,781
Conservation	255,823	256,851	234,979	21,872
Capital outlay	934,456	1,667,442	1,008,333	659,109
Total expenditures	<u>69,625,357</u>	<u>71,766,584</u>	<u>64,912,435</u>	<u>6,854,149</u>
Excess (deficiency) of revenues over expenditures	<u>1,362,846</u>	<u>( 778,381 )</u>	<u>8,256,831</u>	<u>9,035,212</u>
Other Financing Sources (Uses):				
Proceeds from sale of capital assets	10,000	10,000	23,977	13,977
Transfers in	307,820	307,820	343,221	35,401
Transfers out	( 3,955,686 )	( 4,058,818 )	( 4,049,224 )	9,594
Total other financing sources (uses)	<u>( 3,637,866 )</u>	<u>( 3,740,998 )</u>	<u>( 3,682,026 )</u>	<u>58,972</u>
Net change in fund balance	<u>( 2,275,020 )</u>	<u>( 4,519,379 )</u>	<u>4,574,805</u>	<u>9,094,184</u>
Fund balance - beginning	<u>35,494,414</u>	<u>35,494,414</u>	<u>35,494,414</u>	<u>-</u>
Fund balance - ending	<u>\$ 33,219,394</u>	<u>\$ 30,975,035</u>	<u>\$ 40,069,219</u>	<u>\$ 9,094,184</u>



Road & Bridge Fund			
Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
Original	Final		
\$ 5,787,096	\$ 5,787,096	\$ 5,820,096	\$ 33,000
64,000	64,000	359,267	295,267
-	-	-	-
2,041,000	2,041,000	2,222,760	181,760
-	-	-	-
61,500	61,500	27,637	( 33,863 )
<u>127,500</u>	<u>127,500</u>	<u>268,563</u>	<u>141,063</u>
<u>8,081,096</u>	<u>8,081,096</u>	<u>8,698,323</u>	<u>617,227</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
11,472,857	11,354,628	7,338,311	4,016,317
-	-	-	-
-	-	-	-
-	-	-	-
<u>1,550,992</u>	<u>1,629,221</u>	<u>706,788</u>	<u>922,433</u>
<u>13,023,849</u>	<u>12,983,849</u>	<u>8,045,099</u>	<u>4,938,750</u>
( 4,942,753 )	( 4,902,753 )	653,224	5,555,977
-	-	60,660	60,660
-	-	19,997	19,997
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>80,657</u>	<u>80,657</u>
( 4,942,753 )	( 4,902,753 )	733,881	5,636,634
<u>5,232,882</u>	<u>5,232,882</u>	<u>5,232,882</u>	<u>-</u>
<u>\$ 290,129</u>	<u>\$ 330,129</u>	<u>\$ 5,966,763</u>	<u>\$ 5,636,634</u>

**JOHNSON COUNTY, TEXAS****REQUIRED SUPPLEMENTARY INFORMATION****TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM****SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**

For the Ten Measurement Years Ended December 31,

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total Pension Liability				
Service cost	\$ 3,983,381	\$ 3,590,557	\$ 3,466,432	\$ 3,602,644
Interest on total pension liability	10,246,724	9,554,779	8,924,763	8,331,782
Effect of plan changes	-	-	-	-
Effect of assumption changes or inputs	8,110,474	-	-	409,272
Effect of economic/demographic (gains) or losses	796,747	313,482	393,570	( 183,883)
Benefit payments/refunds of contributions	( 5,315,194)	( 5,303,269)	( 4,965,130)	( 4,450,589)
Net Change in Total Pension Liability	17,822,132	8,155,549	7,819,635	7,709,226
Total Pension Liability - beginning	<u>125,125,237</u>	<u>116,969,688</u>	<u>109,150,053</u>	<u>101,440,827</u>
Total Pension Liability - ending (a)	<u>\$ 142,947,369</u>	<u>\$ 125,125,237</u>	<u>\$ 116,969,688</u>	<u>\$ 109,150,053</u>
Fiduciary Net Position				
Employer contributions	\$ 3,596,528	\$ 3,175,837	\$ 2,886,381	\$ 2,704,447
Member contributions	2,191,101	2,041,377	1,867,348	1,873,863
Investment income net of investment expense	12,264,209	16,767,350	( 1,946,155)	13,284,062
Benefit payments/refunds of contributions	( 5,315,194)	( 5,303,269)	( 4,965,130)	( 4,450,589)
Administrative expense	( 96,125)	( 90,459)	( 82,009)	( 69,388)
Other	<u>21,157</u>	<u>13,906</u>	<u>4,182</u>	<u>1,058</u>
Net Change in Fiduciary Net Position	12,661,676	16,604,742	( 2,235,383)	13,343,453
Fiduciary Net Position - beginning	<u>118,707,222</u>	<u>102,102,480</u>	<u>104,337,863</u>	<u>90,994,410</u>
Fiduciary Net Position - ending (b)	<u>\$ 131,368,898</u>	<u>\$ 118,707,222</u>	<u>\$ 102,102,480</u>	<u>\$ 104,337,863</u>
Net Pension Liability - ending (a)-(b)	<u>\$ 11,578,471</u>	<u>\$ 6,418,015</u>	<u>\$ 14,867,208</u>	<u>\$ 4,812,190</u>
Fiduciary Net Position as a Percentage of Total Pension Liability	91.90%	94.87%	87.29%	95.59%
Pensionable covered payroll	\$ 31,301,448	\$ 29,162,524	\$ 26,676,399	\$ 26,104,730
Net Pension Liability as a Percentage of Covered Payroll	36.99%	22.01%	55.73%	18.43%

Note - This schedule is presented to illustrate the requirements to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the standards of GASB 68, they should not be shown. Therefore, we have shown only years for which the new GASB statements have been implemented.

<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 3,686,376	\$ 3,356,710	\$ 3,228,313
7,591,733	7,131,530	6,593,390
-	( 605,396)	-
-	1,024,387	-
291,215	( 1,277,227)	63,386
( 4,014,436)	( 3,799,131)	( 3,231,425)
7,554,888	5,830,873	6,653,664
<u>93,885,939</u>	<u>88,055,066</u>	<u>81,401,402</u>
<u>\$ 101,440,827</u>	<u>\$ 93,885,939</u>	<u>\$ 88,055,066</u>
\$ 2,617,668	\$ 2,511,927	\$ 2,470,381
1,805,291	1,703,829	1,688,738
6,229,109	( 616,199)	5,292,764
( 4,014,436)	( 3,799,131)	( 3,231,425)
( 67,695)	( 60,576)	( 62,523)
<u>409,118</u>	<u>199,540</u>	<u>( 138,000)</u>
6,979,055	( 60,610)	6,019,935
<u>84,015,355</u>	<u>84,075,965</u>	<u>78,056,030</u>
<u>\$ 90,994,410</u>	<u>\$ 84,015,355</u>	<u>\$ 84,075,965</u>
<u>\$ 10,446,417</u>	<u>\$ 9,870,584</u>	<u>\$ 3,979,101</u>
89.70%	89.49%	95.48%
\$ 25,789,868	\$ 24,340,413	\$ 24,124,827
40.51%	40.55%	16.49%

**JOHNSON COUNTY, TEXAS**

Exhibit 9

*REQUIRED SUPPLEMENTARY INFORMATION*  
*TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM*  
*SCHEDULE OF EMPLOYER CONTRIBUTIONS*  
 For the Ten Years Ended September 30,

	<u>Actuarially Determined Contribution<sup>(1)</sup></u>	<u>Actual Employer Contribution<sup>(1)</sup></u>	<u>Contribution Deficiency (Excess)</u>	<u>Pensionable Covered Payroll<sup>(2)</sup></u>	<u>Actual Contribution as a % of Covered Payroll</u>
2012	\$ 2,108,049	\$ 2,108,049	\$ -	\$ 22,655,060	9.3%
2013	2,216,698	2,216,698	-	22,856,128	9.7%
2014	2,407,913	2,407,913	-	23,781,437	10.1%
2015	2,492,624	2,492,624	-	24,205,219	10.3%
2016	2,707,614	2,707,614	-	26,561,630	10.2%
2017	2,687,041	2,687,041	-	26,059,464	10.3%
2018	2,801,251	2,801,251	-	26,149,000	10.7%
2019	3,139,996	3,139,996	-	28,876,370	10.9%
2020	3,397,114	3,397,114	-	29,926,967	11.4%
2021	3,478,172	3,552,854	( 74,682)	30,921,273	11.5%

<sup>(1)</sup> TCDRS calculates actuarially determined contributions on a calendar year basis. GASB Statement No. 68 indicates the employer should report employer contribution amounts on a fiscal year basis.

<sup>(2)</sup> Payroll is calculated based on contributions as reported to TCDRS.

**JOHNSON COUNTY, TEXAS**

Exhibit 10

*REQUIRED SUPPLEMENTARY INFORMATION*

*SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS*

Fiscal Year Ending September 30,

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability				
Service cost	\$ 331,882	\$ 407,464	\$ 311,838	\$ 319,478
Interest on the Total OPEB Liability	98,711	116,430	138,249	118,225
Difference between expected and actual experience	48,981	( 541,872)	( 7,941)	-
Changes of assumptions	70,005	96,586	284,814	( 78,374)
Benefit payments	( 194,407)	( 163,135)	( 138,030)	( 109,424)
Net Change in Total OPEB Liability	355,172	( 84,527)	588,930	249,905
Total OPEB Liability - beginning	<u>4,027,137</u>	<u>4,111,664</u>	<u>3,522,734</u>	<u>3,272,829</u>
Total OPEB Liability - ending	<u>\$ 4,382,309</u>	<u>\$ 4,027,137</u>	<u>\$ 4,111,664</u>	<u>\$ 3,522,734</u>
Covered-Employee Payroll	<u>\$ 28,665,295</u>	<u>\$ 27,456,551</u>	<u>\$ 26,417,574</u>	<u>\$ 22,612,390</u>
Net OPEB Liability as a Percentage of Covered Payroll	<u>15.29%</u>	<u>14.67%</u>	<u>15.56%</u>	<u>15.58%</u>

Notes to Schedule:

For the year ending September 30, 2021, the health care trend rates were reset to better reflect the plan's anticipated experience and to reflect the repeal of the excise tax on high-cost employer health plans.

Changes in assumptions reflect a change in the discount rates each period. The following are the discount rates used in each period.

<u>Fiscal Year</u> <u>Ending</u>	<u>Discount</u> <u>Rate</u>
2021	2.19%
2020	2.41%
2019	2.76%
2018	3.83%
2017	3.50%

This schedule is presented to illustrate the requirements to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the standards of GASB 74, they should not be shown. Therefore, we have shown only years for which the new GASB statements have been implemented.

## JOHNSON COUNTY, TEXAS

*Notes to the Required Supplementary Information*  
For the Year Ended September 30, 2021

### NOTE 1 - BUDGETARY INFORMATION

The budget law of the State of Texas provides that amounts budgeted for current expenditures from the various funds of the County shall not exceed the balances in the funds, plus the anticipated revenues for the current year as estimated by the County Auditor. The fund budgets are prepared on a basis of accounting that is used for reporting in accordance with generally accepted accounting principles. The major funds, General Fund and Road & Bridge Fund, budget and actual comparisons are presented as Required Supplementary Information at the fund level.

Although the level of budgetary control is total revenues plus available fund balance, the County adopts its budget at a line-item level for managerial control purposes. Line item level is defined for revenue purposes as the type of revenue to be derived and for expenditures purposes by department and type of expenditures (salaries and wages and employee benefits; operating expenditures; and capital outlay). Budget amendments to transfer budgeted amounts from one line item to another may be made at the discretion of the Commissioners Court.

### NOTE 2 - SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

#### 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.

## JOHNSON COUNTY, TEXAS

*Notes to the Required Supplementary Information*  
For the Year Ended September 30, 2021

### NOTE 2 - SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS - Continued

Changes in Assumptions and  
Methods Reflected in the  
Schedule of Employer  
Contributions\*

2015: New inflation, mortality and other assumption were reflected.  
2017: New mortality assumptions were reflected.  
2019: New inflation, mortality and other assumptions were reflected.

Changes in Plan Provisions  
Reflected in the Schedule of  
Employer Contributions\*

2015: No changes in plan provisions were reflected in the Schedule.  
2016: No changes in plan provisions were reflected in the Schedule.  
2017: New Annuity Purchase Rates were reflected for benefits earned after 2017.  
2018: No changes in plan provisions were reflected in the Schedule.  
2019: No changes in plan provisions were reflected in the Schedule.  
2020: No changes in plan provisions were reflected in the Schedule.

\* Only changes that affect the benefit amount and that are effective 2015 and later are shown in the Notes to Schedule.





**COMBINING AND INDIVIDUAL FUND  
STATEMENTS AND SCHEDULES**

## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

**Law Library Fund** - This fund accounts for the cost of operating and maintaining a law library for public use. Revenues are derived from law library fees assessed against each civil case filed in District and County courts.

**Records Management and Preservation Fund** - The "Records Management and Preservation" fee collected by the County and District Clerks, pursuant to Local Government Code 118.011, is for the records management and preservation services performed after the filing and recording of a document in the records of the office of the clerk. The fee is used to provide funds for specific records preservation and automation projects.

**Vital Statistics Preservation Fund** - The "Vital Statistics" fee collected by the County Clerk pursuant to Health & Safety Code 191.0045 is for the preservation of vital statistical records. This includes preserving records, training regarding vital statistics and ensuring safety and security of vital statistics records.

**Elections Services Contract Fund** - This fund accounts for surplus funds from Election Service Contracts under the Texas Election Code 31.003. Funds are used only to defray expenses of the County election officer's office in connection with election-related duties or functions.

**STOP SCU Federal Forfeitures Fund** - This fund accounts for the funds received from forfeitures in a federal case.

**District Attorney Forfeiture Fund** - This fund accounts for funds forfeited by the court to the District Attorney. Disbursement is at the discretion of the District Attorney.

**Sheriff Forfeiture Fund** - This fund accounts for funds forfeited by the court to the Sheriff. Disbursement is at the discretion of the Sheriff.

**STOP SCU Forfeiture Fund** - This fund accounts for the funds received from forfeitures.

**Juvenile Justice Alternative Education Fund** - This fund accounts for intergovernmental revenues from the Texas Juvenile Justice Department to fund mandatory juvenile justice alternative education programs as required under Chapter 37, Texas Education Code.

**Juvenile Case Manager Fund** - This fund accounts for proceeds which are used by Juvenile Case Managers for management of juvenile truancy case activity.

**Juvenile Probation Fees Fund** - This fund accounts for the receipt and disbursement of fees collected by the Juvenile Probation Department.

**Unclaimed Juvenile Restitution Fund** - This fund accounts for funds resulting from unclaimed juvenile restitution payments. Family Code, Section 54.0482 authorized such funds to be used for the same purposes for which the County may expend juvenile state aide.

## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds - Continued

**Justice of the Peace Technology Fund** - This fund accounts for the mandate that each Johnson County justice court assess a technology fee on each conviction, as defined by Art. 102.0173 Code of Criminal Procedure, for a fine-only misdemeanor committed on or after January 1, 2002. The use of this fee is restricted to the purchase of technological enhancements for a justice court.

**Courthouse Security Fund** - This fund accounts for funds used to monitor and increase courthouse security.

**Justice Court Building Security Fund** - The State Legislature amended the Court of Criminal Procedures Art. 102.017 by adding \$ 1 to the existing Courthouse Security Fund. The Justice of the Peace collect the funds and deposit them in a Justice Court building security fund for providing security services for a Justice Court located in a building that is not in the County Courthouse.

**Guardianship Fee Fund** - This fund accounts for proceeds that provide guardians for indigent incapacitated persons who do not have family members suitable and willing to serve as guardians.

**Court Reporter Service Fund** - This fund accounts for court reporter service fees collected on each civil case filed in courts with an official court reporter. Funds are used only to defray the cost of court reporter related services.

**Record Archives - County Clerk Fund** - The "Records Archive" fee collected by the County Clerk, pursuant to Local Government Code 118.011 (f), is for the preservation and restoration services performed by the County Clerk in connection with maintaining a County Clerk's records archive.

**Record Archives - District Clerk Fund** - The "Records Archive" fee collected by the District Clerk, pursuant to Local Government Code 118.011 (f), is for the preservation and restoration services performed by the District Clerk in connection with maintaining a District Clerk's records archive.

**County/District Court Technology Fund** - This fund accounts for fees collected and utilized for the purchase and maintenance of technological enhancements, or the cost of continuing education and training of county/district court judges and clerks regarding technological enhancements.

**Court Records Preservation Digital Fund** - This fund accounts for funds received to provide systems to be used for court records preservation.

**District Court Records Technology Fund** - This fund accounts for fees collected and utilized solely for the preservation and restoration of District Court archives.

**Pecan Valley MHMR Fund** - This fund accounts for the activities of Pecan Valley MHMR.

**Indigent Health Care Fund** - This fund is used to account for the cost of providing medical care to indigent County residents. Property taxes are allocated each year for this purpose.

**Right of Way Fund** - This fund accounts for proceeds used to acquire and maintain right-of-ways for various road projects throughout the County. These expenditures are a mixture of both capital and operating costs.

**Historical Commission Fund** - This fund accounts for resources used to preserve the history and heritage of Johnson County.

## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds - Continued

**Pre-Trial Bond Supervision Fund** - This fund accounts for fees earned and expenditures authorized for participants' successful completion of the pre-trial bond program ordered by the court under the supervision of the Community Service and Corrections Department.

**STOP SCU Operations Fund** - This fund accounts for the funds provided through interlocal agreements and utilized for the drug task force.

**Sheriff Inmate Commissary Fund** - This fund is used to account for jail inmates' purchase of food, toiletry items, and other supplies. Expenditures are for the purchase of stock and profits generated may be used by the Sheriff to purchase items for the benefit of the inmate population.

**Sheriff LEOSE Fund** - This fund accounts for fees provided for law enforcement officers' educational expenditures under the Law Enforcement Officers Standards & Education program.

**County Attorney Collection Fund** - This fund accounts for receipt and disbursement of fees earned for the collection of bad checks issued in the County. Disbursement is at the discretion of the County Attorney.

**County Attorney LEOSE Fund** - This fund accounts for fees provided for law enforcement officers' educational expenditures under the Law Enforcement Officers Standards & Education program.

**District Attorney 18<sup>th</sup> Judicial Fund** - This fund accounts for funds received from the state for salary supplements and welfare fraud expense reimbursements in the District Attorney's Office.

**District Attorney Collection Fund** - This fund accounts for receipt and disbursement of fees earned for the collection of bad checks issued in the County. Disbursement is at the discretion of the District Attorney.

**Combined Constables LEOSE Fund** - This fund accounts for fees provided for law enforcement officers' educational expenditures under the Law Enforcement Officers Standards & Education program.

**MVIE - Tax A/C Penalty & Interest** - This fund accounts for interest earned from the Tax Assessor/Collector Special Inventory Account to provide more efficient service to dealers. Disbursement is at the discretion of the Tax Assessor/Collector.

**HAVA Grant Fund** - This fund is to prevent, prepare for and respond to coronavirus, domestically or internationally, for the 2020 federal election cycle.

**Cities Readiness Initiative Fund** - This fund accounts for grant proceeds that allow the County to assist the Office of Public Health in the implementation of activities associated with the FY 04 Centers for Disease Control and Prevention (CDC) Public Health Preparedness and Response for Bioterrorism Cooperative Agreement. This project is designed to upgrade state and local public health jurisdictions' preparedness for a response to bioterrorism, other outbreaks of infectious disease, and other public health threats and emergencies.

## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds - Continued

**Community Development Block Grant Fund** - This fund is used to account for receipts and expenditures of the Texas Community Development Block Grant. The current grant project is to replace aged and undersized water lines, to reduce water loss and improve pressure, for the enhancement of services provided by the Johnson County Special Utility District.

**Edward Byrne Memorial Grant Fund** - This fund accounts for federal grant revenues to be utilized by law enforcement for the enhancement of technology, integration and computer forensics capabilities.

**CRF Coronavirus Relief Fund** - This fund accounts for the federal grant funds received by the County to cover necessary expenditures incurred due to the public health emergency with respect to the Coronavirus (COVID-19) administered by the Texas Division of Emergency Management (TDEM).

**Juvenile Probation Fund** - This fund accounts for revenues received from the Texas Juvenile Justice Department to supplement expenditures of the County in administering a Juvenile Probation Department. The County operates under an approved budget with the TJJD and submits reports quarterly with an annual contract report submitted as of each fiscal year ended August 31.

## NONMAJOR GOVERNMENTAL FUNDS

### Capital Projects Funds

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

**Construction Projects Fund** - This fund is used to record costs incurred in constructing or improving a capital asset that meet the capital construction criteria and are not funded by either grants or borrowed funds.

**Software Projects Fund** - This fund is used to account for the acquisition and implementation of new software systems.

**Burleson Sub Courthouse Construction Fund** - This fund is used to account for expenditures incurred in the renovation of the Burleson Sub Courthouse.

**Sheriff's Office Renovation Fund** - This fund is used to account for expenditures incurred in the renovation of the Sheriff's office.

**Parking Lot 100 South Mill Street Fund** - This fund is used to record demolition of the Motor Bank and construction of a parking lot at 100 South Mill Street.

**Storm Damage Repair Construction Fund** - This fund is used to record expenditures for the repair of multiple County buildings damaged by storms and the corresponding revenue from insurance proceeds.



**JOHNSON COUNTY, TEXAS**  
**COMBINING BALANCE SHEET -**  
**NONMAJOR GOVERNMENTAL FUNDS**  
September 30, 2021

	Law Library Fund	Records Management and Preservation Fund	Special  Vital Statistics Preservation Fund
<b>Assets:</b>			
Cash and temporary investments	\$ 149,034	\$ 2,778,265	\$ 20,225
Investments	-	-	-
Receivables (Net of Allowance for Uncollectibles):			
Taxes	-	-	-
Accounts	-	-	-
Due from other governments	-	-	-
Due from other funds	-	-	-
Prepaid expenditures	-	-	-
<b>Total assets</b>	<b>\$ 149,034</b>	<b>\$ 2,778,265</b>	<b>\$ 20,225</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balance</b>			
<b>Liabilities:</b>			
Accounts and accrued liabilities payable	\$ 6,971	\$ 9,671	\$ -
Due to other funds	-	-	-
Unearned revenue	-	-	-
<b>Total liabilities</b>	<b>6,971</b>	<b>9,671</b>	<b>-</b>
<b>Deferred Inflows of Resources:</b>			
Deferred inflows of resources	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance:</b>			
Nonspendable	-	-	-
Restricted	142,063	2,768,594	20,225
<b>Total fund balance</b>	<b>142,063</b>	<b>2,768,594</b>	<b>20,225</b>
<b>Total liabilities, deferred inflows of resources and fund balance</b>	<b>\$ 149,034</b>	<b>\$ 2,778,265</b>	<b>\$ 20,225</b>



Revenue Funds

Election Services Contract Fund	STOP SCU Federal Forfeitures Fund	District Attorney Forfeiture Fund	Sheriff Forfeiture Fund	STOP SCU Forfeiture Fund	Juvenile Justice Alternative Education Fund
\$ 663,586	\$ 4,662	\$ 118,373	\$ 3,336	\$ 418,346	\$ 143,434
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	1,443
-	-	-	-	-	17,372
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 663,586</u>	<u>\$ 4,662</u>	<u>\$ 118,373</u>	<u>\$ 3,336</u>	<u>\$ 418,346</u>	<u>\$ 162,249</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,282
-	-	-	-	-	-
-	-	-	-	-	2,521
-	-	-	-	-	15,803
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>663,586</u>	<u>4,662</u>	<u>118,373</u>	<u>3,336</u>	<u>418,346</u>	<u>146,446</u>
<u>663,586</u>	<u>4,662</u>	<u>118,373</u>	<u>3,336</u>	<u>418,346</u>	<u>146,446</u>
<u>\$ 663,586</u>	<u>\$ 4,662</u>	<u>\$ 118,373</u>	<u>\$ 3,336</u>	<u>\$ 418,346</u>	<u>\$ 162,249</u>

(continued)

**JOHNSON COUNTY, TEXAS**  
**COMBINING BALANCE SHEET -**  
**NONMAJOR GOVERNMENTAL FUNDS - Continued**  
September 30, 2021

	Special		
	Juvenile Case Manager Fund	Juvenile Probation Fees Fund	Unclaimed Juvenile Restitution Fund
<b>Assets:</b>			
Cash and temporary investments	\$ 15,431	\$ 67,372	\$ 1,061
Investments	-	-	-
Receivables (Net of Allowance for Uncollectibles):			
Taxes	-	-	-
Accounts	-	625	-
Due from other governments	-	-	-
Due from other funds	-	-	-
Prepaid expenditures	-	-	-
	<u>15,431</u>	<u>67,997</u>	<u>1,061</u>
Total assets	<u>\$ 15,431</u>	<u>\$ 67,997</u>	<u>\$ 1,061</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balance</b>			
<b>Liabilities:</b>			
Accounts and accrued liabilities payable	\$ 2,411	\$ -	\$ -
Due to other funds	-	-	-
Unearned revenue	-	-	-
	<u>2,411</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>2,411</u>	<u>-</u>	<u>-</u>
<b>Deferred Inflows of Resources:</b>			
Deferred inflows of resources	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balance:</b>			
Nonspendable	-	-	-
Restricted	13,020	67,997	1,061
	<u>13,020</u>	<u>67,997</u>	<u>1,061</u>
Total fund balance	<u>13,020</u>	<u>67,997</u>	<u>1,061</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 15,431</u>	<u>\$ 67,997</u>	<u>\$ 1,061</u>

Revenue Funds

Justice of the Peace Technology Fund	Courthouse Security Fund	Justice Court Building Security Fund	Guardianship Fee Fund	Court Reporter Service Fund	Record Archives - County Clerk Fund
\$ 379,286	\$ 204,761	\$ 97,359	\$ 30,201	\$ 2,118	\$ 672,413
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>379,286</u>	<u>204,761</u>	<u>97,359</u>	<u>30,201</u>	<u>2,118</u>	<u>672,413</u>
\$ 968	\$ 66,679	\$ -	\$ 3,619	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
<u>968</u>	<u>66,679</u>	<u>-</u>	<u>3,619</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>378,318</u>	<u>138,082</u>	<u>97,359</u>	<u>26,582</u>	<u>2,118</u>	<u>672,413</u>
<u>378,318</u>	<u>138,082</u>	<u>97,359</u>	<u>26,582</u>	<u>2,118</u>	<u>672,413</u>
<u>\$ 379,286</u>	<u>\$ 204,761</u>	<u>\$ 97,359</u>	<u>\$ 30,201</u>	<u>\$ 2,118</u>	<u>\$ 672,413</u>

(continued)

**JOHNSON COUNTY, TEXAS**  
**COMBINING BALANCE SHEET -**  
**NONMAJOR GOVERNMENTAL FUNDS - Continued**  
September 30, 2021

	Record Archives - District Clerk Fund	County/ District Court Technology Fund	Special Court Records Preservation Digital Fund
<b>Assets:</b>			
Cash and temporary investments	\$ 125,623	\$ 5,091	\$ 389,425
Investments	-	-	-
Receivables (Net of Allowance for Uncollectibles):			
Taxes	-	-	-
Accounts	-	-	-
Due from other governments	-	-	-
Due from other funds	-	-	-
Prepaid expenditures	-	-	-
<b>Total assets</b>	<b><u>\$ 125,623</u></b>	<b><u>\$ 5,091</u></b>	<b><u>\$ 389,425</u></b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balance</b>			
<b>Liabilities:</b>			
Accounts and accrued liabilities payable	\$ -	\$ -	\$ -
Due to other funds	-	-	-
Unearned revenue	-	-	-
<b>Total liabilities</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Deferred Inflows of Resources:</b>			
Deferred inflows of resources	-	-	-
<b>Total deferred inflows of resources</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Fund Balance:</b>			
Nonspendable	-	-	-
Restricted	<u>125,623</u>	<u>5,091</u>	<u>389,425</u>
<b>Total fund balance</b>	<b><u>125,623</u></b>	<b><u>5,091</u></b>	<b><u>389,425</u></b>
<b>Total liabilities, deferred inflows of resources and fund balance</b>	<b><u>\$ 125,623</u></b>	<b><u>\$ 5,091</u></b>	<b><u>\$ 389,425</u></b>

Revenue Funds

District Court Records Technology Fund	Pecan Valley MHMR Fund	Indigent Health Care Fund	Right of Way Fund	Historical Commission Fund	Pre-Trial Bond Supervision Fund
\$ 230,535	\$ 7,190	\$ 2,084,993	\$ 582,078	\$ 53,364	\$ 323,943
-	-	889,010	873,038	-	-
-	-	18,904	-	-	-
-	-	2,023	2,346	-	19,973
-	-	-	-	-	-
-	-	-	-	-	-
<u>230,535</u>	<u>7,190</u>	<u>2,994,930</u>	<u>1,457,462</u>	<u>53,364</u>	<u>343,916</u>
\$ 1	\$ -	\$ 322,619	\$ -	\$ 928	\$ 10,946
-	-	-	-	-	-
<u>1</u>	<u>-</u>	<u>322,619</u>	<u>-</u>	<u>928</u>	<u>10,946</u>
-	-	12,816	-	-	-
-	-	12,816	-	-	-
-	-	-	-	-	-
<u>230,534</u>	<u>7,190</u>	<u>2,659,495</u>	<u>1,457,462</u>	<u>52,436</u>	<u>332,970</u>
<u>230,534</u>	<u>7,190</u>	<u>2,659,495</u>	<u>1,457,462</u>	<u>52,436</u>	<u>332,970</u>
<u>\$ 230,535</u>	<u>\$ 7,190</u>	<u>\$ 2,994,930</u>	<u>\$ 1,457,462</u>	<u>\$ 53,364</u>	<u>\$ 343,916</u>

(continued)

**JOHNSON COUNTY, TEXAS**  
**COMBINING BALANCE SHEET -**  
**NONMAJOR GOVERNMENTAL FUNDS - Continued**  
September 30, 2021

	Special		
	STOP SCU Operations Fund	Sheriff Inmate Commissary Fund	Sheriff LEOSE Fund
<b>Assets:</b>			
Cash and temporary investments	\$ 171,801	\$ 899,408	\$ 16,568
Investments	-	-	-
Receivables (Net of Allowance for Uncollectibles):			
Taxes	-	-	-
Accounts	-	-	-
Due from other governments	-	-	-
Due from other funds	-	-	-
Prepaid expenditures	3,255	5,966	-
Total assets	<u>\$ 175,056</u>	<u>\$ 905,374</u>	<u>\$ 16,568</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balance</b>			
<b>Liabilities:</b>			
Accounts and accrued liabilities payable	\$ 6,080	\$ 45,989	\$ -
Due to other funds	-	-	-
Unearned revenue	-	-	-
Total liabilities	<u>6,080</u>	<u>45,989</u>	<u>-</u>
<b>Deferred Inflows of Resources:</b>			
Deferred inflows of resources	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balance:</b>			
Nonspendable	3,255	5,966	-
Restricted	165,721	853,419	16,568
Total fund balance	<u>168,976</u>	<u>859,385</u>	<u>16,568</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 175,056</u>	<u>\$ 905,374</u>	<u>\$ 16,568</u>

Revenue Funds

County Attorney Collection Fund	County Attorney LEOSE Fund	District Attorney 18 <sup>th</sup> Judicial Fund	District Attorney Collection Fund	Combined Constables LEOSE Fund	MVIE Tax A/C Penalty & Interest Fund
\$ 45,872	\$ 1,718	\$ 1,810	\$ 10,779	\$ 21,749	\$ 58,319
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	13,392	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>45,872</u>	<u>1,718</u>	<u>1,810</u>	<u>10,779</u>	<u>35,141</u>	<u>58,319</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	21,749	-
-	-	-	-	21,749	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>45,872</u>	<u>1,718</u>	<u>1,810</u>	<u>10,779</u>	<u>13,392</u>	<u>58,319</u>
<u>45,872</u>	<u>1,718</u>	<u>1,810</u>	<u>10,779</u>	<u>13,392</u>	<u>58,319</u>
<u>\$ 45,872</u>	<u>\$ 1,718</u>	<u>\$ 1,810</u>	<u>\$ 10,779</u>	<u>\$ 35,141</u>	<u>\$ 58,319</u>

(continued)

**JOHNSON COUNTY, TEXAS**  
**COMBINING BALANCE SHEET -**  
**NONMAJOR GOVERNMENTAL FUNDS - Continued**  
September 30, 2021

	HAVA Grant Fund	Cities Readiness Initiative Fund	Special Community Development Block Grant Fund
<b>Assets:</b>			
Cash and temporary investments	\$ 183,865	\$ 3,360	\$ 25,961
Investments	-	-	-
Receivables (Net of Allowance for Uncollectibles):			
Taxes	-	-	-
Accounts	8	-	-
Due from other governments	-	14,804	-
Due from other funds	199	-	-
Prepaid expenditures	-	-	-
<b>Total assets</b>	<b>\$ 184,072</b>	<b>\$ 18,164</b>	<b>\$ 25,961</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balance</b>			
<b>Liabilities:</b>			
Accounts and accrued liabilities payable	\$ 184,072	\$ 2,874	\$ -
Due to other funds	-	15,290	-
Unearned revenue	-	-	25,961
<b>Total liabilities</b>	<b>184,072</b>	<b>18,164</b>	<b>25,961</b>
<b>Deferred Inflows of Resources:</b>			
Deferred inflows of resources	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance:</b>			
Nonspendable	-	-	-
Restricted	-	-	-
<b>Total fund balance</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities, deferred inflows of resources and fund balance</b>	<b>\$ 184,072</b>	<b>\$ 18,164</b>	<b>\$ 25,961</b>



Revenue Funds				Capital Projects Funds	
Edward Byrne Memorial Program Fund	CRF Corona Virus Relief Fund	Juvenile Probation Fund	Total Special Revenue Funds	Construction Projects Fund	Software Projects Fund
\$ 240	\$ -	\$ 111,156	\$ 11,124,111	\$ -	\$ 145,056
-	-	-	1,762,048	-	-
-	-	-	18,904	-	-
-	-	175	39,985	-	-
11,499	-	91,082	134,757	-	-
-	-	-	199	154,100	-
-	-	-	9,221	-	-
<u>\$ 11,739</u>	<u>\$ -</u>	<u>\$ 202,413</u>	<u>\$ 13,089,225</u>	<u>\$ 154,100</u>	<u>\$ 145,056</u>
\$ -	\$ -	\$ 52,413	\$ 729,523	\$ 98,100	\$ -
11,739	-	150,000	177,029	-	-
-	-	-	50,231	-	-
<u>11,739</u>	<u>-</u>	<u>202,413</u>	<u>956,783</u>	<u>98,100</u>	<u>-</u>
-	-	-	12,816	-	-
-	-	-	12,816	-	-
-	-	-	9,221	-	-
-	-	-	12,110,405	56,000	145,056
-	-	-	12,119,626	56,000	145,056
<u>\$ 11,739</u>	<u>\$ -</u>	<u>\$ 202,413</u>	<u>\$ 13,089,225</u>	<u>\$ 154,100</u>	<u>\$ 145,056</u>

(continued)

**JOHNSON COUNTY, TEXAS**  
**COMBINING BALANCE SHEET -**  
**NONMAJOR GOVERNMENTAL FUNDS - Continued**  
September 30, 2021

	Burleson Sub Courthouse Construction Fund	Sheriff's Office Renovation Fund	Capital Parking Lot 100 South Mill Street Fund
<b>Assets:</b>			
Cash and temporary investments	\$ 1,113,077	\$ 2,011,38	\$ -
Investments	-	-	-
Receivables (Net of Allowance for Uncollectibles):			
Taxes	-	-	-
Accounts	-	-	-
Due from other governments	-	-	-
Due from other funds	-	-	-
Prepaid expenditures	-	-	-
<b>Total assets</b>	<b>\$ 1,113,077</b>	<b>\$ 2,011,938</b>	<b>\$ -</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balance</b>			
<b>Liabilities:</b>			
Accounts and accrued liabilities payable	\$ 124,493	\$ 61,823	\$ -
Due to other funds	-	-	-
Unearned revenue	-	-	-
<b>Total liabilities</b>	<b>124,493</b>	<b>61,823</b>	<b>-</b>
<b>Deferred Inflows of Resources:</b>			
Deferred inflows of resources	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance:</b>			
Nonspendable	-	-	-
Restricted	988,584	1,950,115	-
<b>Total fund balance</b>	<b>988,584</b>	<b>1,950,115</b>	<b>-</b>
<b>Total liabilities, deferred inflows of resources and fund balance</b>	<b>\$ 1,113,077</b>	<b>\$ 2,011,938</b>	<b>\$ -</b>

<u>Projects Funds</u>		
<u>Storm Damage Repair Construction Fund</u>	<u>Total Capital Projects Fund</u>	<u>Total Non-Major Governmental Fund</u>
\$ 75,342	\$ 3,345,413	\$ 14,469,524
-	-	1,762,048
-	-	18,904
1,308	1,308	41,293
-	-	134,757
2,150	156,250	156,449
-	-	9,221
<u>\$ 78,800</u>	<u>\$ 3,502,971</u>	<u>\$ 16,592,196</u>
\$ 78,800	\$ 363,216	\$ 1,092,739
-	-	177,029
-	-	50,231
<u>78,800</u>	<u>363,216</u>	<u>1,319,999</u>
-	-	12,816
-	-	12,816
-	-	9,221
-	3,139,755	15,250,160
-	3,139,755	15,259,381
<u>\$ 78,800</u>	<u>\$ 3,502,971</u>	<u>\$ 16,592,196</u>

**JOHNSON COUNTY, TEXAS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS**

For the Year Ended September 30, 2021

	Special		
	Law Library Fund	Records Management and Preservation Fund	Vital Statistics Preservation Fund
Revenues:			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	-	-	-
Fees	106,569	535,487	10,380
Fines	-	-	-
Investment income	75	1,691	9
Miscellaneous	-	-	-
Total revenues	<u>106,644</u>	<u>537,178</u>	<u>10,389</u>
Expenditures:			
Current:			
General government	110,213	196,834	6,335
Administration of justice	-	-	-
Elections	-	-	-
Law enforcement	-	-	-
Health and welfare	-	-	-
Capital outlay	-	17,904	-
Total expenditures	<u>110,213</u>	<u>214,738</u>	<u>6,335</u>
Excess (deficiency) of revenue over expenditures	<u>( 3,569 )</u>	<u>322,440</u>	<u>4,054</u>
Other Financing Sources (Uses):			
Proceeds from sale of capital assets	-	-	-
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>( 3,569 )</u>	<u>322,440</u>	<u>4,054</u>
Fund balance - beginning	<u>145,632</u>	<u>2,446,154</u>	<u>16,171</u>
Fund balance - ending	<u>\$ 142,063</u>	<u>\$ 2,768,594</u>	<u>\$ 20,225</u>

Revenue Funds

Election Services Contract Fund	STOP SCU Federal Forfeitures Fund	District Attorney Forfeiture Fund	Sheriff Forfeiture Fund	STOP SCU Forfeiture Fund	Juvenile Justice Alternative Education Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10,458	-	-	-	-	89,791
-	-	-	-	-	-
-	-	1,462	-	48,673	-
288	2	60	2	232	88
<u>324,186</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,957</u>	<u>-</u>
<u>334,932</u>	<u>2</u>	<u>1,522</u>	<u>2</u>	<u>52,862</u>	<u>89,879</u>
-	-	-	-	-	-
-	-	-	-	-	230,882
66,773	-	-	-	-	-
-	-	-	-	2,553	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>66,773</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,553</u>	<u>230,882</u>
<u>268,159</u>	<u>2</u>	<u>1,522</u>	<u>2</u>	<u>50,309</u>	<u>( 141,003)</u>
-	-	-	-	-	-
-	-	-	-	-	136,780
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>136,780</u>
268,159	2	1,522	2	50,309	( 4,223)
<u>395,427</u>	<u>4,660</u>	<u>116,851</u>	<u>3,334</u>	<u>368,037</u>	<u>150,669</u>
<u>\$ 663,586</u>	<u>\$ 4,662</u>	<u>\$ 118,373</u>	<u>\$ 3,336</u>	<u>\$ 418,346</u>	<u>\$ 146,446</u>

(continued)

**JOHNSON COUNTY, TEXAS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS - Continued**

For the Year Ended September 30, 2021

	Special		
	Juvenile Case Manager Fund	Juvenile Probation Fees Fund	Unclaimed Juvenile Restitution Fund
Revenues:			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	-	-	-
Fees	17,202	6,690	-
Fines	-	-	-
Investment income	20	126	1
Miscellaneous	-	-	130
Total revenues	<u>17,222</u>	<u>6,816</u>	<u>131</u>
Expenditures:			
Current:			
General government	-	-	-
Administration of justice	56,027	480	-
Elections	-	-	-
Law enforcement	-	-	-
Health and welfare	-	-	-
Capital outlay	-	-	-
Total expenditures	<u>56,027</u>	<u>480</u>	<u>-</u>
Excess (deficiency) of revenue over expenditures	<u>( 38,805 )</u>	<u>6,336</u>	<u>131</u>
Other Financing Sources (Uses):			
Proceeds from sale of capital assets	-	-	-
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>( 38,805 )</u>	<u>6,336</u>	<u>131</u>
Fund balance - beginning	<u>51,825</u>	<u>61,661</u>	<u>930</u>
Fund balance - ending	<u>\$ 13,020</u>	<u>\$ 67,997</u>	<u>\$ 1,061</u>

Revenue Funds

Justice of the Peace Technology Fund	Courthouse Security Fund	Justice Court Building Security Fund	Guardianship Fee Fund	Court Reporter Service Fund	Record Archives - County Clerk Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
13,609	89,064	564	12,596	1,505	499,860
-	-	-	-	-	-
214	71	50	13	1	485
-	-	-	-	-	-
<u>13,823</u>	<u>89,135</u>	<u>614</u>	<u>12,609</u>	<u>1,506</u>	<u>500,345</u>
-	-	-	-	-	448,152
75,401	-	1,400	10,250	-	-
-	-	-	-	-	-
-	28,431	-	-	-	-
-	-	-	-	-	-
-	<u>224,117</u>	-	-	-	-
<u>75,401</u>	<u>252,548</u>	<u>1,400</u>	<u>10,250</u>	<u>-</u>	<u>448,152</u>
( 61,578 )	( 163,413 )	( 786 )	2,359	1,506	52,193
-	-	-	-	-	-
-	217,000	-	-	-	-
-	-	-	-	-	-
-	<u>217,000</u>	-	-	-	-
( 61,578 )	53,587	( 786 )	2,359	1,506	52,193
<u>439,896</u>	<u>84,495</u>	<u>98,145</u>	<u>24,223</u>	<u>612</u>	<u>620,220</u>
<u>\$ 378,318</u>	<u>\$ 138,082</u>	<u>\$ 97,359</u>	<u>\$ 26,582</u>	<u>\$ 2,118</u>	<u>\$ 672,413</u>

(continued)

**JOHNSON COUNTY, TEXAS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS - Continued**

For the Year Ended September 30, 2021

	Special		
	Record Archives - District Clerk Fund	County/ District Court Technology Fund	Court Records Preservation Digital Fund
Revenues:			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	-	-	-
Fees	11,139	3,064	33,958
Fines	-	-	-
Investment income	61	4	214
Miscellaneous	-	-	-
Total revenues	<u>11,200</u>	<u>3,068</u>	<u>34,172</u>
Expenditures:			
Current:			
General government	-	-	-
Administration of justice	-	4,653	-
Elections	-	-	-
Law enforcement	-	-	-
Health and welfare	-	-	-
Capital outlay	-	-	-
Total expenditures	<u>-</u>	<u>4,653</u>	<u>-</u>
Excess (deficiency) of revenue over expenditures	<u>-</u>	<u>( 1,585 )</u>	<u>34,172</u>
Other Financing Sources (Uses):			
Proceeds from sale of capital assets	-	-	-
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	11,200	( 1,585 )	34,172
Fund balance - beginning	<u>114,423</u>	<u>6,676</u>	<u>355,253</u>
Fund balance - ending	<u>\$ 125,623</u>	<u>\$ 5,091</u>	<u>\$ 389,425</u>



Revenue Funds

District Court Records Technology Fund	Pecan Valley MHMR Fund	Indigent Health Care Fund	Right of Way Fund	Historical Commission Fund	Pre-Trial Bond Supervision Fund
\$ -	\$ -	\$ 1,667,186	\$ -	\$ -	\$ -
-	-	54,810	-	-	-
24,632	-	-	-	-	254,275
-	-	-	-	-	-
114	3	18,631	17,412	23	142
-	5,404	-	-	-	-
<u>24,746</u>	<u>5,407</u>	<u>1,740,627</u>	<u>17,412</u>	<u>23</u>	<u>254,417</u>
-	14,400	-	109,751	2,479	-
10,097	-	-	-	-	166,273
-	-	-	-	-	-
-	-	1,491,645	-	-	-
-	-	556,243	-	-	-
-	-	-	-	-	-
<u>10,097</u>	<u>14,400</u>	<u>2,047,888</u>	<u>109,751</u>	<u>2,479</u>	<u>166,273</u>
<u>14,649</u>	<u>( 8,993)</u>	<u>( 307,261)</u>	<u>( 92,339)</u>	<u>( 2,456)</u>	<u>88,144</u>
-	-	-	-	-	-
-	-	-	-	10,000	-
-	-	-	-	-	-
-	-	-	-	10,000	-
14,649	( 8,993)	( 307,261)	( 92,339)	7,544	88,144
<u>215,885</u>	<u>16,183</u>	<u>2,966,756</u>	<u>1,549,801</u>	<u>44,892</u>	<u>244,826</u>
<u>\$ 230,534</u>	<u>\$ 7,190</u>	<u>\$ 2,659,495</u>	<u>\$ 1,457,462</u>	<u>\$ 52,436</u>	<u>\$ 332,970</u>

(continued)

**JOHNSON COUNTY, TEXAS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS - Continued**

For the Year Ended September 30, 2021

	Special		
	STOP SCU Operations Fund	Sheriff Inmate Commissary Fund	Sheriff LEOSE Fund
Revenues:			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	44,203	-	-
Fees	-	1,442,646	6,514
Fines	366	-	-
Investment income	104	353	7
Miscellaneous	-	100,174	-
Total revenues	<u>44,673</u>	<u>1,543,173</u>	<u>6,521</u>
Expenditures:			
Current:			
General government	-	-	-
Administration of justice	-	-	-
Elections	-	-	-
Law enforcement	139,545	824,736	2,594
Health and welfare	-	-	-
Capital outlay	-	36,034	-
Total expenditures	<u>139,545</u>	<u>860,770</u>	<u>2,594</u>
Excess (deficiency) of revenue over expenditures	<u>( 94,872 )</u>	<u>682,403</u>	<u>3,927</u>
Other Financing Sources (Uses):			
Proceeds from sale of capital assets	9,690	-	-
Transfers in	90,504	-	-
Transfers out	-	( 321,257 )	-
Total other financing sources (uses)	<u>100,194</u>	<u>( 321,257 )</u>	<u>-</u>
Net change in fund balance	5,322	361,146	3,927
Fund balance - beginning	<u>163,654</u>	<u>498,239</u>	<u>12,641</u>
Fund balance - ending	<u>\$ 168,976</u>	<u>\$ 859,385</u>	<u>\$ 16,568</u>

Revenue Funds

County Attorney Collection Fund	County Attorney LEOSE Fund	District Attorney 18 <sup>th</sup> Judicial Fund	District Attorney Collection Fund	Combined Constables LEOSE Fund	MVIE Tax A/C Penalty & Interest Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	25,703	-	3,475	-
2,468	1,129	-	630	-	-
-	-	-	-	-	-
23	1	3	5	12	31
48	-	585	-	-	8,879
<u>2,539</u>	<u>1,130</u>	<u>26,291</u>	<u>635</u>	<u>3,487</u>	<u>8,910</u>
-	-	-	-	-	10,777
-	-	-	-	-	-
-	-	-	-	-	-
1,283	1,086	1,209	-	4,740	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,283</u>	<u>1,086</u>	<u>1,209</u>	<u>-</u>	<u>4,740</u>	<u>10,777</u>
<u>1,256</u>	<u>44</u>	<u>25,082</u>	<u>635</u>	<u>(1,253)</u>	<u>(1,867)</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	(21,964)	-	-	-
-	-	(21,964)	-	-	-
1,256	44	3,118	635	(1,253)	(1,867)
<u>44,616</u>	<u>1,674</u>	<u>(1,308)</u>	<u>10,144</u>	<u>14,645</u>	<u>60,186</u>
<u>\$ 45,872</u>	<u>\$ 1,718</u>	<u>\$ 1,810</u>	<u>\$ 10,779</u>	<u>\$ 13,392</u>	<u>\$ 58,319</u>

(continued)

**JOHNSON COUNTY, TEXAS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS - Continued**

For the Year Ended September 30, 2021

	Special		
	HAVA Grant Fund	Cities Readiness Initiative Fund	Community Development Block Grant Fund
Revenues:			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	99,836	53,425	34,050
Fees	-	-	-
Fines	-	-	-
Investment income	-	-	-
Miscellaneous	-	-	-
Total revenues	<u>99,836</u>	<u>53,425</u>	<u>34,050</u>
Expenditures:			
Current:			
General government	-	-	34,050
Administration of justice	-	-	-
Elections	100,035	-	-
Law enforcement	-	-	-
Health and welfare	-	72,886	-
Capital outlay	-	-	-
Total expenditures	<u>100,035</u>	<u>72,886</u>	<u>34,050</u>
Excess (deficiency) of revenue over expenditures	<u>( 199 )</u>	<u>( 19,461 )</u>	<u>-</u>
Other Financing Sources (Uses):			
Proceeds from sale of capital assets	-	-	-
Transfers in	199	19,461	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>199</u>	<u>19,461</u>	<u>-</u>
Net change in fund balance	-	-	-
Fund balance - beginning	-	-	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Revenue Funds				Capital Projects Funds	
Edward Byrne Memorial Program Fund	CRF Corona Virus Relief Fund	Juvenile Probation Fund	Total Special Revenue Funds	Construction Projects Fund	Software Projects Fund
\$ -	\$ -	\$ -	\$ 1,667,186	\$ -	\$ -
11,499	1,343,478	961,864	2,732,592	-	-
-	-	-	3,073,981	-	-
-	-	-	50,501	-	-
-	116	-	40,687	-	75
-	-	-	443,363	-	-
11,499	1,343,594	961,864	8,008,310	-	75
-	-	-	932,991	-	-
-	-	961,864	1,517,327	-	-
-	-	-	166,808	-	-
11,499	-	-	2,509,321	-	-
-	1,012,267	-	1,641,396	-	-
-	331,327	-	609,382	98,100	-
11,499	1,343,594	961,864	7,377,225	98,100	-
-	-	-	631,085	( 98,100 )	75
-	-	-	9,690	-	-
-	-	-	473,944	154,100	-
-	-	-	( 343,221 )	-	-
-	-	-	140,413	154,100	-
-	-	-	771,498	56,000	75
-	-	-	11,348,128	-	144,981
\$ -	\$ -	\$ -	\$ 12,119,626	\$ 56,000	\$ 145,056

(continued)

**JOHNSON COUNTY, TEXAS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS - Continued**  
For the Year Ended September 30, 2021

	Capital		
	Burleson Sub Courthouse Construction Fund	Sheriff's Office Renovation Fund	Parking Lot 100 South Mill Street Fund
Revenues:			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	-	-	-
Fees	-	-	-
Fines	-	-	-
Investment income	1,129	446	66
Miscellaneous	-	-	-
Total revenues	<u>1,129</u>	<u>446</u>	<u>66</u>
Expenditures:			
Current:			
General government	-	-	-
Administration of justice	-	-	-
Elections	-	-	-
Law enforcement	-	-	-
Health and welfare	-	-	-
Capital outlay	<u>987,460</u>	<u>61,823</u>	<u>89,559</u>
Total expenditures	<u>987,460</u>	<u>61,823</u>	<u>89,559</u>
Excess (deficiency) of revenue over expenditures	<u>( 986,331 )</u>	<u>( 61,377 )</u>	<u>( 89,493 )</u>
Other Financing Sources (Uses):			
Proceeds from sale of capital assets	-	-	-
Transfers in	-	1,383,121	-
Transfers out	-	-	<u>( 100,120 )</u>
Total other financing sources (uses)	<u>-</u>	<u>1,383,121</u>	<u>( 100,120 )</u>
Net change in fund balance	<u>( 986,331 )</u>	<u>1,321,744</u>	<u>( 189,613 )</u>
Fund balance - beginning	<u>1,974,915</u>	<u>628,371</u>	<u>189,613</u>
Fund balance - ending	<u>\$ 988,584</u>	<u>\$ 1,950,115</u>	<u>\$ -</u>

Projects Funds

<u>Storm Damage Repair Construction Fund</u>	<u>Total Capital Projects Fund</u>	<u>Total Non-Major Governmental Fund</u>
\$ -	\$ -	\$ 1,667,186
-	-	2,732,592
-	-	3,073,981
-	-	50,501
78	1,794	42,481
<u>1,308</u>	<u>1,308</u>	<u>444,671</u>
<u>1,386</u>	<u>3,102</u>	<u>8,011,412</u>
-	-	932,991
-	-	1,517,327
-	-	166,808
-	-	2,509,321
-	-	1,641,396
<u>222,900</u>	<u>1,459,842</u>	<u>2,069,224</u>
<u>222,900</u>	<u>1,459,842</u>	<u>8,837,067</u>
( 221,514 )	( 1,456,740 )	( 825,655 )
-	-	9,690
2,150	1,539,371	2,013,315
<u>-</u>	<u>( 100,120 )</u>	<u>( 443,341 )</u>
<u>2,150</u>	<u>1,439,251</u>	<u>1,579,664</u>
( 219,364 )	( 17,489 )	754,009
<u>219,364</u>	<u>3,157,244</u>	<u>14,505,372</u>
<u>\$ -</u>	<u>\$ 3,139,755</u>	<u>\$ 15,259,381</u>

**JOHNSON COUNTY, TEXAS**

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - BY FUNCTION, DEPARTMENT  
AND LEGAL LEVEL OF BUDGETARY CONTROL - GENERAL FUND**

For the Year Ended September 30, 2021

Exhibit 13

Page 1 of 7

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
General Government:				
County Clerk:				
Salaries and wages, and employee benefits	\$ 2,379,061	\$ 2,379,061	\$ 2,236,816	\$ 142,245
Operating expenditures	83,600	83,600	74,872	8,728
Total County Clerk	2,462,661	2,462,661	2,311,688	150,973
County Judge:				
Salaries and wages, and employee benefits	460,822	464,315	462,374	1,941
Operating expenditures	10,450	11,126	9,742	1,384
Total County Judge	471,272	475,441	472,116	3,325
County Commissioners:				
Salaries and wages, and employee benefits	564,767	559,853	558,012	1,841
Total County Commissioners	564,767	559,853	558,012	1,841
Veterans:				
Salaries and wages, and employee benefits	252,936	252,936	251,710	1,226
Operating expenditures	11,250	13,750	10,964	2,786
Total Veterans	264,186	266,686	262,674	4,012
Public Works:				
Salaries and wages, and employee benefits	1,800,099	1,777,546	1,614,710	162,836
Operating expenditures	66,051	69,900	58,050	11,850
Capital outlay	26,730	26,730	26,730	-
Total Public Works	1,892,880	1,874,176	1,699,490	174,686
Building Maintenance:				
Operating expenditures	1,281,640	1,341,255	1,149,131	192,124
Total Building Maintenance	1,281,640	1,341,255	1,149,131	192,124
Purchasing:				
Salaries and wages, and employee benefits	368,581	370,852	370,357	495
Operating expenditures	30,208	30,208	19,057	11,151
Capital outlay	29,853	29,853	29,853	-
Total Purchasing	428,642	430,913	419,267	11,646

(continued)



**JOHNSON COUNTY, TEXAS**

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - BY FUNCTION, DEPARTMENT  
AND LEGAL LEVEL OF BUDGETARY CONTROL - GENERAL FUND - Continued**  
For the Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
General Government - Continued:				
Information Systems:				
Salaries and wages, and employee benefits	\$ 1,057,795	\$ 1,071,088	\$ 1,047,725	\$ 23,363
Operating expenditures	2,201,497	2,268,033	1,777,726	490,307
Capital outlay	295,000	245,000	149,069	95,931
Total Information Systems	3,554,292	3,584,121	2,974,520	609,601
Print Shop:				
Salaries and wages, and employee benefits	59,486	59,486	49,956	9,530
Operating expenditures	32,601	32,601	25,820	6,781
Total Print Shop	92,087	92,087	75,776	16,311
Mail Room:				
Salaries and wages, and employee benefits	111,466	111,466	108,687	2,779
Operating expenditures	8,200	9,100	8,133	967
Total Mail Room	119,666	120,566	116,820	3,746
Telecommunications:				
Salaries and wages, and employee benefits	53,040	53,040	46,378	6,662
Total Telecommunications	53,040	53,040	46,378	6,662
Personnel:				
Salaries and wages, and employee benefits	387,129	407,761	380,363	27,398
Operating expenditures	33,900	33,900	10,098	23,802
Total Personnel	421,029	441,661	390,461	51,200
County Tax Collector:				
Salaries and wages, and employee benefits	1,745,452	1,745,452	1,607,912	137,540
Operating expenditures	304,625	304,625	170,845	133,780
Total County Tax Collector	2,050,077	2,050,077	1,778,757	271,320
Non-departmental:				
Salaries and wages, and employee benefits	482,301	507,610	512,636	( 5,026 )
Operating expenditures	4,166,003	3,784,930	3,409,798	375,132
Capital outlay	-	78,950	78,950	-
Total Non-departmental	4,648,304	4,371,490	4,001,384	370,106
Total General Government	18,304,543	18,124,027	16,256,474	1,867,553
Administration of Justice:				
County Court at Law I:				
Salaries and wages, and employee benefits	679,782	679,782	644,589	35,193
Operating expenditures	320,325	320,325	204,013	116,312
Total County Court at Law I	1,000,107	1,000,107	848,602	151,505

(continued)

**JOHNSON COUNTY, TEXAS**

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - BY FUNCTION, DEPARTMENT  
AND LEGAL LEVEL OF BUDGETARY CONTROL - GENERAL FUND - Continued**  
For the Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Administration of Justice - Continued:				
County Court at Law II:				
Salaries and wages, and employee benefits	\$ 511,628	\$ 511,628	\$ 504,362	\$ 7,266
Operating expenditures	<u>332,725</u>	<u>332,725</u>	<u>138,706</u>	<u>194,019</u>
Total County Court at Law II	<u>844,353</u>	<u>844,353</u>	<u>643,068</u>	<u>201,285</u>
General District Court:				
Salaries and wages, and employee benefits	79,466	58,959	43,756	15,203
Operating expenditures	<u>107,108</u>	<u>107,108</u>	<u>99,613</u>	<u>7,495</u>
Total General District Court	<u>186,574</u>	<u>166,067</u>	<u>143,369</u>	<u>22,698</u>
249 <sup>th</sup> District Court:				
Salaries and wages, and employee benefits	334,135	334,135	314,929	19,206
Operating expenditures	<u>434,200</u>	<u>434,200</u>	<u>306,614</u>	<u>127,586</u>
Total 249 <sup>th</sup> District Court	<u>768,335</u>	<u>768,355</u>	<u>621,543</u>	<u>146,792</u>
18 <sup>th</sup> District Court:				
Salaries and wages, and employee benefits	312,195	312,195	302,418	9,777
Operating expenditures	<u>432,900</u>	<u>432,900</u>	<u>289,388</u>	<u>143,512</u>
Total 18 <sup>th</sup> District Court	<u>745,095</u>	<u>745,095</u>	<u>591,806</u>	<u>153,289</u>
413 <sup>th</sup> District Court:				
Salaries and wages, and employee benefits	331,143	331,143	320,316	10,827
Operating expenditures	<u>476,458</u>	<u>556,458</u>	<u>505,180</u>	<u>51,278</u>
Total 413 <sup>th</sup> District Court	<u>807,601</u>	<u>887,601</u>	<u>825,496</u>	<u>62,105</u>
District Clerk:				
Salaries and wages, and employee benefits	1,515,421	1,515,421	1,465,371	50,050
Operating expenditures	<u>79,592</u>	<u>79,702</u>	<u>55,722</u>	<u>23,980</u>
Total District Clerk	<u>1,595,013</u>	<u>1,595,123</u>	<u>1,521,093</u>	<u>74,030</u>
Jury:				
Operating expenditures	<u>145,900</u>	<u>145,900</u>	<u>70,858</u>	<u>75,042</u>
Total Jury	<u>145,900</u>	<u>145,900</u>	<u>70,858</u>	<u>75,042</u>
Justice of the Peace #1:				
Salaries and wages, and employee benefits	330,771	330,771	326,069	4,702
Operating expenditures	<u>20,810</u>	<u>20,810</u>	<u>10,820</u>	<u>9,990</u>
Total Justice of the Peace #1	<u>351,581</u>	<u>351,581</u>	<u>336,889</u>	<u>14,692</u>
Justice of the Peace #2:				
Salaries and wages, and employee benefits	324,670	324,670	244,149	80,521
Operating expenditures	<u>22,350</u>	<u>22,350</u>	<u>12,032</u>	<u>10,318</u>
Total Justice of the Peace #2	<u>347,020</u>	<u>347,020</u>	<u>256,181</u>	<u>90,839</u>

(continued)

**JOHNSON COUNTY, TEXAS**

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - BY FUNCTION, DEPARTMENT  
AND LEGAL LEVEL OF BUDGETARY CONTROL - GENERAL FUND - Continued**  
For the Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Administration of Justice - Continued:				
Justice of the Peace #3:				
Salaries and wages, and employee benefits	\$ 327,708	\$ 327,708	\$ 317,351	\$ 10,357
Operating expenditures	23,906	24,782	11,916	12,866
Total Justice of the Peace #3	351,614	352,490	329,267	23,223
Justice of the Peace #4:				
Salaries and wages, and employee benefits	323,160	323,160	304,936	18,224
Operating expenditures	19,700	19,700	10,409	9,291
Total Justice of the Peace #4	342,860	342,860	315,345	27,515
Bail Bonds Office:				
Salaries and wages, and employee benefits	66,227	66,410	65,032	1,378
Operating expenditures	2,000	2,000	1,443	557
Total Bail Bonds Office	68,227	68,410	66,475	1,935
Adult Probation:				
Operating expenditures	7,600	7,600	3,117	4,483
Capital outlay	-	7,470	7,470	-
Total Adult Probation	7,600	15,070	10,587	4,483
Juvenile Probation:				
Salaries and wages, and employee benefits	392,177	392,177	379,726	12,451
Operating expenditures	516,500	516,500	417,859	98,641
Total Juvenile Probation	908,677	908,677	797,585	111,092
Total Administration of Justice	8,470,557	8,538,689	7,378,164	1,160,525
Financial Administration:				
County Auditor:				
Salaries and wages, and employee benefits	997,798	997,798	990,397	7,401
Operating expenditures	46,800	43,685	33,089	10,596
Total County Auditor	1,044,598	1,041,483	1,023,486	17,997
County Treasurer:				
Salaries and wages, and employee benefits	216,720	216,720	204,393	12,327
Operating expenditures	12,500	12,500	6,622	5,878
Total County Treasurer	229,220	229,220	211,015	18,205
Total Financial Administration	1,273,818	1,270,703	1,234,501	36,202
Elections:				
Elections:				
Salaries and wages, and employee benefits	589,681	635,709	633,231	2,478
Operating expenditures	176,500	176,500	137,511	38,989
Total Elections	766,181	812,209	770,742	41,467

(continued)

**JOHNSON COUNTY, TEXAS**

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - BY FUNCTION, DEPARTMENT  
AND LEGAL LEVEL OF BUDGETARY CONTROL - GENERAL FUND - Continued**  
For the Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Law Enforcement				
County Attorney:				
Salaries and wages, and employee benefits	\$ 2,275,617	\$ 2,275,617	\$ 2,255,442	\$ 20,175
Operating expenditures	92,854	92,854	78,032	14,822
Total County Attorney	2,368,471	2,368,471	2,333,474	34,997
District Attorney:				
Salaries and wages, and employee benefits	2,322,382	2,322,382	2,271,258	51,124
Operating expenditures	131,295	153,044	119,765	33,279
Total District Attorney	2,453,677	2,475,426	2,391,023	84,403
District Attorney Supplement:				
Salaries and wages, and employee benefits	22,064	22,064	21,981	83
Total District Attorney Supplement	22,064	22,064	21,981	83
Constable - Precinct 1:				
Salaries and wages, and employee benefits	420,737	420,847	417,737	3,110
Operating expenditures	53,671	58,471	57,632	839
Capital outlay	51,409	53,420	53,419	1
Total Constable - Precinct 1	525,817	532,738	528,788	3,950
Constable - Precinct 2:				
Salaries and wages, and employee benefits	318,955	319,065	314,939	4,126
Operating expenditures	37,460	37,460	25,926	11,534
Total Constable - Precinct 2	356,415	356,525	340,865	15,660
Constable - Precinct 3:				
Salaries and wages, and employee benefits	307,684	307,684	296,173	11,511
Operating expenditures	33,181	33,181	18,395	14,786
Total Constable - Precinct 3	340,865	340,865	314,568	26,297
Constable - Precinct 4:				
Salaries and wages, and employee benefits	319,280	319,280	318,585	695
Operating expenditures	48,614	53,449	48,818	4,631
Capital outlay	52,780	47,945	47,944	1
Total Constable - Precinct 4	420,674	420,674	415,347	5,327
Sheriff Admin-Patrol:				
Salaries and wages, and employee benefits	9,695,833	9,799,110	9,424,017	375,093
Operating expenditures	1,071,843	911,714	793,023	118,691
Capital outlay	427,204	752,307	516,563	235,744
Total Sheriff Admin-Patrol	11,194,880	11,463,131	10,733,603	729,528

(continued)

**JOHNSON COUNTY, TEXAS**

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - BY FUNCTION, DEPARTMENT AND LEGAL LEVEL OF BUDGETARY CONTROL - GENERAL FUND - Continued**

For the Year Ended September 30, 2021

Exhibit 13

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	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Law Enforcement - Continued:				
Sheriff-Jail:				
Salaries and wages, and employee benefits	\$ 1,178,402	\$ 2,322,758	\$ 2,062,113	\$ 260,645
Operating expenditures	19,387,800	19,486,604	17,533,324	1,953,280
Capital outlay	-	369,081	41,649	327,432
Total Sheriff-Jail	20,566,202	22,178,443	19,637,086	2,541,357
Jail Medical:				
Salaries and wages, and employee benefits	-	177,628	126,248	51,380
Operating expenditures	-	85,552	61,916	23,636
Total Jail Medical	-	263,180	188,164	75,016
Sheriff Commissary:				
Salaries and wages, and employee benefits	297,786	312,828	311,110	1,718
Total Sheriff Commissary	297,786	312,828	311,110	1,718
Texas DPS Office:				
Salaries and wages, and employee benefits	69,117	69,317	69,309	8
Operating expenditures	750	750	361	389
Total Texas DPS Office	69,867	70,067	69,670	397
SRO-Godley ISD:				
Salaries and wages, and employee benefits	83,473	84,145	84,228	( 83)
Operating expenditures	8,459	8,459	1,362	7,097
Total SRO-Godley ISD	91,932	92,604	85,590	7,014
SRO-Cleburne ISD:				
Salaries and wages, and employee benefits	156,084	156,213	153,182	3,031
Operating expenditures	12,420	15,233	14,124	1,109
Total SRO-Cleburne ISD	168,504	171,446	167,306	4,140
SRO-Rio Vista ISD:				
Salaries and wages, and employee benefits	78,041	78,041	8,435	69,606
Operating expenditures	6,848	6,848	824	6,024
Total SRO-Rio Vista ISD	84,889	84,889	9,259	75,630
Total Law Enforcement	38,962,043	41,153,351	37,547,834	3,605,517
Health and Welfare:				
Medical Examiner:				
Salaries and wages, and employee benefits	343,687	343,687	324,647	19,040
Operating expenditures	247,383	257,343	249,757	7,586
Capital outlay	29,860	32,811	32,811	-
Total Medical Examiner	620,930	633,841	607,215	26,626

(continued)

**JOHNSON COUNTY, TEXAS**

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - BY FUNCTION, DEPARTMENT AND LEGAL LEVEL OF BUDGETARY CONTROL - GENERAL FUND - Continued**

For the Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Health and Welfare - Continued:				
Non-departmental:				
Operating expenditures	\$ 10,000	\$ 10,000	\$ 10,000	\$ -
Total Non-departmental	10,000	10,000	10,000	-
Emergency Management:				
Salaries and wages, and employee benefits	153,648	153,648	147,183	6,465
Operating expenditure	20,259	23,192	12,332	10,860
Capital outlay	21,620	23,875	23,875	-
Total Emergency Management	195,527	200,715	183,390	17,325
Radio Management:				
Salaries and wages, and employee benefits	87,355	87,618	87,656	( 38)
Operating expenditures	364,500	364,500	313,181	51,319
Total Radio Management	451,855	452,118	400,837	51,281
Total Health and Welfare	1,278,312	1,296,674	1,201,442	95,232
Culture and Recreation:				
Hamm Creek Park:				
Salaries and wages, and employee benefits	287,538	287,538	267,385	20,153
Operating expenditures	26,542	26,542	20,914	5,628
Total Hamm Creek Park	314,080	314,080	288,299	25,781
Total Culture and Recreation	314,080	314,080	288,299	25,781
Conservation:				
County Extension:				
Salaries and wages, and employee benefits	237,423	238,451	216,695	21,756
Operating expenditures	18,400	18,400	18,284	116
Total County Extension	255,823	256,851	234,979	21,872
Total Conservation	255,823	256,851	234,979	21,872
Total current expenditures	\$ 69,625,357	\$ 71,766,584	\$ 64,912,435	\$ 6,854,149

**JOHNSON COUNTY, TEXAS**

Exhibit 14

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - BY FUNCTION, DEPARTMENT  
AND LEGAL LEVEL OF BUDGETARY CONTROL - ROAD & BRIDGE FUND**

For the Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Highways and Streets:				
Road & Bridge Precinct 1:				
Salaries and wages, and employee benefits	\$ 1,320,483	\$ 1,320,483	\$ 1,144,538	\$ 175,945
Operating expenditures	1,345,908	1,197,229	653,960	543,269
Capital outlay	<u>450,992</u>	<u>559,671</u>	<u>212,140</u>	<u>347,531</u>
Total Road & Bridge Precinct 1	<u>3,117,383</u>	<u>3,077,383</u>	<u>2,010,638</u>	<u>1,066,745</u>
Road & Bridge Precinct 2:				
Salaries and wages, and employee benefits	1,250,631	1,250,631	867,654	382,977
Operating expenditures	1,718,586	1,719,036	737,967	981,069
Capital outlay	<u>385,000</u>	<u>384,550</u>	<u>41,764</u>	<u>342,786</u>
Total Road & Bridge Precinct 2	<u>3,354,217</u>	<u>3,354,217</u>	<u>1,647,385</u>	<u>1,706,832</u>
Road & Bridge Precinct 3:				
Salaries and wages, and employee benefits	1,470,346	1,470,346	1,146,859	323,487
Operating expenditures	1,067,238	1,067,238	718,166	349,072
Capital outlay	<u>307,000</u>	<u>307,000</u>	<u>261,247</u>	<u>45,753</u>
Total Road & Bridge Precinct 3	<u>2,844,584</u>	<u>2,844,584</u>	<u>2,126,272</u>	<u>718,312</u>
Road & Bridge Precinct 4:				
Salaries and wages, and employee benefits	1,619,453	1,619,453	1,393,852	225,601
Operating expenditures	1,680,212	1,710,212	675,315	1,034,897
Capital outlay	<u>408,000</u>	<u>378,000</u>	<u>191,637</u>	<u>186,363</u>
Total Road & Bridge Precinct 4	<u>3,707,665</u>	<u>3,707,665</u>	<u>2,260,804</u>	<u>1,446,861</u>
Total current expenditures	<u>\$ 13,023,849</u>	<u>\$ 12,983,849</u>	<u>\$ 8,045,099</u>	<u>\$ 4,938,750</u>

**JOHNSON COUNTY, TEXAS**

Exhibit 15

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

For the Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 1,330,757	\$ 1,330,757	\$ 1,343,014	\$ 12,257
Investment income	5,300	5,300	322	(4,978)
Total revenues	<u>1,336,057</u>	<u>1,336,057</u>	<u>1,343,336</u>	<u>7,279</u>
Expenditures:				
Debt Service:				
Principal	3,000,000	3,000,000	3,000,000	-
Interest and fiscal charges	<u>772,059</u>	<u>772,059</u>	<u>771,733</u>	<u>326</u>
Total expenditures	<u>3,772,059</u>	<u>3,772,059</u>	<u>3,771,733</u>	<u>326</u>
Excess/(deficiency) of revenues over expenditures	<u>( 2,436,002)</u>	<u>( 2,436,002)</u>	<u>( 2,428,397)</u>	<u>7,605</u>
Other Financing Sources:				
Transfer in	<u>2,136,977</u>	<u>2,136,977</u>	<u>2,116,032</u>	<u>( 20,945)</u>
Total other financing sources	<u>2,136,977</u>	<u>2,136,977</u>	<u>2,116,032</u>	<u>( 20,945)</u>
Net change in fund balance	<u>( 299,025)</u>	<u>( 299,025)</u>	<u>( 312,365)</u>	<u>( 13,340)</u>
Fund balance - beginning	<u>656,775</u>	<u>656,775</u>	<u>656,775</u>	<u>-</u>
Fund balance - ending	<u>\$ 357,750</u>	<u>\$ 357,750</u>	<u>\$ 344,410</u>	<u>\$ ( 13,340)</u>





**JOHNSON COUNTY, TEXAS**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS (NONMAJOR)**

For the Year Ended September 30, 2021

	Law Library Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues:				
Fees	\$ 96,100	\$ 96,100	\$ 106,569	\$ 10,469
Investment income	<u>300</u>	<u>300</u>	<u>75</u>	<u>( 225 )</u>
Total revenues	<u>96,400</u>	<u>96,400</u>	<u>106,644</u>	<u>10,244</u>
Expenditures:				
General Government:				
Salaries and wages, and employee benefits	61,493	61,493	56,279	5,214
Operating expenditures	62,275	62,275	53,934	8,341
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>123,768</u>	<u>123,768</u>	<u>110,213</u>	<u>13,555</u>
Net change in fund balance	( 27,368 )	( 27,638 )	( 3,569 )	23,799
Fund balance - beginning	<u>145,632</u>	<u>145,632</u>	<u>145,632</u>	<u>-</u>
Fund balance - ending	<u>\$ 118,264</u>	<u>\$ 118,264</u>	<u>\$ 142,063</u>	<u>\$ 23,799</u>

Records Management and Preservation Fund			
Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
Original	Final		
\$ 386,000	\$ 386,000	\$ 535,487	\$ 149,487
<u>7,500</u>	<u>7,500</u>	<u>1,691</u>	<u>( 5,809 )</u>
<u>393,500</u>	<u>393,500</u>	<u>537,178</u>	<u>143,678</u>
178,286	178,793	178,770	23
389,840	392,340	18,064	374,276
<u>98,552</u>	<u>96,052</u>	<u>17,904</u>	<u>78,148</u>
<u>666,678</u>	<u>667,185</u>	<u>214,738</u>	<u>452,447</u>
( 273,178 )	( 273,685 )	322,440	596,125
<u>2,446,154</u>	<u>2,446,154</u>	<u>2,446,154</u>	<u>-</u>
<u>\$ 2,172,976</u>	<u>\$ 2,172,469</u>	<u>\$ 2,768,594</u>	<u>\$ 596,125</u>

(continued)

**JOHNSON COUNTY, TEXAS**

*SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS (NONMAJOR) - Continued*

For the Year Ended September 30, 2021

	Vital Statistics Preservation Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Fees	6,900	6,900	10,380	3,480
Investment income	400	400	9	( 391)
Miscellaneous	-	-	-	-
Total revenues	<u>7,300</u>	<u>7,300</u>	<u>10,389</u>	<u>3,089</u>
Expenditures:				
General Government:				
Operating expenditures	10,000	10,000	6,335	3,665
Elections:				
Operating expenditures	-	-	-	-
Total expenditures	<u>10,000</u>	<u>10,000</u>	<u>6,335</u>	<u>3,665</u>
Net change in fund balance	( 2,700)	( 2,700)	4,054	6,754
Fund balance - beginning	<u>16,171</u>	<u>16,171</u>	<u>16,171</u>	<u>-</u>
Fund balance - ending	<u>\$ 13,471</u>	<u>\$ 13,471</u>	<u>\$ 20,225</u>	<u>\$ 6,754</u>

Election Services Contract Fund			
Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
Original	Final		
\$ -	\$ -	\$ 10,458	\$ 10,458
-	-	-	-
1,500	1,500	288	( 1,212 )
<u>-</u>	<u>-</u>	<u>324,186</u>	<u>324,186</u>
<u>1,500</u>	<u>1,500</u>	<u>334,932</u>	<u>333,432</u>
-	-	-	-
<u>97,500</u>	<u>97,500</u>	<u>66,773</u>	<u>30,727</u>
<u>97,500</u>	<u>97,500</u>	<u>66,773</u>	<u>30,727</u>
( 96,000 )	( 96,000 )	268,159	364,159
<u>395,427</u>	<u>395,427</u>	<u>395,427</u>	<u>-</u>
<u>\$ 299,427</u>	<u>\$ 299,427</u>	<u>\$ 663,586</u>	<u>\$ 364,159</u>

(continued)

**JOHNSON COUNTY, TEXAS**

*SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS (NONMAJOR) - Continued*

For the Year Ended September 30, 2021

	District Attorney Forfeiture Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues:				
Fines	\$ -	\$ -	\$ 1,462	\$ 1,462
Investment income	<u>300</u>	<u>300</u>	<u>60</u>	<u>(240)</u>
Total revenues	<u>300</u>	<u>300</u>	<u>1,522</u>	<u>1,222</u>
Expenditures:				
Law Enforcement:				
Operating expenditures	<u>6,600</u>	<u>6,600</u>	<u>-</u>	<u>6,600</u>
Total expenditures	<u>6,600</u>	<u>6,600</u>	<u>-</u>	<u>6,600</u>
Net change in fund balance	( 6,300 )	( 6,300 )	1,522	7,822
Fund balance - beginning	<u>116,851</u>	<u>116,851</u>	<u>116,851</u>	<u>-</u>
Fund balance - ending	<u>\$ 110,551</u>	<u>\$ 110,551</u>	<u>\$ 118,373</u>	<u>\$ 7,822</u>

Sheriff Forfeiture Fund

Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
Original	Final		
\$ -	\$ -	\$ -	\$ -
<u>25</u>	<u>25</u>	<u>2</u>	<u>( 23 )</u>
<u>25</u>	<u>25</u>	<u>2</u>	<u>( 23 )</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
25	25	2	( 23 )
<u>3,334</u>	<u>3,334</u>	<u>3,334</u>	<u>-</u>
<u>\$ 3,359</u>	<u>\$ 3,359</u>	<u>\$ 3,336</u>	<u>\$( 23 )</u>

(continued)

**JOHNSON COUNTY, TEXAS**

*SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS (NONMAJOR) - Continued*

For the Year Ended September 30, 2021

	STOP SCU Forfeiture Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Fines	-	-	48,673	48,673
Investment income	1,200	1,200	232	( 968)
Miscellaneous	-	-	3,957	3,957
Total revenues	<u>1,200</u>	<u>1,200</u>	<u>52,862</u>	<u>51,662</u>
Expenditures:				
Administration of Justice:				
Salaries and wages, and employee benefits	-	-	-	-
Operating expenditures	-	-	-	-
Law Enforcement:				
Operating expenditures	<u>10,000</u>	<u>10,000</u>	<u>2,553</u>	<u>7,447</u>
Total expenditures	<u>10,000</u>	<u>10,000</u>	<u>2,553</u>	<u>7,447</u>
Excess (deficiency) of revenues over expenditures	<u>( 8,800)</u>	<u>( 8,800)</u>	<u>50,309</u>	<u>59,109</u>
Other Financing Sources:				
Transfers in	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	<u>( 8,800)</u>	<u>( 8,800)</u>	<u>50,309</u>	<u>59,109</u>
Fund balance - beginning	<u>368,037</u>	<u>368,037</u>	<u>368,037</u>	<u>-</u>
Fund balance - ending	<u>\$ 359,237</u>	<u>\$ 359,237</u>	<u>\$ 418,346</u>	<u>\$ 59,109</u>



Juvenile Justice Alternative Education Fund			
Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
Original	Final		
\$ 45,000	\$ 45,000	\$ 89,791	\$ 44,791
-	-	-	-
500	500	88	( 412 )
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>45,500</u>	<u>45,500</u>	<u>89,879</u>	<u>44,379</u>
221,037	221,037	192,121	28,916
65,500	65,500	38,761	26,739
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>286,537</u>	<u>286,537</u>	<u>230,882</u>	<u>55,655</u>
( 241,037 )	( 241,037 )	( 141,003 )	100,034
<u>136,780</u>	<u>136,780</u>	<u>136,780</u>	<u>-</u>
<u>136,780</u>	<u>136,780</u>	<u>136,780</u>	<u>-</u>
( 104,257 )	( 104,257 )	( 4,223 )	100,034
<u>150,669</u>	<u>150,669</u>	<u>150,669</u>	<u>-</u>
<u>\$ 46,412</u>	<u>\$ 46,412</u>	<u>\$ 146,446</u>	<u>\$ 100,034</u>

(continued)

**JOHNSON COUNTY, TEXAS**

*SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS (NONMAJOR) - Continued*

For the Year Ended September 30, 2021

	Juvenile Case Manager Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Fees	\$ 16,000	\$ 16,000	\$ 17,202	\$ 1,202
Investment income	<u>700</u>	<u>700</u>	<u>20</u>	<u>(680)</u>
Total revenues	<u>16,700</u>	<u>16,700</u>	<u>17,222</u>	<u>522</u>
Expenditures:				
Administration of Justice:				
Salaries and wages, and employee benefits	56,009	56,009	55,719	290
Operating expenditures	<u>4,000</u>	<u>4,000</u>	<u>308</u>	<u>3,692</u>
Total expenditures	<u>60,009</u>	<u>60,009</u>	<u>56,027</u>	<u>3,982</u>
Net change in fund balance	( 43,309)	( 43,309)	( 38,805)	4,504
Fund balance - beginning	<u>51,825</u>	<u>51,825</u>	<u>51,825</u>	<u>-</u>
Fund balance - ending	<u>\$ 8,516</u>	<u>\$ 8,516</u>	<u>\$ 13,020</u>	<u>\$ 4,504</u>

Juvenile Probation Fees Fund			
Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
Original	Final		
\$ 6,500	\$ 6,500	\$ 6,690	\$ 190
<u>1,000</u>	<u>1,000</u>	<u>126</u>	( <u>874</u> )
<u>7,500</u>	<u>7,500</u>	<u>6,816</u>	( <u>684</u> )
-	-	-	-
<u>6,000</u>	<u>6,000</u>	<u>480</u>	<u>5,520</u>
<u>6,000</u>	<u>6,000</u>	<u>480</u>	<u>5,520</u>
1,500	1,500	6,336	4,836
<u>61,661</u>	<u>61,661</u>	<u>61,661</u>	<u>-</u>
<u>\$ 63,161</u>	<u>\$ 63,161</u>	<u>\$ 67,997</u>	<u>\$ 4,836</u>

(continued)

**JOHNSON COUNTY, TEXAS**

*SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS (NONMAJOR) - Continued*

For the Year Ended September 30, 2021

	Justice of the Peace Technology Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Fees	\$ 18,600	\$ 18,600	\$ 13,609	\$( 4,991 )
Investment income	750	750	214	( 536 )
Total revenues	<u>19,350</u>	<u>19,350</u>	<u>13,823</u>	<u>( 5,527 )</u>
Expenditures:				
Administration of Justice:				
Salaries and wages, and employee benefits	84,394	84,394	73,006	11,388
Operating expenditures	27,876	27,876	2,395	25,481
Law Enforcement:				
Operating expenditures	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>112,270</u>	<u>112,270</u>	<u>75,401</u>	<u>36,869</u>
Deficiency of revenues over expenditures	<u>( 92,920 )</u>	<u>( 92,920 )</u>	<u>( 61,578 )</u>	<u>31,342</u>
Other Financing Sources:				
Transfers in	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>( 92,920 )</u>	<u>( 92,920 )</u>	<u>( 61,578 )</u>	<u>31,342</u>
Fund balance - beginning	<u>439,896</u>	<u>439,896</u>	<u>439,896</u>	<u>-</u>
Fund balance - ending	<u>\$ 346,976</u>	<u>\$ 346,976</u>	<u>\$ 378,318</u>	<u>\$ 31,342</u>

Courthouse Security Fund			
Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
Original	Final		
\$ 73,000	\$ 73,000	\$ 89,064	\$ 16,064
<u>100</u>	<u>100</u>	<u>71</u>	<u>( 29 )</u>
<u>73,100</u>	<u>73,100</u>	<u>89,135</u>	<u>16,035</u>
-	-	-	-
-	-	-	-
81,000	38,000	28,431	9,569
<u>15,000</u>	<u>58,000</u>	<u>224,117</u>	<u>( 166,117 )</u>
<u>96,000</u>	<u>96,000</u>	<u>252,548</u>	<u>( 156,548 )</u>
<u>( 22,900 )</u>	<u>( 22,900 )</u>	<u>( 163,413 )</u>	<u>( 140,513 )</u>
-	-	<u>217,000</u>	<u>217,000</u>
-	-	<u>217,000</u>	<u>217,000</u>
( 22,900 )	( 22,900 )	53,587	76,487
<u>84,495</u>	<u>84,495</u>	<u>84,495</u>	-
<u>\$ 61,595</u>	<u>\$ 61,595</u>	<u>\$ 138,082</u>	<u>\$ 76,487</u>

(continued)

**JOHNSON COUNTY, TEXAS**

*SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS (NONMAJOR) - Continued*

For the Year Ended September 30, 2021

	Justice Court Building Security Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues:				
Fees	\$ 2,500	\$ 2,500	\$ 564	\$( 1,936)
Investment income	100	100	50	( 50)
Total revenues	<u>2,600</u>	<u>2,600</u>	<u>614</u>	<u>( 1,986)</u>
Expenditures:				
Administration of Justice:				
Operating expenditures	20,000	20,000	1,400	18,600
Total expenditures	<u>20,000</u>	<u>20,000</u>	<u>1,400</u>	<u>18,600</u>
Net change in fund balance	( 17,400)	( 17,400)	( 786)	16,614
Fund balance - beginning	<u>98,145</u>	<u>98,145</u>	<u>98,145</u>	<u>-</u>
Fund balance - ending	<u>\$ 80,745</u>	<u>\$ 80,745</u>	<u>\$ 97,359</u>	<u>\$ 16,614</u>

Guardianship Fee Fund			
Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
Original	Final		
\$ 8,900	\$ 8,900	\$ 12,596	\$ 3,696
<u>100</u>	<u>100</u>	<u>13</u>	<u>( 87 )</u>
<u>9,000</u>	<u>9,000</u>	<u>12,609</u>	<u>3,609</u>
<u>40,000</u>	<u>40,000</u>	<u>10,250</u>	<u>29,750</u>
<u>40,000</u>	<u>40,000</u>	<u>10,250</u>	<u>29,750</u>
( 31,000 )	( 31,000 )	2,359	33,359
<u>24,223</u>	<u>24,223</u>	<u>24,223</u>	<u>-</u>
<u>\$( 6,777 )</u>	<u>\$( 6,777 )</u>	<u>\$ 26,582</u>	<u>\$ 33,359</u>

(continued)

**JOHNSON COUNTY, TEXAS**

*SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS (NONMAJOR) - Continued*

For the Year Ended September 30, 2021

	Record Archives - County Clerk Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues:				
Fees	\$ 380,000	\$ 380,000	\$ 499,860	\$ 119,860
Investment income	<u>2,600</u>	<u>2,600</u>	<u>485</u>	<u>(2,115)</u>
Total revenues	<u>382,600</u>	<u>382,600</u>	<u>500,345</u>	<u>117,745</u>
Expenditures:				
General Government:				
Operating expenditures	450,000	450,000	448,152	1,848
Administration of Justice:				
Operating expenditures	-	-	-	-
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>450,000</u>	<u>450,000</u>	<u>448,152</u>	<u>1,848</u>
Net change in fund balance	( 67,400 )	( 67,400 )	52,193	119,593
Fund balance - beginning	<u>620,220</u>	<u>620,220</u>	<u>620,220</u>	<u>-</u>
Fund balance - ending	<u>\$ 552,820</u>	<u>\$ 552,820</u>	<u>\$ 672,413</u>	<u>\$ 119,593</u>



Record Archives - District Clerk Fund			
Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
Original	Final		
\$ 12,000	\$ 12,000	\$ 11,139	\$ ( 861 )
<u>100</u>	<u>100</u>	<u>61</u>	<u>( 39 )</u>
<u>12,100</u>	<u>12,100</u>	<u>11,200</u>	<u>( 900 )</u>
-	-	-	-
48,500	48,500	-	48,500
<u>48,500</u>	<u>48,500</u>	<u>-</u>	<u>48,500</u>
<u>97,000</u>	<u>97,000</u>	<u>-</u>	<u>97,000</u>
( 84,900 )	( 84,900 )	11,200	96,100
<u>114,423</u>	<u>114,423</u>	<u>114,423</u>	<u>-</u>
<u>\$ 29,523</u>	<u>\$ 29,523</u>	<u>\$ 125,623</u>	<u>\$ 96,100</u>

(continued)

**JOHNSON COUNTY, TEXAS**

*SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS (NONMAJOR) - Continued*

For the Year Ended September 30, 2021

	County/District Court Technology Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues:				
Fees	\$ 3,200	\$ 3,200	\$ 3,064	\$( 136 )
Investment income	<u>100</u>	<u>100</u>	<u>4</u>	<u>( 96 )</u>
Total revenues	<u>3,300</u>	<u>3,300</u>	<u>3,068</u>	<u>( 232 )</u>
Expenditures:				
General Government:				
Operating expenditures	1,150	1,150	-	1,150
Administration of Justice:				
Operating expenditures	<u>5,150</u>	<u>5,150</u>	<u>4,653</u>	<u>497</u>
Total expenditures	<u>6,300</u>	<u>6,300</u>	<u>4,653</u>	<u>1,647</u>
Net change in fund balance	( 3,000 )	( 3,000 )	( 1,585 )	1,415
Fund balance - beginning	<u>6,676</u>	<u>6,676</u>	<u>6,676</u>	<u>-</u>
Fund balance - ending	<u>\$ 3,676</u>	<u>\$ 3,676</u>	<u>\$ 5,091</u>	<u>\$ 1,415</u>

Court Records Preservation Digital Fund			
Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
Original	Final		
\$ 30,000	\$ 30,000	\$ 33,958	\$ 3,958
<u>800</u>	<u>800</u>	<u>214</u>	<u>( 586 )</u>
<u>30,800</u>	<u>30,800</u>	<u>34,172</u>	<u>3,372</u>
-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
30,800	30,800	34,172	3,372
<u>355,253</u>	<u>355,253</u>	<u>355,253</u>	<u>-</u>
<u>\$ 386,053</u>	<u>\$ 386,053</u>	<u>\$ 389,425</u>	<u>\$ 3,372</u>

(continued)

**JOHNSON COUNTY, TEXAS**

*SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS (NONMAJOR) - Continued*

For the Year Ended September 30, 2021

	District Court Records Technology Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Fees	25,000	25,000	24,632	( 368 )
Investment income	400	400	114	( 286 )
Total revenues	<u>25,400</u>	<u>25,400</u>	<u>24,746</u>	<u>( 654 )</u>
Expenditures				
Administration of Justice:				
Operating expenditures	180,000	180,000	10,097	169,903
Law Enforcement:				
Operating expenditures	-	-	-	-
Health and Welfare:				
Salaries and wages, and employee benefits	-	-	-	-
Operating expenditures	-	-	-	-
Total expenditures	<u>180,000</u>	<u>180,000</u>	<u>10,097</u>	<u>169,903</u>
Net change in fund balance	( 154,600 )	( 154,600 )	14,649	169,249
Fund balance - beginning	<u>215,885</u>	<u>215,885</u>	<u>215,885</u>	<u>-</u>
Fund balance - ending	<u>\$ 61,285</u>	<u>\$ 61,285</u>	<u>\$ 230,534</u>	<u>\$ 169,249</u>

Indigent Health Care Fund			
Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
Original	Final		
\$ 1,661,004	\$ 1,661,004	\$ 1,667,186	\$ 6,182
46,000	46,000	54,810	8,810
-	-	-	-
<u>31,000</u>	<u>31,000</u>	<u>18,631</u>	<u>( 12,369 )</u>
<u>1,738,004</u>	<u>1,738,004</u>	<u>1,740,627</u>	<u>2,623</u>
-	-	-	-
1,100,000	1,355,803	1,491,645	( 135,842 )
131,656	131,656	121,808	9,848
<u>506,350</u>	<u>506,350</u>	<u>434,435</u>	<u>71,915</u>
<u>1,738,006</u>	<u>1,993,809</u>	<u>2,047,888</u>	<u>( 54,079 )</u>
( 2 )	( 255,805 )	( 307,261 )	( 51,456 )
<u>2,966,756</u>	<u>2,966,756</u>	<u>2,966,756</u>	<u>-</u>
<u>\$ 2,966,754</u>	<u>\$ 2,710,951</u>	<u>\$ 2,659,495</u>	<u>\$( 51,456 )</u>

(continued)

**JOHNSON COUNTY, TEXAS**

*SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS (NONMAJOR) - Continued*

For the Year Ended September 30, 2021

	Right of Way Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues:				
Investment income	\$ 21,000	\$ 21,000	\$ 17,412	\$( 3,588)
Total revenues	<u>21,000</u>	<u>21,000</u>	<u>17,412</u>	<u>( 3,588)</u>
Expenditures				
General Government:				
Operating expenditures	-	-	109,751	( 109,751)
Total expenditures	-	-	109,751	( 109,751)
Excess (deficiency) of revenues over expenditures	<u>21,000</u>	<u>21,000</u>	<u>( 92,339)</u>	<u>( 113,339)</u>
Other Financing Sources:				
Transfers in	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	21,000	21,000	( 92,339)	( 113,339)
Fund balance - beginning	<u>1,549,801</u>	<u>1,549,801</u>	<u>1,549,801</u>	<u>-</u>
Fund balance - ending	<u>\$ 1,570,801</u>	<u>\$ 1,570,801</u>	<u>\$ 1,457,462</u>	<u>\$( 113,339)</u>

Historical Commission Fund			
Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
Original	Final		
\$ 100	\$ 100	\$ 23	\$( 77 )
<u>100</u>	<u>100</u>	<u>23</u>	<u>( 77 )</u>
17,500	17,500	2,479	15,021
17,500	17,500	2,479	15,021
( 17,400 )	( 17,400 )	( 2,456 )	14,944
-	-	10,000	10,000
-	-	10,000	10,000
( 17,400 )	( 17,400 )	7,544	24,994
44,892	44,892	44,892	-
<u>\$ 27,492</u>	<u>\$ 27,492</u>	<u>\$ 52,436</u>	<u>\$ 24,944</u>

(continued)

**JOHNSON COUNTY, TEXAS**

*SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS (NONMAJOR) - Continued*

For the Year Ended September 30, 2021

	Pre-Trial Bond Supervision Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Fees	172,000	172,000	254,275	82,275
Fines	-	-	-	-
Investment income	400	400	142	( 258 )
Total revenues	172,400	172,400	254,417	82,017
Expenditures				
Administration of Justice:				
Salaries and wages, and employee benefits	136,158	129,316	127,761	1,555
Operating expenditures	46,642	46,642	38,512	8,130
Law Enforcement:				
Operating expenditures	-	-	-	-
Total expenditures	182,800	175,958	166,273	9,685
Excess (deficiency) of revenues over expenditures	( 10,400 )	( 3,558 )	88,144	91,702
Other Financing Sources:				
Proceeds from sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	( 10,400 )	( 3,558 )	88,144	91,702
Fund balance - beginning	244,826	244,826	244,826	-
Fund balance - ending	\$ 234,426	\$ 241,268	\$ 332,970	\$ 91,702



STOP SCU Operations Fund			
Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
Original	Final		
\$ 43,933	\$ 43,933	\$ 44,203	\$ 270
-	-	-	-
-	-	366	366
<u>400</u>	<u>400</u>	<u>104</u>	<u>( 296 )</u>
<u>44,333</u>	<u>44,333</u>	<u>44,673</u>	<u>340</u>
-	-	-	-
-	-	-	-
<u>182,700</u>	<u>182,700</u>	<u>139,545</u>	<u>43,155</u>
<u>182,700</u>	<u>182,700</u>	<u>139,545</u>	<u>43,155</u>
<u>( 138,367 )</u>	<u>( 138,367 )</u>	<u>( 94,872 )</u>	<u>43,495</u>
-	-	9,690	9,690
<u>90,504</u>	<u>90,504</u>	<u>90,504</u>	<u>-</u>
<u>90,504</u>	<u>90,504</u>	<u>100,194</u>	<u>9,690</u>
<u>( 47,863 )</u>	<u>( 47,863 )</u>	<u>5,322</u>	<u>53,185</u>
<u>163,654</u>	<u>163,654</u>	<u>163,654</u>	<u>-</u>
<u>\$ 115,791</u>	<u>\$ 115,791</u>	<u>\$ 168,976</u>	<u>\$ 53,185</u>

**JOHNSON COUNTY, TEXAS****COMBINING STATEMENT OF FIDUCIARY NET POSITION**

September 30, 2021

	Sheriff Seizures Fund	Special Crimes Operations Seizures Fund	Unclaimed Property Fund
Assets:			
Cash and temporary investments	\$ 19,493	\$ 278,445	\$ 12,705
Accounts receivable	-	-	-
Total assets	<u>19,493</u>	<u>278,445</u>	<u>12,705</u>
Liabilities:			
Accounts and accrued liabilities payable	-	-	-
Held for others	-	-	-
Due to other governments	-	-	-
Unearned revenue	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Net Position:			
Individuals, organizations and other governmental	<u>19,493</u>	<u>278,445</u>	<u>12,705</u>
Total net position	<u>\$ 19,493</u>	<u>\$ 278,445</u>	<u>\$ 12,705</u>

Sheriff Escrow Fund	Constable Fund	Sheriff Inmate Fund	County Clerk Fund	District Clerk Fund	Juvenile Probation Restitution Fund
\$ 24,750	\$ 3,201	\$ 93,898	\$ 1,844,550	\$ 2,984,826	\$ 1,738
-	-	-	-	-	-
<u>24,750</u>	<u>3,201</u>	<u>93,898</u>	<u>1,844,550</u>	<u>2,984,826</u>	<u>1,738</u>
-	-	-	150,723	-	-
-	-	-	1,693,827	2,984,826	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	1,844,550	2,984,826	-
<u>24,750</u>	<u>3,201</u>	<u>93,898</u>	<u>-</u>	<u>-</u>	<u>1,738</u>
<u>\$ 24,750</u>	<u>\$ 3,201</u>	<u>\$ 93,898</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,738</u>

(continued)

**JOHNSON COUNTY, TEXAS***COMBINING STATEMENT OF FIDUCIARY NET POSITION - Continued*

September 30, 2021

Exhibit 17

Page 2 of 2

	Tax Collector Fund	Adult Probation Fund	Total Custodial Funds
<b>Assets:</b>			
Cash and temporary investments	\$ 5,151,807	\$ 1,645,915	\$ 12,061,328
Accounts receivable	-	119,093	119,093
<b>Total assets</b>	<u>5,151,807</u>	<u>1,765,008</u>	<u>12,180,421</u>
<b>Liabilities:</b>			
Accounts and accrued liabilities payable	-	150,628	301,351
Held for others	-	-	4,678,653
Due to other governments	-	189,065	189,065
Unearned revenue	-	241,682	241,682
<b>Total liabilities</b>	<u>-</u>	<u>581,375</u>	<u>5,410,751</u>
<b>Net Position:</b>			
Individuals, organizations and other governmental	<u>5,151,807</u>	<u>1,183,633</u>	<u>6,769,670</u>
<b>Total net position</b>	<u>\$ 5,151,807</u>	<u>\$ 1,183,633</u>	<u>\$ 6,769,670</u>



**JOHNSON COUNTY, TEXAS****COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**

September 30, 2021

	Sheriff Seizures Fund	Special Crimes Operations Seizures Fund	Unclaimed Property Fund
Additions:			
Collections for adult probation	\$ -	\$ -	\$ -
Tax collections for other governments	-	-	-
Held for others	-	26,402	157
Investment income	12	171	-
	<u>12</u>	<u>26,573</u>	<u>157</u>
Total additions	<u>12</u>	<u>26,573</u>	<u>157</u>
Deductions:			
Payments to adult probation	-	-	-
Payments to individuals	4,874	50,945	100
Payments to other governments	-	-	-
	<u>4,874</u>	<u>50,945</u>	<u>100</u>
Total deductions	<u>4,874</u>	<u>50,945</u>	<u>100</u>
Net change in net position	( 4,862 )	( 24,372 )	57
Net position - beginning (restated)	<u>24,355</u>	<u>302,817</u>	<u>12,648</u>
Net position - ending	<u>\$ 19,493</u>	<u>\$ 278,445</u>	<u>\$ 12,705</u>

Sheriff Escrow Fund	Constable Fund	Sheriff Inmate Fund	County Clerk Fund	District Clerk Fund	Juvenile Probation Restitution Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
212,884	3,201	1,820,212	861,395	1,211,328	23,105
-	-	-	-	-	-
<u>212,884</u>	<u>3,201</u>	<u>1,820,212</u>	<u>861,395</u>	<u>1,211,328</u>	<u>23,105</u>
-	-	-	-	-	-
188,134	-	1,792,431	861,395	1,211,328	23,493
-	-	-	-	-	-
<u>188,134</u>	<u>-</u>	<u>1,792,431</u>	<u>861,395</u>	<u>1,211,328</u>	<u>23,493</u>
24,750	3,201	27,781	-	-	( 388)
-	-	66,117	-	-	2,126
<u>\$ 24,750</u>	<u>\$ 3,201</u>	<u>\$ 93,898</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,738</u>

(continued)

**JOHNSON COUNTY, TEXAS****COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - Continued**  
September 30, 2021Exhibit 18  
Page 2 of 2

	Tax Collector Fund	Special Crimes Operations Seizures Fund	Unclaimed Property Fund
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Additions:</b>			
Collections for adult probation	\$ -	\$ 3,020,502	\$ 3,020,502
Tax collections for other governments	465,451,771	-	465,451,771
Held for others	-	-	4,158,684
Investment income	7,410	953	8,546
	<u>465,459,181</u>	<u>3,021,455</u>	<u>472,639,503</u>
Total additions			
<b>Deductions:</b>			
Payments to adult probation	-	3,068,624	3,068,624
Payments to individuals	-	-	4,132,700
Payments to other governments	464,820,639	-	464,820,639
	<u>464,820,639</u>	<u>3,068,624</u>	<u>472,021,963</u>
Total deductions			
Net change in net position	638,542	( 47,169)	617,540
Net position - beginning (restated)	<u>4,513,265</u>	<u>1,230,802</u>	<u>6,152,130</u>
Net position - ending	<u>\$ 5,151,807</u>	<u>\$ 1,183,633</u>	<u>\$ 6,769,670</u>



## **STATISTICAL SECTION**



# JOHNSON COUNTY, TEXAS

Statistical Section  
(unaudited)

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

Contents	<u>Page</u>
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<u>Financial Trends</u>	154-161
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Tables 1 through 4 contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

<u>Revenue Capacity</u>	162-167
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Tables 5 through 8 contain information to help the reader assess the County's most significant local revenue source, the property tax.

<u>Debt Capacity</u>	168-171
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Tables 9 through 12 present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

<u>Demographic and Economic Indicators</u>	172-173
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Tables 13 through 14 offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

<u>Operating Information</u>	174-181
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Tables 15 through 17 contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides.

**JOHNSON COUNTY, TEXAS**  
**NET POSITION BY COMPONENTS**  
 Last Ten Fiscal Years

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Governmental Activities:					
Net investment in capital assets	\$ 52,633,294	\$ 51,623,564	\$ 53,258,318	\$ 51,667,122	\$ 54,807,680
Restricted	12,819,186	12,787,174	15,003,481	16,611,684	17,487,954
Unrestricted	<u>26,631,406</u>	<u>27,135,113</u>	<u>24,860,566</u>	<u>26,616,369</u>	<u>24,783,550</u>
Total governmental activities net position	<u>\$ 92,083,886</u>	<u>\$ 91,545,851</u>	<u>\$ 93,122,365</u>	<u>\$ 94,895,175</u>	<u>\$ 97,079,184</u>

Source:

Annual Comprehensive Financial Report (Statement of Net Position)

Notes:

GASB 68 was implemented in fiscal year 2015, and only fiscal year 2014 ending balances have been restated.

GASB 75 was implemented in fiscal year 2018, and only fiscal year 2017 ending balances have been restated.

Table 1

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 52,035,751	\$ 51,899,263	\$ 50,343,717	\$ 52,470,155	\$ 53,698,673
16,627,902	17,425,182	17,766,864	17,220,292	18,421,486
<u>22,457,167</u>	<u>27,032,083</u>	<u>29,823,904</u>	<u>33,115,029</u>	<u>37,754,199</u>
<u>\$ 91,120,820</u>	<u>\$ 96,356,528</u>	<u>\$ 97,934,485</u>	<u>\$102,805,476</u>	<u>\$109,874,358</u>

**JOHNSON COUNTY, TEXAS**  
**CHANGES IN NET POSITION**  
Last Ten Fiscal Years

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>Expenses</b>					
Governmental Activities:					
General government <sup>1</sup>	\$ 10,233,295	\$ 10,263,410	\$ 14,087,205	\$ 16,447,095	\$ 17,988,435
Highways and streets	9,803,003	10,213,556	9,712,634	8,559,760	9,170,169
Law enforcement	27,745,191	29,021,831	32,888,061	31,694,382	34,032,010
Administration of justice	9,499,338	9,356,931	7,011,681	8,046,614	8,676,596
Financial administration	4,187,083	4,287,972	847,977	916,563	964,805
Health and welfare	1,305,482	1,682,465	1,822,344	1,558,199	1,548,476
Interest and fiscal charges	<u>830,473</u>	<u>438,967</u>	<u>549,991</u>	<u>482,139</u>	<u>1,296,642</u>
Total expenses	<u>\$ 63,603,865</u>	<u>\$ 65,265,132</u>	<u>\$ 66,919,893</u>	<u>\$ 67,704,752</u>	<u>\$ 73,677,133</u>
<b>Program Revenues</b>					
Governmental Activities:					
Charges for services:					
General government <sup>1</sup>	\$ 2,607,155	\$ 2,663,307	\$ 3,060,143	\$ 5,068,931	\$ 5,077,528
Highways and streets	1,962,896	2,100,165	2,176,076	2,053,735	2,158,370
Law enforcement	8,371,959	8,706,430	8,951,720	7,623,697	9,250,903
Administration of justice	2,551,462	2,916,793	2,394,904	2,584,341	2,707,047
Financial administration	1,210,846	1,255,048	1,226,240	-	-
Health and welfare	23,376	207,577	232,324	-	-
Operating grants and contributions	2,752,569	2,210,164	2,171,770	2,531,965	3,263,020
Capital grants and contributions	<u>240,887</u>	<u>557,627</u>	<u>2,104,767</u>	<u>1,209,257</u>	<u>1,343,092</u>
Total governmental activities program revenues	<u>19,721,150</u>	<u>20,617,111</u>	<u>22,317,944</u>	<u>21,071,926</u>	<u>23,799,960</u>
Net expense	<u>\$(43,882,715)</u>	<u>\$(44,648,021)</u>	<u>\$(44,601,949)</u>	<u>\$(46,632,826)</u>	<u>\$(49,877,173)</u>
<b>General Revenues and Change in Net Position</b>					
Governmental Activities:					
Taxes	\$ 44,905,171	\$ 43,852,648	\$ 45,515,078	\$ 48,990,593	\$ 50,904,776
Investment income	116,335	14,784	96,651	183,592	333,960
Gain on sale of capital assets	42,118	-	24,622	-	-
Miscellaneous	<u>970,333</u>	<u>404,603</u>	<u>542,112</u>	<u>791,863</u>	<u>822,446</u>
Total general revenues	<u>\$ 46,033,957</u>	<u>\$ 44,272,035</u>	<u>\$ 46,178,463</u>	<u>\$ 49,966,048</u>	<u>\$ 52,061,182</u>
Change in net position	<u>\$ 2,151,242</u>	<u>\$( 375,986)</u>	<u>\$ 1,576,514</u>	<u>\$ 3,333,222</u>	<u>\$ 2,184,009</u>

Source: Annual Comprehensive Financial Report (Statement of Activities)

<sup>1</sup> Elections, Conservation and Culture and Recreation programs included here.

Table 2

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 18,488,450	\$ 17,471,736	\$ 19,432,451	\$ 19,939,709	\$ 20,294,109
9,501,401	9,152,310	9,972,948	9,403,250	9,264,597
38,498,728	40,375,051	44,308,051	41,667,920	41,822,703
8,995,731	8,373,435	9,587,841	9,263,379	8,992,175
1,034,334	1,032,042	1,179,916	1,230,024	1,251,183
2,157,599	1,350,522	1,779,079	2,698,608	2,883,698
<u>1,089,534</u>	<u>889,424</u>	<u>881,077</u>	<u>826,935</u>	<u>753,199</u>
<u>\$ 79,765,777</u>	<u>\$ 78,644,520</u>	<u>\$ 87,141,363</u>	<u>\$ 85,029,825</u>	<u>\$ 85,261,664</u>
\$ 5,090,259	\$ 6,788,168	\$ 7,023,886	\$ 7,165,800	\$ 8,680,453
1,679,048	2,047,391	2,091,707	2,108,552	2,222,760
12,014,082	13,860,323	15,829,815	12,871,834	12,147,431
1,107,335	4,883,071	1,630,820	2,768,435	2,486,839
-	-	-	-	-
-	-	-	-	-
2,904,929	2,137,829	2,574,611	4,334,545	3,893,806
<u>770,880</u>	<u>765,277</u>	<u>831,069</u>	<u>1,203,158</u>	<u>1,305,573</u>
<u>23,566,533</u>	<u>30,482,059</u>	<u>29,981,908</u>	<u>30,452,324</u>	<u>30,736,862</u>
<u>\$(56,199,244)</u>	<u>\$(48,162,461)</u>	<u>\$(57,159,455)</u>	<u>\$(54,577,501)</u>	<u>\$(54,524,802)</u>
\$ 50,749,015	\$ 51,408,011	\$ 56,044,426	\$ 57,008,180	\$ 60,181,153
418,949	941,503	1,907,714	1,240,278	420,936
-	135,248	-	-	-
<u>570,124</u>	<u>913,407</u>	<u>785,272</u>	<u>1,200,034</u>	<u>991,595</u>
<u>\$ 51,738,088</u>	<u>\$ 53,398,169</u>	<u>\$ 58,737,412</u>	<u>\$ 59,448,492</u>	<u>\$ 61,593,684</u>
<u>\$( 4,461,156)</u>	<u>\$ 5,235,708</u>	<u>\$ 1,577,957</u>	<u>\$ 4,870,991</u>	<u>\$ 7,068,882</u>

**JOHNSON COUNTY, TEXAS**  
**FUND BALANCES, GOVERNMENTAL FUNDS**  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
General Fund:					
Nonspendable	\$ 226,301	\$ 312,793	\$ 660,339	\$ 674,400	\$ 774,454
Unassigned	<u>20,969,138</u>	<u>21,254,587</u>	<u>18,321,967</u>	<u>21,394,059</u>	<u>19,448,434</u>
Total General Fund	<u>\$ 21,195,439</u>	<u>\$ 21,567,380</u>	<u>\$ 18,982,306</u>	<u>\$ 22,068,459</u>	<u>\$ 20,222,888</u>
Road & Bridge Fund:					
Nonspendable	\$ 295,773	\$ 308,674	\$ 301,036	\$ 408,775	\$ 317,943
Restricted	<u>5,004,218</u>	<u>5,046,266</u>	<u>6,435,487</u>	<u>6,786,303</u>	<u>7,673,273</u>
Total Road & Bridge Fund	<u>\$ 5,299,991</u>	<u>\$ 5,354,940</u>	<u>\$ 6,736,523</u>	<u>\$ 7,195,078</u>	<u>\$ 7,991,216</u>
Other Governmental Funds:					
Nonspendable	\$ 595	\$ -	\$ 2,368	\$ -	\$ 3,687
Restricted	10,770,454	7,916,021	11,422,456	10,987,061	18,952,445
Unassigned	<u>( 595)</u>	<u>( 151,798)</u>	<u>( 8,937)</u>	<u>( 857,052)</u>	<u>( 39,000)</u>
Total Other Governmental Funds	<u>\$ 10,770,454</u>	<u>\$ 7,764,223</u>	<u>\$ 11,415,887</u>	<u>\$ 10,130,009</u>	<u>\$ 18,917,132</u>
Total Governmental Funds	<u>\$ 37,265,884</u>	<u>\$ 34,686,543</u>	<u>\$ 37,134,716</u>	<u>\$ 39,393,546</u>	<u>\$ 47,131,236</u>

Source: Annual Comprehensive Financial Report (Balance Sheet - Governmental Funds)



Table 3

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 432,469	\$ 527,761	\$ 598,241	\$ 616,970	\$ 596,155
<u>21,923,095</u>	<u>25,325,056</u>	<u>31,190,522</u>	<u>34,877,444</u>	<u>39,473,064</u>
\$ <u>22,355,564</u>	\$ <u>25,852,817</u>	\$ <u>31,788,763</u>	\$ <u>35,494,414</u>	\$ <u>40,069,219</u>
\$ 299,585	\$ 307,068	\$ 370,381	\$ 421,592	\$ 467,431
<u>6,864,366</u>	<u>6,137,166</u>	<u>4,906,587</u>	<u>4,811,290</u>	<u>5,509,332</u>
\$ <u>7,163,951</u>	\$ <u>6,444,234</u>	\$ <u>5,276,968</u>	\$ <u>5,232,882</u>	\$ <u>5,966,763</u>
\$ 22,387	\$ 18,840	\$ 4,687	\$ 4,736	\$ 9,221
9,631,368	12,452,719	13,843,571	15,158,719	15,594,570
( 133,470)	( 7,333)	( 644)	( 1,308)	-
\$ <u>9,520,285</u>	\$ <u>12,464,226</u>	\$ <u>13,847,614</u>	\$ <u>15,162,147</u>	\$ <u>15,603,791</u>
\$ <u>39,039,800</u>	\$ <u>44,761,277</u>	\$ <u>50,913,345</u>	\$ <u>55,889,443</u>	\$ <u>61,639,773</u>

# JOHNSON COUNTY, TEXAS

## CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS

Last Ten Fiscal Years

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues:					
Taxes	\$ 44,830,579	\$ 43,830,189	\$ 45,443,781	\$ 48,963,573	\$ 50,993,826
Prisoner housing services	6,609,928	6,577,588	6,675,022	6,030,529	7,149,116
Intergovernmental	2,740,468	2,509,665	3,272,840	2,801,723	4,124,331
Fees	6,944,502	7,497,817	7,582,746	7,622,922	8,250,780
Fines	1,526,291	1,674,359	1,474,592	1,527,368	1,670,340
Investment income	116,335	14,784	96,651	183,592	333,960
Miscellaneous	<u>2,371,453</u>	<u>1,776,659</u>	<u>2,083,907</u>	<u>2,372,687</u>	<u>2,514,951</u>
Total revenues	<u>65,139,556</u>	<u>63,881,061</u>	<u>66,629,539</u>	<u>69,502,394</u>	<u>75,037,304</u>
Expenditures:					
General government <sup>1</sup>	15,786,448	8,982,474	12,490,998	14,672,298	16,165,457
Highways and streets	1,251,211	7,407,174	6,934,405	5,783,272	6,303,874
Law enforcement	26,601,429	27,402,657	30,917,697	29,703,957	32,061,018
Administration of justice	9,432,772	9,283,646	7,006,238	7,974,262	8,576,511
Financial administration	4,162,063	4,256,750	920,170	916,909	964,090
Health and welfare	166,700	1,668,814	1,791,012	1,509,408	1,499,931
Capital outlay	7,136,275	5,669,670	6,574,359	4,128,319	19,920,510
Debt Service:					
Principal	7,826,735	1,478,924	1,592,270	2,169,297	2,030,000
Interest and fiscal charges	<u>593,321</u>	<u>379,113</u>	<u>403,479</u>	<u>452,767</u>	<u>635,848</u>
Total expenditures	<u>72,956,954</u>	<u>66,529,222</u>	<u>68,630,628</u>	<u>67,310,489</u>	<u>88,157,239</u>
Excess (deficiency) of revenues over expenditures	<u>( 7,817,398)</u>	<u>( 2,648,161)</u>	<u>( 2,001,089)</u>	<u>2,191,905</u>	<u>(13,119,935)</u>
Other Financing Sources (Uses):					
Transfers in	11,491,554	2,171,599	5,214,204	1,885,078	7,239,818
Transfers out	(11,491,554)	( 2,171,599)	( 5,214,204)	( 1,885,078)	( 7,239,818)
Proceeds from sale of capital assets	-	68,820	79,262	66,925	252,625
Issuance of tax notes	-	-	4,370,000	-	-
Issuance of certificates of obligation bonds	-	-	-	-	20,605,000
Other	<u>80,018</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>80,018</u>	<u>68,820</u>	<u>4,449,262</u>	<u>66,925</u>	<u>20,857,625</u>
Net change in fund balances	<u>\$( 7,737,380)</u>	<u>\$( 2,579,341)</u>	<u>\$ 2,448,173</u>	<u>\$ 2,258,830</u>	<u>\$ 7,737,690</u>
Debt service as a percentage of noncapital expenditures	12.8%	3.1%	3.2%	4.2%	3.9%

Source: Annual Comprehensive Financial Reports (Statement of Revenues, Expenditures, and Changes in Fund Balances).

<sup>1</sup> Elections, Conservation and Culture and recreation are included here.

Table 4

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 50,737,943	\$ 51,484,989	\$ 55,976,147	\$ 57,036,021	\$ 60,244,560
10,112,353	11,431,715	12,737,339	10,346,453	8,702,223
3,075,841	2,435,155	2,864,483	4,284,767	4,892,309
7,985,710	11,407,259	12,139,753	12,011,639	14,488,640
1,331,314	1,406,065	1,411,501	1,005,103	1,078,154
418,949	941,503	1,907,714	1,240,278	420,936
<u>2,054,631</u>	<u>1,816,803</u>	<u>1,740,024</u>	<u>1,905,730</u>	<u>1,400,030</u>
<u>75,716,741</u>	<u>80,923,489</u>	<u>88,776,961</u>	<u>87,829,991</u>	<u>91,226,852</u>
15,950,248	15,078,893	16,732,009	17,728,997	18,365,691
6,448,641	6,266,830	7,061,673	7,312,403	7,338,311
35,372,987	37,537,471	41,053,223	38,851,144	39,397,580
8,513,407	8,087,273	9,020,189	8,979,849	8,888,021
983,233	1,002,443	1,113,973	1,196,870	1,234,501
2,095,704	1,297,291	1,677,025	2,633,227	2,790,667
10,817,630	2,632,285	2,298,869	2,605,826	3,784,345
2,190,000	2,780,000	2,825,000	2,865,000	3,000,000
<u>1,637,067</u>	<u>905,826</u>	<u>865,502</u>	<u>824,274</u>	<u>771,733</u>
<u>84,008,917</u>	<u>75,588,312</u>	<u>82,647,463</u>	<u>82,997,590</u>	<u>85,570,849</u>
( 8,292,176 )	<u>5,335,177</u>	<u>6,129,498</u>	<u>4,832,401</u>	<u>5,656,003</u>
2,673,458	4,074,377	2,848,635	4,435,902	4,492,565
( 2,673,458 )	( 4,074,377 )	( 2,848,635 )	( 4,435,902 )	( 4,492,565 )
136,401	386,300	22,570	143,697	94,327
6,425,000	-	-	-	-
( 6,360,661 )	-	-	-	-
<u>200,740</u>	<u>386,300</u>	<u>22,570</u>	<u>143,697</u>	<u>94,327</u>
<u>\$( 8,091,436 )</u>	<u>\$ 5,721,477</u>	<u>\$ 6,152,068</u>	<u>\$ 4,976,098</u>	<u>\$ 5,750,330</u>
5.2%	5.1%	4.6%	4.6%	4.6%

**JOHNSON COUNTY, TEXAS****ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**

Last Ten Fiscal Years

Fiscal Year	Real Property			Personal Property	Less: Homestead, Other Exemptions
	Residential Property	Commercial Property	Other Property		
2012	\$ 5,094,516,753	\$ 1,153,831,778	\$ 5,133,412,323	\$ 1,863,245,650	\$ 2,495,412,525
2013	5,055,969,380	1,183,463,914	4,995,129,585	1,791,720,657	2,774,139,671
2014	5,092,788,399	1,246,142,809	4,253,295,670	1,745,201,351	2,787,490,025
2015	5,134,525,144	1,243,258,320	4,704,030,325	1,694,692,822	2,991,144,902
2016	5,069,484,627	1,368,757,815	5,050,106,841	1,710,101,615	3,176,269,781
2017	5,421,617,645	1,383,963,256	4,342,528,058	1,675,333,272	3,311,636,564
2018	6,135,140,211	1,451,632,628	4,472,634,739	1,497,606,622	3,813,519,623
2019	6,886,752,383	1,499,214,256	4,788,335,664	1,584,929,158	4,172,841,706
2020	7,874,178,334	1,578,652,467	5,165,194,812	1,742,254,351	4,423,488,026
2021	8,719,295,017	1,712,899,185	5,009,469,358	1,875,534,168	4,694,308,240

Source: Johnson County Central Appraisal District

Table 5

Total Taxable Assessed Value	Actual Value	Total Direct Tax Rate	Assessed Value as a Percentage of Actual Value
\$ 10,749,593,979	\$ 10,749,593,979	0.379500	100.00%
10,252,143,865	10,252,143,865	0.382229	100.00%
9,549,938,204	9,549,938,204	0.420154	100.00%
9,785,361,709	9,785,361,709	0.445000	100.00%
10,022,181,117	10,022,181,117	0.448000	100.00%
9,511,805,667	9,511,805,667	0.459738	100.00%
9,743,494,577	9,743,494,577	0.472000	100.00%
10,586,389,755	10,586,389,755	0.472000	100.00%
11,936,791,938	11,936,791,938	0.425000	100.00%
12,622,889,488	12,622,889,488	0.425000	100.00%

# JOHNSON COUNTY, TEXAS

## DIRECT AND OVERLAPPING PROPERTY TAX RATES

Last Ten Fiscal Years

(rate per \$100 of assessed value)

	<u>2012</u> Tax Rate	<u>2013</u> Tax Rate	<u>2014</u> Tax Rate	<u>2015</u> Tax Rate	<u>2016</u> Tax Rate
Johnson County	0.379500	0.382229	0.420154	0.445000	0.448000
Cities:					
Alvarado	0.706872	0.700494	0.665469	0.733000	0.733000
Burleson	0.690000	0.690000	0.740000	0.740000	0.735000
Cleburne	0.740743	0.804018	0.804018	0.804018	0.804018
Crowley	0.669019	0.696829	0.696829	0.739270	0.739270
Godley	0.500000	0.500000	0.540000	0.540000	0.560000
Grandview	0.736995	0.743351	0.746311	0.746311	0.746311
Joshua	0.685270	0.705270	0.725270	0.775270	0.775270
Keene	0.812363	0.847224	0.867018	0.912249	0.897823
Mansfield	0.710000	0.710000	0.710000	0.710000	0.710000
Rio Vista	0.602880	0.597915	0.598185	0.596454	0.596454
Venus	0.900000	0.900000	0.893269	0.879918	0.879918
School Districts:					
Alvarado ISD	1.316000	1.461000	1.461000	1.461000	1.461000
Burleson ISD	1.540000	1.540000	1.540000	1.540000	1.540000
Cleburne ISD	1.236600	1.236600	1.366600	1.366600	1.630000
Crowley ISD	1.670000	1.670000	1.650000	1.650000	1.650000
Godley ISD	1.287000	1.172752	1.195500	1.247660	1.540000
Granbury ISD	1.145000	1.145000	1.265000	1.265000	1.250000
Grandview ISD	1.400000	1.400000	1.400000	1.400000	1.400000
Joshua ISD	1.490000	1.490000	1.420000	1.600000	1.610000
Keene ISD	1.490900	1.490900	1.490900	1.430000	1.430000
Mansfield ISD	1.540000	1.527100	1.527100	1.510000	1.510000
Rio Vista ISD	1.494400	1.590000	1.621300	1.570000	1.600000
Venus ISD	1.380000	1.380000	1.380000	1.380000	1.587600
Special District Rates:					
Emergency Service	0.060000	0.060000	0.060000	0.060000	0.060000
Hill College - Alvarado ISD	0.037242	0.043494	0.044702	0.048850	0.048850
Hill College - Cleburne ISD	0.048596	0.050000	0.050000	0.049931	0.050000
Hill College - Godley ISD	0.012159	0.014541	0.014541	0.016832	0.022349
Hill College - Grandview ISD	0.050000	0.050000	0.050000	0.050000	0.050000
Hill College - Joshua ISD	0.040868	0.049265	0.050000	0.048492	0.050000
Hill College - Keene ISD	0.039305	0.046349	0.046349	0.047000	0.049435
Hill College - Rio Vista ISD	0.028931	0.027497	0.029535	0.032019	0.033806
Hill College - Venus ISD	0.039312	0.048885	0.047414	0.048249	0.049824

Source: Johnson County Appraisal District  
Texas Municipal Report

Table 6

<u>2017 Tax Rate</u>	<u>2018 Tax Rate</u>	<u>2019 Tax Rate</u>	<u>2020 Tax Rate</u>	<u>2021 Tax Rate</u>	<u>% Applicable to Johnson County</u>
0.459738	0.472000	0.472000	0.425000	0.425000	
0.733000	0.709555	0.732031	0.751419	0.812696	100.00%
0.735000	0.735000	0.720000	0.711100	0.685900	78.08%
0.804018	0.804018	0.773206	0.760092	0.690498	100.00%
0.719000	0.709000	0.681992	0.699806	0.729545	0.25%
0.560000	0.540000	0.540000	0.540000	0.490390	100.00%
0.746311	0.746311	0.771282	0.771282	0.760566	100.00%
0.775270	0.775270	0.765270	0.761240	0.711493	100.00%
0.897823	0.897823	0.867822	0.854134	0.844134	100.00%
0.710000	0.710000	0.710000	0.690000	0.690000	7.51%
0.591810	0.640009	0.572667	0.527606	0.502741	100.00%
0.879918	0.879918	0.869918	0.838991	0.807224	78.72%
1.461000	1.461000	1.470000	1.466400	1.372000	100.00%
1.670000	1.670000	1.568350	1.538300	1.494600	66.29%
1.630000	1.630000	1.528300	1.514700	1.448600	100.00%
1.670000	1.670000	1.568400	1.539800	1.484100	0.89%
1.540000	1.540000	1.470000	1.466400	1.492000	85.93%
1.210000	1.195000	1.125000	1.111400	1.088800	1.12%
1.400000	1.266100	1.196100	1.133100	1.178100	96.85%
1.600000	1.520000	1.440000	1.396000	1.290000	100.00%
1.430000	1.401100	1.299400	1.285800	1.231270	100.00%
1.540000	1.540000	1.460000	1.446400	1.418300	5.62%
1.600000	1.600000	1.498350	1.397390	1.322990	100.00%
1.587600	1.589500	1.491500	1.421300	1.383500	100.00%
0.060000	0.060000	0.060000	0.060000	0.060000	100.00%
0.050000	0.050000	0.047389	0.050000	0.050000	100.00%
0.050000	0.048800	0.044494	0.048692	0.050000	100.00%
0.022671	0.022252	0.022252	0.025422	0.026092	100.00%
0.050000	0.050000	0.048357	0.050000	0.050000	96.85%
0.049482	0.049616	0.047566	0.050000	0.049928	100.00%
0.050000	0.049327	0.049393	0.049548	0.049548	100.00%
0.033806	0.035216	0.035216	0.035391	0.033478	100.00%
0.050000	0.048763	0.050000	0.050000	0.047245	100.00%

**JOHNSON COUNTY, TEXAS**  
**PRINCIPAL PROPERTY TAXPAYERS**  
 Current Year and Nine Years Ago

Table 7

Taxpayer	2021			2012		
	Taxable Assessed Value	Rank	% of Total Assessed Value	Taxable Assessed Value	Rank	% of Total Assessed Value
Klien Tools Inc.	\$ 142,115,216	1	1.13%	\$ -	-	-
ETC Texas Processing LTD	135,228,280	2	1.07%	123,308,684	5	1.06%
FDL Operating LLC	114,660,387	3	0.91%	-	-	-
James Hardie Building Products	113,623,715	4	0.90%	-	-	-
Oncor Electric Delivery	89,890,175	5	0.71%	-	-	-
Wal-Mart Stores East	81,471,871	6	0.65%	89,066,994	10	0.76%
Atmos Energy/Mid-Tex	74,411,796	7	0.59%	-	-	-
Halliburton Energy Serv Inc.	64,118,152	8	0.51%	117,982,178	7	1.01%
Brazos Electric Power	62,388,358	9	0.49%	99,858,115	8	0.86%
Johns Manville Corp.	55,812,735	10	0.44%	-	-	-
Devon Energy Op Co, LP	-	-	-	457,539,690	1	3.92%
EOG Resources Inc.	-	-	-	442,252,527	2	3.79%
Chesapeake Operating, Inc.	-	-	-	275,088,486	3	2.36%
XTO Energy, Inc.	-	-	-	184,771,983	4	1.58%
Energy Transfer Fuel	-	-	-	118,605,527	6	1.02%
Texas Midstream Gas	-	-	-	95,924,043	9	0.82%
<b>Total</b>	<b>\$ 933,720,685</b>		<b>7.40%</b>	<b>\$ 2,004,398,227</b>		<b>17.18%</b>
<b>Total Taxable Assessed Value</b>	<b>\$ 12,622,889,488</b>			<b>\$ 11,657,833,466</b>		

Source: Johnson County Central Appraisal District



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

Table 8

Fiscal Year	Tax Levy as of Fiscal Year End	Collected Within the Fiscal Year of the Levy		Subsequent Collections	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2012	\$ 43,525,826	\$ 43,176,224	99.20%	\$ 254,529	\$ 43,430,753	99.78%
2013	43,454,307	42,074,336	96.82%	1,272,066	43,336,402	99.75%
2014	43,475,291	42,278,798	97.25%	1,044,376	43,323,174	99.65%
2015	49,130,903	48,112,540	97.93%	905,872	49,018,412	99.77%
2016	48,923,628	48,472,441	99.08%	314,957	48,787,398	99.72%
2017	48,488,689	47,546,117	98.06%	793,409	48,339,526	99.69%
2018	50,862,834	49,981,168	98.27%	717,942	50,699,110	99.68%
2019	55,845,945	55,030,895	98.54%	568,709	55,599,604	99.56%
2020	56,420,778	55,930,875	99.13%	136,345	56,067,220	99.37%
2021	59,117,582	58,395,331	98.78%	-	58,395,331	98.78%

Source: Johnson County Tax Assessor-Collector

**JOHNSON COUNTY, TEXAS**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
 Last Ten Fiscal Years

Table 9

Fiscal Year	General Obligation Bonds <sup>(1)</sup>	Certificates of Obligation	Tax Anticipation Notes	Note Payable	Total Outstanding Debt	Percentage of Personal Income <sup>(2)</sup>	Population <sup>(3)</sup>	Per Capita
2012	\$ 13,165,600	\$ -	\$ -	\$ 1,379,437	\$ 14,545,037	0.27%	153,313	94.87
2013	12,048,429	-	-	1,080,513	13,128,942	0.24%	154,556	84.95
2014	10,826,116	-	4,370,000	793,243	15,989,359	0.27%	156,904	101.91
2015	9,481,419	-	3,805,000	-	13,286,419	0.22%	158,614	83.77
2016	7,981,204	20,605,000	3,295,000	-	31,881,204	0.51%	160,503	198.63
2017	6,329,927	20,605,000	2,890,000	-	29,824,927	0.45%	167,301	178.27
2018	4,378,650	20,055,000	2,605,000	-	27,038,650	0.39%	169,159	159.84
2019	2,267,373	19,495,000	2,445,000	-	24,207,373	0.33%	173,388	139.61
2020	-	18,925,000	2,415,000	-	21,340,000	0.27%	180,513	118.22
2021	-	18,340,000	-	-	18,340,000	0.21%	181,837	100.86

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

- (1) Presented net of original issuance premiums.
- (2) Personal income is disclosed on page 172.
- (3) Population can be found in the Schedule of Demographic and Economic Statistics on page 172.

**JOHNSON COUNTY, TEXAS**  
**RATIOS OF GENERAL BONDED DEBT OUTSTANDING**  
 Last Ten Fiscal Years

Table 10

<u>Fiscal Year</u>	<u>General Obligation Bonds<sup>(1)</sup></u>	<u>Less: Amounts Available in Debt Service Fund<sup>(2)</sup></u>	<u>Net Debt</u>	<u>Percentage of Actual Taxable Property Value<sup>(3)</sup></u>	<u>Per Capita<sup>(4)</sup></u>
2012	\$ 13,165,600	\$ 969,233	\$ 12,196,367	\$ 0.11%	\$ 79.55
2013	12,048,429	973,155	11,075,274	0.11%	71.66
2014	10,826,116	1,048,793	9,777,323	0.10%	62.31
2015	9,481,419	1,364,571	8,116,848	0.08%	51.17
2016	7,981,204	884,286	7,096,918	0.07%	44.22
2017	6,329,927	846,414	5,483,513	0.06%	32.78
2018	4,378,650	876,773	3,501,877	0.04%	20.70
2019	2,267,373	1,257,283	1,010,090	0.01%	5.83
2020	-	566,352	( 566,352 )	0.00%	( 3.14 )
2021	-	265,940	( 265,940 )	0.00%	( 1.46 )

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

- (1) This is the general bonded debt for the governmental activities, net of original issuance premiums.
- (2) This is the amount restricted for debt service.
- (3) See the Schedule of Assessed Value and the Estimated Actual Value of Taxable Property on page 162 through 163 for property value data.
- (4) Population data can be found in the Schedule of Demographic and Economic Statistics on page 172.

**JOHNSON COUNTY, TEXAS****COMPUTATION OF DIRECT AND OVERLAPPING DEBT**

As of September 30, 2021

Table 11

Taxing Jurisdiction	Net Bonded Debt as of Sept. 30, 2021	% Applicable to Johnson County	Amount Applicable to Johnson County
City of Alvarado	\$ 14,032,000	100.00%	\$ 14,032,000
City of Burleson	139,660,000	78.08%	109,046,528
City of Cleburne	53,655,000	100.00%	53,655,000
City of Crowley	50,255,000	0.25%	125,638
City of Godley	470,000	100.00%	470,000
City of Grandview	1,355,000	100.00%	1,355,000
City of Joshua	10,785,000	100.00%	10,785,000
City of Keene	9,820,000	100.00%	9,820,000
City of Mansfield	151,135,000	7.51%	11,350,239
City of Rio Vista	60,000	100.00%	60,000
City of Venus	8,385,000	78.72%	6,600,672
Alvarado ISD	73,159,000	100.00%	73,159,000
Burleson ISD	310,561,599	66.29%	205,871,284
Cleburne ISD	182,812,083	100.00%	182,812,083
Crowley ISD	520,570,461	0.89%	4,633,077
Godley ISD	163,285,000	85.93%	140,310,801
Granbury ISD	93,015,000	1.12%	1,041,768
Grandview ISD	16,265,000	96.85%	15,752,653
Joshua ISD	93,485,000	100.00%	93,485,000
Keene ISD	11,818,000	100.00%	11,818,000
Mansfield ISD	853,614,839	5.62%	47,973,154
Rio Vista ISD	9,835,000	100.00%	9,835,000
Venus ISD	31,272,152	100.00%	<u>31,272,152</u>
Subtotal, overlapping debt			1,035,264,049
Johnson County, Texas direct debt			<u>18,340,000</u>
Total direct & overlapping debt			<u>\$1,053,604,049</u>

Source: Outstanding debt and applicable percentages provided by each governmental unit.

**JOHNSON COUNTY, TEXAS**  
**COMPUTATION OF LEGAL DEBT MARGIN**  
 Last Ten Fiscal Years

Table 12

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Assessed value of real property <sup>(1)</sup>	\$ <u>10,749,593,979</u>	\$ <u>10,252,143,856</u>	\$ <u>9,549,938,204</u>	\$ <u>9,785,361,709</u>	\$ <u>10,022,181,117</u>
Debt limit <sup>(2)</sup>	\$ <u>2,687,398,495</u>	\$ <u>2,563,035,964</u>	\$ <u>2,387,484,551</u>	\$ <u>2,446,340,427</u>	\$ <u>2,505,545,279</u>
Amount of debt applicable to limit <sup>(3)</sup>					
Total long term debt	13,899,013	13,076,835	15,955,602	13,258,939	31,860,000
Less: Assets in debt service fund	<u>806,876</u>	<u>1,025,329</u>	<u>1,158,846</u>	<u>1,433,693</u>	<u>1,594,417</u>
Total net debt applicable to limit	<u>13,092,137</u>	<u>12,051,506</u>	<u>14,796,756</u>	<u>11,825,246</u>	<u>30,265,583</u>
Legal debt margin	\$ <u>2,674,306,358</u>	\$ <u>2,550,984,458</u>	\$ <u>2,372,687,795</u>	\$ <u>2,434,515,181</u>	\$ <u>2,475,279,696</u>
Total net debt applicable to the limit as a percentage of debt limit	<u>0.49%</u>	<u>0.47%</u>	<u>0.62%</u>	<u>0.48%</u>	<u>1.21%</u>
	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Assessed value of real property <sup>(1)</sup>	\$ <u>9,511,805,667</u>	\$ <u>9,743,494,577</u>	\$ <u>10,586,389,755</u>	\$ <u>11,936,791,938</u>	\$ <u>12,622,889,488</u>
Debt limit <sup>(2)</sup>	\$ <u>2,377,951,417</u>	\$ <u>2,435,873,644</u>	\$ <u>2,646,597,439</u>	\$ <u>2,984,197,985</u>	\$ <u>3,155,722,372</u>
Amount of debt applicable to limit <sup>(3)</sup>					
Total long term debt	29,810,000	27,030,000	24,205,000	21,340,000	18,340,000
Less: Assets in debt service fund	<u>879,771</u>	<u>962,534</u>	<u>1,331,640</u>	<u>656,775</u>	<u>344,410</u>
Total net debt applicable to limit	<u>28,930,229</u>	<u>26,067,466</u>	<u>22,873,360</u>	<u>20,683,225</u>	<u>17,995,590</u>
Legal debt margin	\$ <u>2,349,021,188</u>	\$ <u>2,409,806,178</u>	\$ <u>2,623,724,079</u>	\$ <u>2,963,514,760</u>	\$ <u>3,137,726,782</u>
Total net debt applicable to the limit as a percentage of debt limit	<u>1.22%</u>	<u>1.07%</u>	<u>0.86%</u>	<u>0.69%</u>	<u>0.57%</u>

Source:

- (1) Johnson County Appraisal District.
- (2) Debt limit is 25% of assessed value of real property per Article 3 Section 52 of the Texas Constitution.
- (3) Comprehensive Annual Financial Report Statement of Net Position.

**JOHNSON COUNTY, TEXAS**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
 Last Ten Fiscal Years

Table 13

<u>Calendar Year</u>	<u>Population (1)</u>	<u>Personal Income (thousands of dollars) (2)</u>	<u>Per Capita Personal Income (2)</u>	<u>Unemployment Rate (3)</u>
2012	153,415	\$ 5,388,339	\$ 35,123	6.2%
2013	154,535	5,531,559	35,795	5.9%
2014	156,733	5,822,080	37,146	4.8%
2015	159,345	6,046,048	37,943	4.4%
2016	162,763	6,244,690	38,367	4.5%
2017	167,012	6,682,230	40,010	3.4%
2018	171,121	6,914,543	40,407	3.4%
2019	175,817	7,229,759	41,121	3.1%
2020	180,513	7,963,280	44,115	6.9%
2021	181,837	8,665,260	47,654	4.1%

Sources: Texas Municipal Report, Bureau of Labor Statistics, Bureau of Economic Analysis

**JOHNSON COUNTY, TEXAS**  
**PRINCIPAL EMPLOYERS**  
 Current Year and Nine Years Ago

Table 14

Employer	2021			2012		
	Number of Employees	Rank	% of Total County Employment	Number of Employees	Rank	% of Total County Employment
Burleson ISD	1,800	1	2.25%	1,416	1	2.00%
Cleburne ISD	1,078	2	1.35%	973	2	1.37%
Wal-Mart Distribution Center	938	3	1.17%	798	3	1.13%
Joshua ISD	849	4	1.06%	620	5	0.87%
Johnson County	716	5	0.89%	499	7	0.70%
HEB - Burleson	515	6	0.64%	-	-	-
Wal-Mart Supercenter (Burleson)	444	7	0.55%	502	6	0.71%
City of Burleson	358	8	0.45%	-	-	-
Texas Health Resources	358	9	0.45%	383	9	0.54%
City of Cleburne	354	10	0.44%	360	10	0.51%
Wal-Mart Supercenter (Cleburne)	-	-	-	395	8	0.56%
City of Cleburne	-	-	-	730	4	1.03%
Total	<u>7,410</u>		<u>9.25%</u>	<u>6,519</u>		<u>9.42%</u>

Source: Johnson County Economic Development Commission, the City of Burleson Chamber of Commerce and Individual Employers

**JOHNSON COUNTY, TEXAS****FULL-TIME COUNTY GOVERNMENT EMPLOYEES BY FUNCTION**

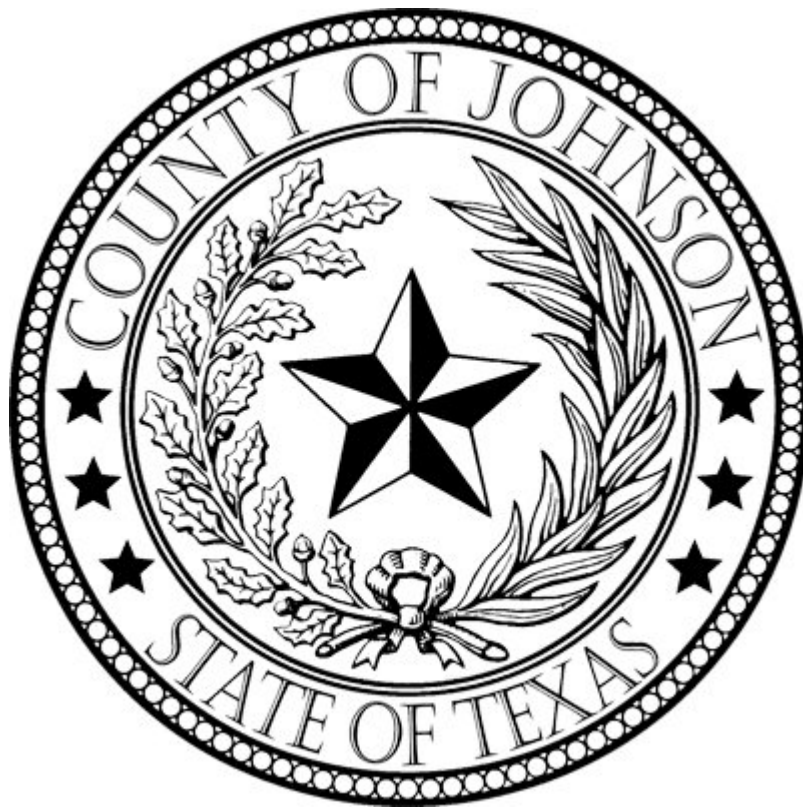
Last Ten Fiscal Years

Table 15

Function	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General government	128	123	129	132	140	134	135	138	137	144
Highways and streets	75	75	73	77	67	68	67	64	66	64
Law enforcement	187	191	196	202	202	199	196	204	210	401
Administration of justice	82	78	83	82	83	84	79	82	81	78
Financial administration	13	13	14	14	13	13	13	14	14	14
Health and welfare	5	5	6	7	9	8	9	10	10	11
Culture and recreation	3	4	3	4	4	4	5	4	4	4
Total	<u>493</u>	<u>489</u>	<u>504</u>	<u>518</u>	<u>518</u>	<u>510</u>	<u>504</u>	<u>516</u>	<u>522</u>	<u>716</u>

Source: County budget records





**JOHNSON COUNTY, TEXAS**  
**OPERATING INDICATORS BY FUNCTION**  
 Last Ten Fiscal Years

Function	Fiscal Year				
	2012	2013	2014	2015	2016
General Government:					
County Clerk					
Criminal Cases Filed	3,510	4,333	3,673	3,024	2,685
Civil Cases Filed	1,014	920	916	900	983
Juvenile petitions Filed	157	134	113	125	107
Probate/Guardianship Cases Filed	398	433	461	399	398
Mental Health Cases Filed	-	-	65	47	77
Personnel					
Positions Filled	594	603	610	625	633
Payroll Checks Processed	15,488	15,873	15,938	16,921	17,132
Public Works					
Permits Issued	651	471	628	732	1,035
Septic Complaints Addressed	124	126	143	178	163
Purchasing					
Purchase Orders Issued	5,542	4,914	3,946	4,267	3,983
Recurring Annual Competitive Bids	22	23	13	17	34
New Competitive Bids	-	-	22	19	12
Tax Assessor/Collector					
County Tax Accounts	285,381	287,183	298,539	314,034	309,572
Automobile Registrations	163,283	165,217	168,964	167,198	169,105
Elections Administration					
Registered Voters	78,275	80,779	82,377	84,405	90,587
Administrative of Justice					
District Clerk					
Civil Cases Filed	998	991	1,288	1,365	1,036
Criminal Cases Filed	1,523	1,801	1,653	1,753	1,643
County Courts					
Criminal Cases Disposed	3,763	4,019	3,730	3,346	3,062
Civil Cases Disposed	1,132	880	1,038	683	905
Juvenile Petitions Disposed	162	144	195	113	110
Probate/Guardianship Hearings Held	385	356	397	510	892
Mental Health Hearings Held	-	-	53	49	63
District Court					
Civil Cases Disposed	1,244	1,130	1,211	830	1,233
Criminal Cases Disposed	1,502	1,701	1,744	1,608	1,492
Justice of the Peace					
Civil Cases Filed	2,044	1,804	1,644	1,789	1,882
Criminal Cases Filed	14,198	16,046	9,950	9,784	11,475
Civil Cases Disposed	1,706	1,752	1,880	2,094	1,792
Criminal Cases Disposed	16,805	15,742	11,631	10,183	10,976

(continued)

Fiscal Year				
2017	2018	2019	2020	2021
2,386	2,286	2,018	1,392	1,468
1,120	957	1,323	992	1,019
61	76	73	41	58
459	436	453	386	515
184	181	182	180	145
631	635	638	639	886
16,384	16,896	16,412	15,769	16,525
1,342	1,434	1,383	1,517	1,903
134	126	192	135	195
3,823	3,622	3,521	4,030	3,854
20	28	27	18	30
14	4	12	11	8
302,255	317,412	306,960	307,211	294,307
173,718	178,013	180,756	176,993	188,266
92,999	94,293	97,423	101,178	106,911
1,136	1,440	1,536	1,363	1,409
1,289	1,533	1,533	1,264	1,294
1,985	2,293	2,246	1,819	1,665
1,298	993	1,231	866	1,048
65	67	71	31	60
593	662	618	480	586
289	152	164	173	149
1,189	1,475	1,545	1,080	1,169
1,260	1,359	1,307	990	1,168
2,135	2,452	3,006	2,511	3,053
9,779	10,701	8,497	4,889	4,320
1,846	2,045	2,292	2,516	2,648
8,672	11,204	9,522	5,208	5,478

**JOHNSON COUNTY, TEXAS***OPERATING INDICATORS BY FUNCTION - Continued*

Last Ten Fiscal Years

Function	Fiscal Year				
	2012	2013	2014	2015	2016
Law Enforcement					
County Jail					
Average Daily Jail Population	627	673	713	661	679
Sheriff					
E-911 Calls Received (Approx)	44,559	38,390	40,908	39,141	36,751
Financial Administration					
County Auditor					
A/P Checks Processed	6,195	4,658	4,617	4,596	5,000
ACH Processed	647	1,995	2,124	2,102	2,535
Wire Transactions	220	121	153	137	128
Invoices Processed	16,854	14,466	13,440	14,750	14,660
Highways and Streets					
Miles of Roads Resurfaced	119	68	56	25	10
Health and Welfare					
Medical Examiner Cases Investigated	437	502	627	548	602
Indigent Clients	146	174	155	136	106
Culture and Recreation					
Hamm Creek Park Visitors	23,321	18,626	17,259	12,737	12,804

Sources: Texas Courts Online Annual Statistical Reports  
Johnson County Offices

Table 16  
Table 2 of 2

Fiscal Year				
2017	2018	2019	2020	2021
703	756	887	749	761
34,563	46,653	44,147	48,082	51,604
4,559	4,608	4,261	4,419	4,375
2,047	2,140	1,891	2,074	2,031
230	178	109	194	228
14,560	15,043	14,148	15,167	15,714
59	37	71	47	61
570	609	711	804	986
60	53	54	51	50
27,213	24,664	15,278	25,970	25,898

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

Function/Asset Class	Fiscal Year				
	2012	2013	2014	2015	2016
Administration of Justice					
Furniture and equipment	21	22	23	24	24
Vehicles & mobile equipment	5	5	4	4	6
Land & building	1	1	1	1	-
General Government					
Furniture and equipment	163	164	171	170	174
Vehicles & mobile equipment	10	21	23	23	22
Land & building	74	81	83	83	84
Highways and Streets					
Furniture and equipment	12	12	12	12	12
Vehicles & mobile equipment	255	260	264	273	269
Land & building	19	20	20	20	20
Law Enforcement					
Furniture and equipment	75	78	90	98	104
Vehicles & mobile equipment	153	147	144	135	141
Land & building	12	14	14	14	14
Health and Welfare					
Furniture and equipment	21	21	21	19	12
Vehicles & mobile equipment	5	5	8	7	7
Land & building	1	1	2	3	3
Culture and Recreation					
Furniture and equipment	1	1	1	1	1
Vehicles & mobile equipment	4	4	5	5	5
Land & building	2	2	2	2	2

Source: Johnson County Financial Records

Table 17

Fiscal Year					
2017	2018	2019	2020	2021	
23	25	25	25	26	
4	4	5	6	6	
-	-	-	-	-	
179	185	188	218	220	
22	21	20	20	20	
83	81	81	86	87	
14	18	17	17	17	
272	276	283	281	287	
24	21	23	24	24	
124	122	135	141	153	
140	146	158	150	160	
15	15	15	15	15	
12	10	10	10	18	
8	8	9	11	13	
3	3	3	3	3	
1	1	1	-	-	
4	4	4	3	3	
2	2	2	2	2	





**FEDERAL AND STATE AWARDS SECTION**





### 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*

The Honorable County Judge  
and Members of Commissioners Court  
Johnson 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, each major fund, and the aggregate remaining fund information of Johnson County, Texas (the "County"), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 10, 2022.

### **Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the County'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 the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County'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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Lake Jackson**  
8 W Way Ct.  
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979-297-4075

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201 W. Webb St.  
El Campo, TX 77437  
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**Angleton**  
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Angleton, TX 77515  
979-849-8297

**Bay City**  
2245 Avenue G  
Bay City, TX 77414  
979-245-9236



The Honorable County Judge  
and Members of Commissioners  
Court of Johnson County, Texas

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the County'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*.

### **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.

***KM&L, LLC***

Lake Jackson, Texas  
March 10, 2022



### Independent Auditor's Report

On Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance and the State of Texas Single Audit Circular (*Uniform Grant Management Standards*)

The Honorable County Judge  
and Members of Commissioners Court  
Johnson County, Texas

### **Report on Compliance for Each Major Federal and State Program**

We have audited Johnson County, Texas' (the "County") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the State of Texas Single Audit Circular (*Uniform Grant Management Standards*) that could have a direct and material effect on each of the County's major federal and state programs for the year ended September 30, 2021. The County's major federal and state 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 and state statutes, regulations, and the terms and conditions of its federal and state awards applicable to its federal and state programs.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the County's major federal and state 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) and the State of Texas Single Audit Circular (*Uniform Grant Management Standards*). Those standards, the Uniform Guidance and the State of Texas Single Audit Circular (*Uniform Grant Management Standards*) 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 and state program occurred. An audit includes examining, on a test basis, evidence about the County'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 and state program. However, our audit does not provide a legal determination of the County's compliance.

**Lake Jackson**  
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Lake Jackson, TX 77566  
979-297-4075

**El Campo**  
201 W. Webb St.  
El Campo, TX 77437  
979-543-6836

**Angleton**  
2801 N. Velasco, Suite C  
Angleton, TX 77515  
979-849-8297

**Bay City**  
2245 Avenue G  
Bay City, TX 77414  
979-245-9236



The Honorable County Judge  
and Members of Commissioners  
Court of Johnson County, Texas

### ***Opinion on Each Major Federal and State Program***

In our opinion, the County 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 and state programs for the year ended September 30, 2021.

### **Report on Internal Control over Compliance**

Management of the County 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 the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state 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 and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and the State of Texas Single Audit Circular (*Uniform Grant Management Standards*), 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 the County'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 and state 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 and state 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 and state 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 and the State of Texas Single Audit Circular (*Uniform Grant Management Standards*). Accordingly, this report is not suitable for any other purpose.

***KM&L, LLC***

Lake Jackson, Texas  
March 10, 2022

## JOHNSON COUNTY, TEXAS

### SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended September 30, 2021

#### I. Summary of auditor's results:

1. Type of auditor's report issued on the financial statements: Unmodified.
2. No internal control findings required to be reported in this schedule, were disclosed in the audit of the financial statements.
3. Noncompliance, which is material to the financial statements: None.
4. No internal control findings, that are required to be reported in this schedule, was disclosed in the audit of the major programs.
5. Type of auditor's report on compliance for major programs: Unmodified.
6. Did the audit disclose findings which are required to be reported in accordance with Uniform Guidance 2 CFR 200.516(a): No; the State of Texas Single Audit Circular (*Uniform Grant Management Standards*) Section 510(a): No
7. Major programs include:
  - Federal:
    - 21.019 Coronavirus Relief Fund
  - State:
    - TJJD Cluster Programs:
    - TJJD-A-21/22-126 State Aid Program
    - TJJD-P-21/22-126 Juvenile Justice Alternative Education Program
    - TJJD-R-21/22-126 Regional Diversion Alternative Program
    - TJJD-W-18-126 Juvenile Justice Alternative Education Program Discretionary
8. Dollar threshold used to distinguish between Type A and Type B programs:  
Federal - \$ 750,000; State: - \$ 300,000.
9. Low Risk Auditee: Federal - No; State - Yes.

#### II. Findings related to the financial statements.

The audit disclosed no findings required to be reported.

#### III. Findings and questioned costs related to the state award.

The audit disclosed no findings required to be reported.



## JOHNSON COUNTY AUDITOR

JOHNSON COUNTY COURTHOUSE

#2 N. MAIN

CLEBURNE, TEXAS 76033

Telephone (817) 556-6305 ~ Fax (817) 556-6075

Steven E. Watson  
County Auditor

Jennifer R. Lyon  
First Assistant County Auditor

### Federal:

In accordance with Title 2 U.S. Code of Federal Regulations §200.511, the auditee is responsible for follow-up and corrective action on all audit findings. As part of this responsibility, the auditee must prepare a summary schedule of prior audit findings. This summary schedule of prior audit findings must report the status of the following:

- All audit findings included in the prior audit's schedule of findings and questioned costs
- All audit findings reported in the prior audit's summary schedule of prior audit findings except audit findings listed as corrected.

The schedule of status of prior audit findings is as follows:

None.

### State:

In accordance with the Texas Single Audit Circular (*Uniform Grant Management Standards*) §315(b), the auditee is responsible for follow-up and corrective action on all audit findings. As part of this responsibility, the auditee must prepare a summary schedule of prior audit findings. This summary schedule of prior audit findings must report the status of the following:

- All audit findings included in the prior audit's schedule of findings and questioned costs
- All audit findings reported in the prior audit's summary schedule of prior audit findings except audit findings listed as corrected.

The schedule of status of prior audit findings is as follows:

None.





## JOHNSON COUNTY AUDITOR

JOHNSON COUNTY COURTHOUSE

#2 N. MAIN

CLEBURNE, TEXAS 76033

Telephone (817) 556-6305 ~ Fax (817) 556-6075

Steven E. Watson  
County Auditor

Jennifer R. Lyon  
First Assistant County Auditor

### Federal:

In accordance with Title 2 U.S. Code of Federal Regulations §200.511, the auditee must prepare, in a document separate from the auditor's findings described in §200.516 Audit findings, a corrective action plan must be presented to address each finding included in the current year auditor's reports. The corrective action plan is as follows:

None.

### State:

In accordance with the Texas Single Audit Circular (*Uniform Grant Management Standards*) §315(b), the auditee must prepare, in a document separate from the auditor's findings described in §510(c) Audit findings, a corrective action plan must be presented to address each finding included in the current year auditor's reports. The corrective action plan is as follows:

None.

**JOHNSON COUNTY, TEXAS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
For the Year Ended September 30, 2021

Federal Grantor/ Pass-Through Grantor/ Program Title	Assistance Listing Number	Contract/ Program Number	Expenditures or Award Amount
U.S. Department of Housing and Urban Development Passed Through Texas Department of Agriculture: Community Development Block Grants/Entitlement Grants	14.228	7218250	\$ <u>34,050</u>
<b>TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			<b>\$ <u>34,050</u></b>
U.S. Department of the Interior Passed Through Texas Fish and Wildlife Service: Payments in Lieu of Taxes	15.226	--	\$ <u>1,486</u>
<b>TOTAL U.S. DEPARTMENT OF THE INTERIOR</b>			<b>\$ <u>1,486</u></b>
U.S. Department of Justice Passed Through Texas Office of the Governor - Criminal Justice Division: Coronavirus Emergency Supplemental Funding Program	16.034	4167601	\$ <u>125,201</u>
Direct Program: Edward Byrne Memorial Justice Assistance Grant Program	16.738	2020-DJ-BX-0813	<u>11,499</u>
<b>TOTAL U.S. DEPARTMENT OF JUSTICE</b>			<b>\$ <u>136,700</u></b>
U.S. Department of Treasury Passed Through Texas Division of Emergency Management: Coronavirus Relief Fund	21.019	--	\$ <u>1,609,409</u>
Direct Program: Coronavirus State and Local Fiscal Recovery Funds	21.027	--	<u>2,853</u>
<b>TOTAL U.S. DEPARTMENT OF TREASURY</b>			<b>\$ <u>1,612,262</u></b>
U.S. Department of Election Assistance Commission Passed Through Texas Secretary of State: 2020 HAVA CARES Act	90.404	TX20101-CARES-01-126	\$ 49,032
2020 HAVA Election Security	90.404	TX18101001-01-126	\$ <u>40,997</u>
<b>TOTAL U.S. DEPARTMENT OF ELECTION ASSISTANCE COMMISSION</b>			<b>\$ <u>90,029</u></b>

**JOHNSON COUNTY, TEXAS***SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - Continued*

For the Year Ended September 30, 2021

Exhibit 19

Page 2 of 2

Federal Grantor/ Pass-Through Grantor/ Program Title	Assistance Listing Number	Contract/ Program Number	Expenditures or Award Amount
U.S. Department of Health and Human Services			
Passed Through Texas Department of Health Services:			
Public Health Emergency Preparedness	93.069	2021-537-18-0207-00001	\$ 38,621
Public Health Emergency Preparedness	93.069	2022-537-18-0207-00001	<u>14,804</u>
 TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			 \$ <u>53,425</u>
 TOTAL FEDERAL ASSISTANCE			 \$ <u>1,927,952</u>
 TOTAL MAJOR PROGRAMS			 \$ <u>1,609,409</u>
 TYPE A PROGRAM			 \$ <u>750,000</u>

**JOHNSON COUNTY, TEXAS**  
**SCHEDULE OF EXPENDITURES OF STATE AWARDS**  
For the Year Ended September 30, 2021

State Grantor/ Pass-Through Grantor/ Program Title	Contract/ Program Number	Expenditures or Award Amount
Texas Juvenile Justice Department:		
Direct Program:		
State Aid Program (1)	TJJD-A-21-126	\$ 701,817
State Aid Program (1)	TJJD-A-22-126	55,596
Regional Diversion Alternative Program (1)	TJJD-R-21-126	182,085
Regional Diversion Alternative Program (1)	TJJD-R-22-126	22,366
Juvenile Justice Alternative Education Program Discretionary (1)	TJJD-W-18-126	1,130
Passed Through Texas Education Agency:		
Juvenile Justice Alternative Education Program (Boot Camp)(1)	TJJD-P-21-126	69,846
Juvenile Justice Alternative Education Program (Boot Camp)(1)	TJJD-P-22-126	<u>17,372</u>
<b>TOTAL TEXAS JUVENILE JUSTICE DEPARTMENT</b>		<b>\$ <u>1,050,212</u></b>
Texas Natural Resource Conservation Commission:		
Direct Program:		
Health and Safety Code 361.136(L) (1)	--	<u>\$ 54,787</u>
<b>TOTAL NATURAL RESOURCE CONSERVATION COMMISSION</b>		<b>\$ <u>54,787</u></b>
Commission on State of Texas Emergency Communications:		
Passed Through North Central Texas Council on Government:		
911 Addressing Maintenance Contract	--	<u>\$ 33,334</u>
<b>TOTAL COMMISSION ON STATE OF TEXAS EMERGENCY COMMUNICATIONS</b>		<b>\$ <u>33,334</u></b>
Office of Attorney General:		
Direct Program:		
Texas Victim Information and Notification Everyday (VINE)	2111326	\$ 27,612
Texas Victim Information and Notification Everyday (VINE)	2219061	<u>2,510</u>
<b>TOTAL OFFICE OF ATTORNEY GENERAL</b>		<b>\$ <u>30,122</u></b>

**JOHNSON COUNTY, TEXAS****SCHEDULE OF EXPENDITURES OF STATE AWARDS - Continued**  
For the Year Ended September 30, 2021Exhibit 20  
Page 2 of 2

State Grantor/ Pass-Through Grantor/ Program Title	Contract/ Program Number	Expenditures or Award Amount
Texas Task Force on Indigent Defense:		
Direct Program:		
Indigent Defense Formula	221-21-126	\$ <u>103,400</u>
<b>TOTAL TEXAS TASK FORCE ON INDIGENT DEFENSE</b>		<b>\$ <u>103,400</u></b>
Texas Department of State Health Services:		
Direct Program:		
Tobacco Settlement Funds	--	\$ <u>54,810</u>
<b>TOTAL TEXAS DEPARTMENT OF STATE HEALTH SERVICES</b>		<b>\$ <u>54,810</u></b>
Secretary of State - Elections Division:		
Direct Program:		
Chapter 19 - Elections Fund Management	--	\$ <u>9,806</u>
<b>TOTAL SECRETARY OF STATE - ELECTIONS DIVISION</b>		<b>\$ <u>9,806</u></b>
Texas Department of Transportation:		
Direct Program:		
County Transportation Infrastructure Fund Grant Program	CTIF-02-127	\$ <u>262,150</u>
<b>TOTAL TEXAS DEPARTMENT OF TRANSPORTATION</b>		<b>\$ <u>262,150</u></b>
<b>TOTAL STATE ASSISTANCE</b>		<b>\$ <u>1,598,621</u></b>
<b>TOTAL MAJOR PROGRAMS</b>		<b>\$ <u>1,050,212</u></b>
<b>TYPE A PROGRAM</b>		<b>\$ <u>300,000</u></b>

(1) Cluster Programs per TJJJ

## **JOHNSON COUNTY, TEXAS**

### *NOTES ON ACCOUNTING POLICIES FOR FEDERAL AND STATE AWARDS*

Year Ended September 30, 2021

1. The County uses funds and account groups to report its financial position and the results of its operations. Fund accounting is designated to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designated to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available resources. Funds are classified into two categories: governmental and fiduciary. Each category, in turn is divided into separate "fund types". The following fund types were utilized to account for federal awards.

#### Governmental Fund Types:

General Fund - is the general operating fund of the County. All financial resources, except those required to be accounted for in another fund, are accounted for in the General Fund. Federal financial assistance not required to be reported in other funds is accounted for in the General Fund.

Special Revenue Funds - used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. Federal financial assistance generally is accounted for in a Special Revenue Fund unless required to be reported in a Capital Projects Fund. Generally, unused balances are returned to the grantor at the close of specified project periods.

2. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Governmental Fund types are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows of resources, and current liabilities and deferred inflows of resources generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. State grant funds were accounted for in the General Fund, Special Revenue Fund, and the Capital Projects Fund, a component of the Governmental Fund type.

The modified accrual basis of accounting is used for the Governmental Fund Types. This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual, i.e., both measurable and available, and expenditures in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on General Long-Term Debt, which is recognized when due, and certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Federal and state grant funds are considered to be earned to the extent of expenditures/expenses made under the provisions of the grant, and, accordingly, when such funds are received, they are recorded as unearned revenues until earned.

## **JOHNSON COUNTY, TEXAS**

### *NOTES ON ACCOUNTING POLICIES FOR FEDERAL AND STATE AWARDS - Continued*

Year Ended September 30, 2021

3. The period of availability for state grant funds for the purpose of liquidation of outstanding obligations made on or before the ending date of the federal and state project period extended 30 days beyond the federal and state project period ending date, in accordance with provisions in Section H, Period of Availability of Federal Funds, Part 3, OMB Compliance Supplement and the State of Texas Single Audit Circular (*Uniform Grant Management Standards*).
4. Indirect Costs - The County did not elect to use the 10 percent de minimus indirect cost rate and received no reimbursements for indirect costs during the year ended September 30, 2021.

