

Polk County, Texas

ANNUAL COMPREHENSIVE FINANCIAL REPORT
FISCAL YEAR ENDED SEPTEMBER 30, 2022



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*ANNUAL COMPREHENSIVE
FINANCIAL REPORT*

of

POLK COUNTY, TEXAS

For the Year Ended
September 30, 2022

Prepared by:
County Auditor's Office

Louis Ploth
County Auditor

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POLK COUNTY, TEXAS

TABLE OF CONTENTS

September 30, 2022

<u>INTRODUCTORY SECTION</u>	<u>Page</u>
Letter of Transmittal	3
Certificate of Achievement for Excellence in Financial Reporting	9
List of Elected and Appointed Officials	11
Organizational Chart	13
 <u>FINANCIAL SECTION</u>	
Independent Auditors' Report	17
Management's Discussion and Analysis (Required Supplementary Information)	23
 <u>BASIC FINANCIAL STATEMENTS</u>	
Government–Wide Financial Statements	
Statement of Net Position	33
Statement of Activities	34
 Governmental Funds Financial Statements	
Balance Sheet – Governmental Funds	36
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	39
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	40
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	43
 Fiduciary Funds Financial Statements	
Statement of Fiduciary Net Position – Fiduciary Funds	45
Statement of Changes in Fiduciary Net Position – Fiduciary Funds	47
Notes to Financial Statements	49
 <u>REQUIRED SUPPLEMENTARY INFORMATION</u>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund	78
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Road and Bridge Fund	81
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Available School Fund	83
Schedule of Changes in Net Pension Liability and Related Ratios – Texas County and District Retirement System	84
Schedule of Contributions – Texas County and District Retirement System	86
Schedule of Changes in Net OPEB Liability and and Related Ratios	88

POLK COUNTY, TEXAS

TABLE OF CONTENTS (Continued)

September 30, 2022

	<u>Page</u>
<u>COMBINING STATEMENTS AND SCHEDULES</u>	
Combining Balance Sheet – Nonmajor Governmental Funds	94
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	102
Consolidated Balance Sheet – Road and Bridge Fund – Sub-Funds	110
Consolidated Schedule of Revenues, Expenditures, and Changes in Fund Balances – Road and Bridge Fund – Sub-Funds	112
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Debt Service Fund	115
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Road and Bridge Fund – Precincts One through Four and Capital Leases	117
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Other Funds	122
Combining Statement of Net Position – Fiduciary Funds	132
Statement of Changes in Net Position – Fiduciary Funds	134
<u>STATISTICAL SECTION</u>	
Net Position by Component	138
Changes in Net Position	140
Fund Balances, Governmental Funds	142
Changes in Fund Balances, Governmental Funds	144
Tax Revenues by Source, Governmental Activities	146
Assessed Value and Estimated Actual Value of Taxable Property	148
Property Tax Rates – Direct and Overlapping Governments	150
Principal Property Taxpayers	153
Property Tax Levies and Collections	154
Ratio of General Bonded Debt Outstanding	156
Ratio of Outstanding Debt by Type	158
Direct and Overlapping Governmental Activities Debt	161
Legal Debt Margin Information	162
Demographic and Economic Statistics	164
Principal Employers	167
County Employees	169
Operating Indicators by Function	170
Capital Asset Statistics by Function	172

INTRODUCTORY SECTION

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Louis Ploth
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Polk County Auditor
602 E Church St., Suite 108
Livingston, Texas 77351

Polk County

Livingston, Texas

May 10, 2023

State law requires that every general purpose local government publish, within six months of the close of each fiscal year, a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended September 30, 2022.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free from material misstatement.

Belt Harris Pechacek, LLLP, Certified Public Accountants, has issued an unmodified (“clean”) opinion on Polk County’s (the “County”) financial statements for the year ended September 30, 2022. The independent auditors’ report is the first item in the financial section of this report.

Management’s discussion and analysis (MD&A) immediately follows the independent auditors’ report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of Polk County

Polk County was formed in 1846 as a political subdivision of the Republic of Texas. The County was named in honor of James K. Polk, then President of the United States. The County is located in the tall pine forests of deep east Texas, about 70 miles north of Houston. It occupies a total of 1,095 square miles and serves an estimated population of 53,255. The County is empowered to levy a property tax on real property located within its boundaries.

The County’s governing body is the Commissioners’ Court (the “Court”). The Texas Constitution specifies that the Court consist of a County Judge, who is elected at large and serves as presiding officer, and four County Commissioners elected by the voters of their individual precincts. The Court exercises the powers provided by law to conduct the varied business of the County. The Local Government Code prescribes the duties and grants authority to the Court and other County officers relating to financial management. In compliance with state statutes, the Court maintains budgetary control to ensure that provisions embodied within the annually appropriated budget are met for most County functions. According to the budget laws of the State of Texas (the “State”), expenditures may not exceed the amount appropriated for each fund.

The County provides a full range of services complemented by statute or charter. This includes law enforcement, legal and judicial services, licenses and permits, vital statistics, waste management facilities, construction and maintenance of roads and bridges, and other infrastructure. The County, as the financial reporting entity, includes all the funds of the primary government (i.e., the County as legally defined), as well as any component units. Component units are legally separate entities for which the primary government is financially accountable. The County has one component unit: IAH Public Facility Corporation, which is reported separately within the County's financial statements. Additional information on this legally separate entity can be found in the notes to the financial statements (see note I.A).

The Court is required to adopt a budget for the fiscal year no later than September 30 preceding the beginning of the fiscal year on October 1. This annual budget serves as the foundation for the County's financial planning and control. The budget is prepared by fund, function (e.g., public safety), and department (e.g., sheriff). The County adopts an itemized budget. Any transfers within and between departments requires approval from the Court.

Local Economy

The County's local economy of farming changed drastically in the 1800's, when the railroads came into the area, to a timber economy. Today, the timber industry is still a vital part of the local economy and the County's largest employer. The County is the State's largest producer of timber, with over half the land in the County owned by the timber industry. The land of the County is over 80% forest and made up of predominantly pine trees.

The County's close proximity to the greater Houston area (fourth largest city in the U.S.) provides the County numerous benefits, the first of which is access to an international airport only 56 miles from the County Courthouse. The County's recreational opportunities also provide an excellent retreat for big city dwellers wanting to escape to a more relaxed lifestyle.

Although the County is easily accessible to the Texas Medical Center in Houston, first class medical services are available from CHI St. Luke's Health Memorial Livingston, which opened its \$25 million facility in the summer of 2000 and has completed a five-year, \$30 million expansion and improvement program. The complex, located on the Highway 59 Bypass, includes a 66-bed hospital, which provides more than 60,000 patient services with approximately half of those services being performed in a Level 4 Trauma-Designated Emergency Department. The facility provides emergency, surgery, intensive care/critical care, cardiopulmonary, radiology, and women's health departments supported by a community of skilled physicians and specialists.

Construction in 2017 expanded the Memorial Livingston Emergency Department to 23,500 square feet. With state-of-the-art technology and increased resources, our Emergency Department can now serve even more of our growing community. The new facility includes 26 treatment stations, including three trauma rooms, 16 exam rooms, and adjacent radiology, ultrasound, and CT rooms. There are also designated areas for disaster response and decontamination.

The Polk County unemployment rate decreased to 5.5% as of August 2022 with Texas at 4.0% and the U.S. at 3.5% per the information reported on the Texas Labor Market Information website. During the past ten years, the unemployment rate has varied from a low of 3.5% in the year 2019, to a peak high of 12.6% in the year 2020.

Median household incomes within the County are lower than the State as a whole. According to the U.S. Census Bureau (the most recent data in 2021 dollars), Polk County's median household income was \$52,826 with the median income in Texas at \$67,321, while the median income in the United States was at

\$69,021. The County's population has increased from the 2020 census of 50,123 to an estimated 53,255. According to the latest information available (stated in 2021 dollars), the U.S. housing market has increased to a median price of \$244,900 for a single family home and increased to \$126,200 in Polk County and \$202,600 in Texas. With the exception of the recent COVID-19 pandemic, over the past ten plus years, the County has experienced a period of economic growth and investment.

The County currently has "AA-/Stable" bond ratings by Standard & Poor's. The County continues to work with its financial advisors and bond counsel to manage debt service to offset any new debt issued with older debt and limiting the impact to the budget.

Efforts to retain existing business and attract new business and industry to the area serve to increase employment opportunities and strengthen the County's tax base. In the fiscal year 2022, the County saw a continued upsurge in new restaurants coming into the area, which includes Dairy Queen, Wendy's, and Taco Bueno. In addition, the City of Livingston has also seen a continued resurgence on Washington Avenue, which is its main downtown retail-shopping street.

The Polk County College/Commerce Center (the "Center"), located on the Highway 59 Bypass near the hospital, provides advanced curriculum study and technical training through Angelina College and offers much needed public auditorium space. The Center construction began in fiscal year 2012 and opened for its first event in August 2013. Angelina College opened the doors for the fall 2013 semester with both day and evening classes. The County financed this project (not tax supported) with an Economic Development Grant of \$4,000,000 and an additional \$3,537,864 in Disaster Recovery and Community Development Block Grant funds. Locally, additional funds were raised in the amount of \$1,755,929 and \$750,000 in support and was pledged by the T.L.L. Temple Foundation. The Center provides a conference center capable of meeting local needs that were previously found only in communities located 50 to 60 miles away and has a very favorable impact on the local economy.

In fiscal year 2022, the County continued to fund the full cost of employee health insurance premiums, unlike many counties and other employers responding to rising health insurance costs by requiring employee contributions toward their insurance premiums.

In 2022, Commissioners' Court adopted an approximate 10% COLA for employees and 5% COLA for elected/appointed officials whose minimum salaries are not set by statute (county court at law).

During fiscal year 2022, the County contributed \$606,462 (\$500,000 budgeted plus \$106,462 from the TAC HEBP surplus distribution) of the funding recommended by the actuary for the Retiree Health Benefits Trust to ensure availability of health insurance benefits to eligible County retirees and the necessary funding to meet the contribution rate determined annually by the Texas County and District Retirement System to fully fund retiree pensions.

Total general fund balance remaining (the total of the nonspendable, restricted, committed, assigned, and unassigned components of general fund balance) in the general fund at fiscal year end 2022 was 86% of total general fund expenditures for fiscal year 2022. This amount was above the policy guidelines set by the Court for budgetary and planning purposes (i.e., three months of general fund expenditures, approximately 25%). The fiscal year end amount is above the minimum target set by the policy guidelines because of a \$2,841,003 in revenues over expenditures outcome during the fiscal year ended September 30, 2022.

The County tries to maintain a greater than 25% reserve in its general fund balance □ which can be utilized to manage unforeseen events such as the tornado that hit Polk County in 2020. In addition, the County is in the process of restoring its Historic Courthouse that is being partially funded by an approximate \$4.7 million grant from the Texas Historical Commission. Additional required project funding can be partially covered by the County's reserve funds.

Relevant Financial Policies

The County has a policy that requires the adoption of a balanced annual operating budget (i.e., estimated revenues equal to or in excess of appropriations). The County had budgeted for revenues to exceed expenditures based on the original adopted budget. In cases where expenditures exceed appropriations, the policy allows for the appropriation of fund balance to close the gap. However, thanks to measures taken during the year to control expenditures, the County did not have to rely on any fund balance to close any operating deficit.

Through the American Rescue Plan Act (ARPA) the County received (\$9,974,718) in two payments. The first payment of \$4,987,359 was received in May 2021 and the second payment of \$4,987,359 was received in June 2022. In addition, to receiving ARPA funds Polk County anticipates receiving Hurricane Harvey Regional Mitigation Funding in the amount of \$17,098,000.

In the 2022 budget year, the Commissioners' Court began allocating the distribution of the American Rescue Plan Act funds. An agreement with Motorola Solutions for approximately \$2 million for an interoperable communications tower was approved and will have fiber running to it in the north end of the County. Once completed, the residents and businesses in that area will have more reliable service including vastly improved communication amongst emergency service providers. In August 2022, the Court committed an additional \$4,326,843 of the remaining funds to lock in agreements with Eastex Telephone and LivCom (now Highline Communications) to extend fiber throughout portions of the County, for total project costs over \$10.65 million.

In September 2022, the Court approved the use of American Rescue Plan Act funds for water infrastructure projects for three community water systems, as well as the use of Harvey Regional Mitigation Funds for five community water systems, all located in the unincorporated areas of the County. ARPA Water Infrastructure project costs estimated at \$3,346,772 of which 25% will be funded by the water companies and 75% to be funded by American Rescue Plan Act funds. Hurricane Harvey Regional Mitigation Funding anticipated Water Infrastructure project costs estimated at \$2,742,402, with the county's portion being \$2,056,801.50, which is being paid by this grant and 25% being paid by the water companies.

Throughout the year, and into the next several years, we will see a significant payoff from the ARPA & Hurricane Harvey Regional Mitigation Funds committed in fiscal year 2022 and fiscal year 2023. The major improvements to communications and water infrastructure that the Court has committed to will have a tremendous impact on the lives of those residing and working in Polk County. The remaining ARPA funds allocated to Polk County have been committed to equipment for our Volunteer Fire Departments and Ambulance Service Providers, Audio & Video Equipment for County & District Courts, Record Preservation Projects for the County and District Clerks, and various projects in each of the Commissioners' precincts.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its annual comprehensive financial report (ACFR) for the fiscal year ended September 30, 2021. This was the 11th

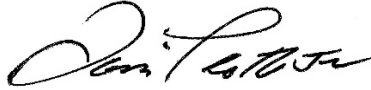
consecutive year that the government has achieved the prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles 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 GFOA to determine its eligibility for another certificate.

The County has received the GFOA's Distinguished Budget Presentation Award since the County's first submittal to the award program of the annual budget for the fiscal year beginning October 1, 1999. To qualify the fiscal year for the Distinguished Budget Presentation Award, the County's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

The preparation of this report would not have been possible without the leadership of the District Judges and the skill, effort, and dedication of the entire Auditor's office, combined with special assistance from Human Resources, the Treasurer's Office, and Information Technologies. We wish to thank all County departments for their assistance in providing the data necessary to prepare this report. Credit also is due to the County Judge and Court for their unfailing support for maintaining the highest standards of professionalism in the management of the County's finances.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Louis Ploth". The signature is fluid and cursive, with a large initial "L" and "P".

Louis Ploth, County Auditor

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Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Polk County
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2021

Christopher P. Morill

Executive Director/CEO

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POLK COUNTY, TEXAS
LIST OF ELECTED AND APPOINTED OFFICIALS
For the Year Ended September 30, 2022

DISTRICT JUDGES:

John Wells	411th District Judge
Travis E. Kitchens, Jr.	258th District Judge

COMMISSIONERS' COURT:

Sydney Murphy	County Judge
Gyulene Robertson	Commissioner, Precinct #1
Ronnie L. Vincent	Commissioner, Precinct #2
Milton B. Purvis	Commissioner, Precinct #3
Charles T. Overstreet	Commissioner, Precinct #4

JUDICIAL:

Lee Hon	District Attorney
Bobbye Christopher	District Clerk

COUNTY COURT AT LAW:

Tom Brown	Judge, County Court at Law
Schelana Hock	County Clerk

JUSTICE COURTS:

Darrell Longino	Justice of Peace, Precinct #1
Sarah Rasberry	Justice of Peace, Precinct #2
Robert Johnson	Justice of Peace, Precinct #3
Jamie Richardson	Justice of Peace, Precinct #4

LAW ENFORCEMENT:

Byron Lyons	County Sheriff
Scott Hughes	Constable, Precinct #1
William "Bill" Cunningham	Constable, Precinct #2
Anthony "Ray" Myers	Constable, Precinct #3
Darwon Evans	Constable, Precinct #4

FINANCIAL ADMINISTRATION:

Leslie Jones Burks	Tax Assessor/Collector
Terri Williams	County Treasurer
Louis Ploth	County Auditor*

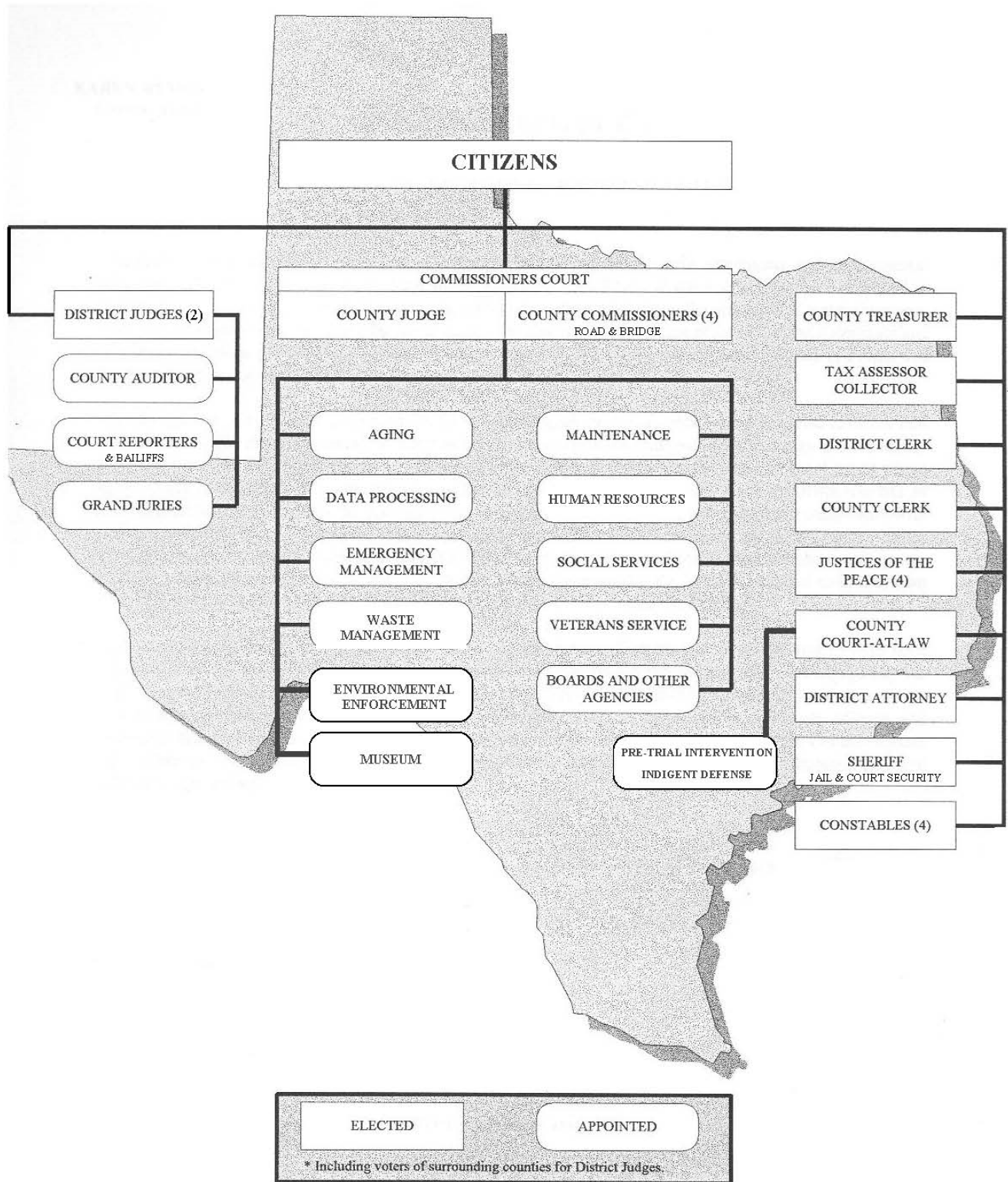
*Designated appointed official. All others are elected.

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POLK COUNTY, TEXAS

ORGANIZATIONAL CHART

September 30, 2022



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FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

To the Honorable County Judge and
Members of the Commissioners' Court
Polk County, Texas:

Opinions

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Polk County, Texas (the "County") as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County as of September 30, 2022, and the respective changes in financial position and thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As described in Note I.F.12 to the financial statements, the County adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 87, *Leases*, in fiscal year 2022. Our opinion is not modified with respect to this matter.

Responsibility of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information, schedules of changes in net pension and OPEB liability and related ratios, and schedule of contributions, identified as Required Supplementary Information on the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary 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 accompanying combining statements and schedule are presented for purposes of additional analysis and are not required parts of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 10, 2023 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.

BELT HARRIS PECHACEK, LLLP

Belt Harris Pechacek, LLLP
Certified Public Accountants
Houston, Texas
May 10, 2023

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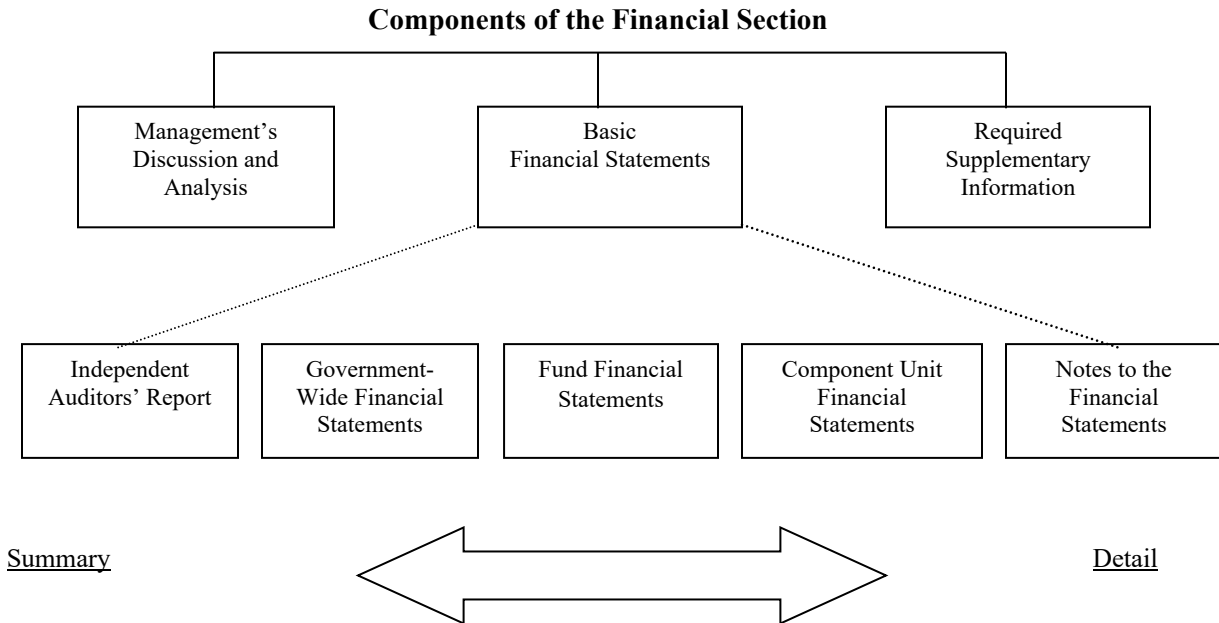
MANAGEMENT'S DISCUSSION AND ANALYSIS

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POLK COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2022

The purpose of the Management's Discussion and Analysis (MD&A) is to give the readers an objective and easily readable analysis of the financial activities of Polk County, Texas (the "County") for the year ending September 30, 2022. The analysis is based on currently known facts, decisions, or economic conditions. It presents short and long-term analysis of the County's activities, compares current year results with those of the prior year, and discusses the positive and negative aspects of that comparison. Please read the MD&A in conjunction with the transmittal letter at the front of this report and the County's financial statements, which follow this section.

THE STRUCTURE OF OUR ANNUAL REPORT



The County's basic financial statements include (1) government-wide financial statements, (2) individual fund financial statements, and (3) notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

GOVERNMENT-WIDE STATEMENTS

The government-wide statements report information for the County as a whole. These statements include transactions and balances relating to all assets, including infrastructure capital assets. These statements are designed to provide information about cost of services, operating results, and financial position of the County as an economic entity. The Statement of Net Position and the Statement of Activities, which appear first in the County's financial statements, report information on the County's activities that enable the reader to understand the financial condition of the County. These statements are prepared using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account even if cash has not yet changed hands.

The Statement of Net Position presents information on all of the County's assets, liabilities, and deferred outflows/inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating. Other nonfinancial factors, such as the County's property tax base and the condition of the County's infrastructure, need to be considered in order to assess the overall health of the County.

POLK COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended September 30, 2022

The Statement of Activities presents information showing how the County's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows using the accrual method rather than modified accrual that is used in the fund level statements.

In the Statement of Net Position and the Statement of Activities, the County has only one type of activity:

1. *Governmental Activities* – Most of the County's basic services are reported here such as general government, administration of justice, roads and bridges, health and human services, tax administration, and interest and fiscal agent fees on long-term debt. Property tax, sales tax, charges for services, and intergovernmental revenue finance most of these activities.

The government-wide financial statements include not only the County itself (known as the primary government), but also a legally separate public corporation for which the County is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found after the MD&A.

FUND FINANCIAL STATEMENTS

Funds may be considered as operating companies of the parent corporation, which is the County. They are usually segregated for specific activities or objectives. The County uses fund accounting to ensure and demonstrate compliance with finance related legal reporting requirements. The two categories of County funds are governmental and fiduciary.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the year. Such information may be useful in evaluating the County'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 County's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The County maintains 36 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund, road and bridge fund, American Rescue Plan Act fund, available school fund, and restoration projects fund, which are considered to be major funds for reporting purposes. The debt service fund did not meet the technical criteria to be presented as a major fund, however, the County has elected to present it as major due to its significance.

The County adopts an annual appropriated budget for its general, road and bridge, debt service, available school fund, and select special revenue funds. Budgetary comparison schedules have been provided for the general, road and bridge, debt service, available school fund, and select special revenue funds to demonstrate compliance with these budgets.

POLK COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended September 30, 2022

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accrual basis of accounting is used for fiduciary funds. The County maintains six fiduciary funds. The County's fiduciary activities are reported in a separate statement of fiduciary net position and statement of changes in fiduciary net position.

Notes to Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes are the last section of the basic financial statements.

Other Information

In addition to basic financial statements, this MD&A, and accompanying notes, this report also presents certain Required Supplementary Information (RSI). The RSI includes budgetary comparison schedules for the general fund, road and bridge fund, and available school fund, as well as a schedule of changes in net pension liability and related ratios and schedule of contributions for the Texas County and District Retirement System and a schedule of changes in net other postemployment benefits (OPEB) for the Polk County Retiree Healthcare Plan. RSI can be found after the notes to the basic financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve, over time, as a useful indicator of the County's financial position. Assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by \$55,039,838 as of September 30, 2022. This compares to \$50,101,791 from the prior fiscal year. A significant portion of the County's net position reflects its investments in capital assets, \$38,941,024, (e.g., construction in progress, buildings, equipment, and infrastructure) less any debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; 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 assets themselves cannot be used to liquidate these liabilities.

POLK COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended September 30, 2022

Statement of Net Position

The following table reflects the condensed Statement of Net Position:

	<u>Governmental Activities</u>	
	<u>2022</u>	<u>2021</u>
Current and other assets	\$ 48,174,189	\$ 33,321,712
Noncurrent assets	63,104,973	58,031,012
Total Assets	<u>111,279,162</u>	<u>91,352,724</u>
Deferred charge on refunding	846,398	1,019,946
Deferred outflows - pensions	3,027,036	4,164,058
Deferred outflows - OPEB	3,145,319	3,327,859
Total Deferred Outflows of Resources	<u>7,018,753</u>	<u>8,511,863</u>
Other liabilities	18,225,282	12,504,755
Long-term liabilities	32,398,038	31,683,362
Total Liabilities	<u>50,623,320</u>	<u>44,188,117</u>
Deferred inflows - leases receivable	386,781	-
Deferred inflows - pensions	10,006,289	2,872,914
Deferred inflows - OPEB	2,241,687	2,701,765
Total Deferred Inflows of Resources	<u>12,634,757</u>	<u>5,574,679</u>
Net Position:		
Net investment in capital assets	38,941,024	42,402,129
Restricted	12,251,734	6,699,618
Unrestricted	3,847,080	1,000,044
Total Net Position	<u>\$ 55,039,838</u>	<u>\$ 50,101,791</u>

A portion of the County's net position, \$12,251,734 or 22.3 percent, represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position is \$3,847,080. The County had an increase to net position of \$4,938,047 for the fiscal year, due to an overall net increase in revenues of \$3,738,412.

Current assets increased by \$14,852,477 to \$48,174,189 as compared to noncurrent assets, which increased by \$5,073,961 to \$63,104,973. This increase in noncurrent assets can be attributed to the recording of the net pension asset for the current year. Long-term liabilities increased by \$714,676. Total deferred inflows of resources increased due primarily from projected and actual investment earnings for pensions. There was an increase in other liabilities primarily due to unearned revenue of \$11,905,529 which also increased current and other assets.

POLK COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended September 30, 2022

Statement of Activities

The following table provides a summary of the County's changes in net position:

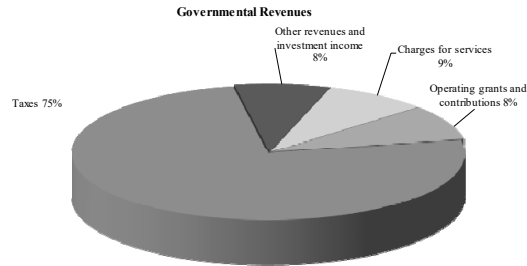
	Governmental Activities	
	2022	2021
Revenues		
Program revenues:		
Charges for services	\$ 3,291,846	\$ 3,350,170
Operating grants and contributions	3,184,486	2,627,211
General revenues:		
Taxes	29,010,768	26,812,272
Investment income	310,023	32,870
Other revenues	2,713,392	1,949,580
Total Revenues	38,510,515	34,772,103
Expenses		
General government	9,976,837	9,099,542
Administration of justice	13,026,844	11,271,427
Roads and bridges	7,087,458	6,774,048
Health and human services	1,016,272	1,058,807
Tax administration	1,348,198	1,312,104
Interest and fiscal agent fees on long-term debt	1,116,859	435,488
Total Expenses	33,572,468	29,951,416
Change in Net Position	4,938,047	4,820,687
Beginning net position	50,101,791	45,281,104
Ending Net Position	\$ 55,039,838	\$ 50,101,791

POLK COUNTY, TEXAS

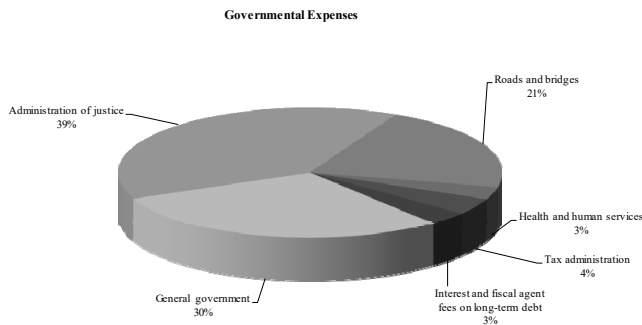
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

For the Year Ended September 30, 2022

Graphic presentations of selected data from the summary tables follow to assist in the analysis of the County's activities:



Total governmental revenues increased by \$3,738,412 from the prior year. The increase can be attributed to an increase in taxes, investment income, and other revenues, as well as operating grants and contributions related to various grants received during the current year.



Governmental expenses increased by \$3,621,052 from the prior year. The increase in expenses was mainly attributed to increases in general government, administration of justice, and road and bridges. Expenses increased primarily due to increased personnel costs.

POLK COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended September 30, 2022

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As noted earlier, fund accounting is used to demonstrate and ensure 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 the County's net resources available for spending at the end of the year.

The County's governmental funds reflect a combined fund balance of \$32,199,158. Of this, \$756,287 is restricted for endowments/trusts, \$1,684,020 is restricted for road and bridge, \$9,665,198 is restricted for special projects, \$146,229 is restricted for debt service, \$4,503 is restricted for capital projects, and \$37,490 is considered nonspendable for prepaids. The County has also assigned \$811,215 for post closure care costs for its landfill. The amount of unassigned fund balance is \$19,094,216.

There was an increase in the combined fund balance of \$8,984,248 from the prior year. The largest increases in fund balances are in the general fund and the restoration project fund which were \$2,841,003 and \$5,726,559, respectively.

The fund balance of the general fund had an increase of \$2,841,003, with an ending fund balance of \$19,131,706. This change can be attributed to an increase in property taxes. The County's fund balance policy for the general fund is to maintain a minimum balance of 25 percent of average yearly expenditures. Unassigned fund balance for the general fund is in compliance with the policy.

There was a decrease of \$22,831 in the debt service fund providing an ending fund balance of \$957,444. Debt service expenditures totaled \$3,304,617 for the year, which is a slight decrease from the prior year.

The road and bridge fund had a decrease in fund balance of \$49,377, which brings the ending fund balance to \$1,684,020. The decrease was primarily due to an increase in personnel costs.

The County received additional grant funds of \$4,987,359 for the American Rescue Plan Act during the current fiscal year. Expenditures of \$181,421 were reported during the year and the unused funds received were recorded as unearned revenue to be used in future fiscal years.

The available school fund balance increased by \$37,240 bringing the total fund balance to \$291,796. This increase can be attributed to lease revenue and investment income.

The restoration fund was established for the historical remodeling of the Polk County courthouse. Tax notes were recorded during the year leaving an ending fund balance of \$5,726,559.

GENERAL FUND BUDGETARY HIGHLIGHTS

The County had a planned for a use of general fund balance after amendments of \$915,550. Actual revenues exceeded budgeted revenues by a net \$1,512,373 primarily due to more than expected revenues from taxes. The final general fund expenditures were under the final budget by \$2,120,606 mainly due to less general government and administration of justice expenditures. During the 2022 fiscal year, the Commissioners' Court amended the budget for the following purposes:

- To re-appropriate monies to pay for commitments in the form of encumbrances established prior to September 30, 2022, but not paid by that date;
- To appropriate monies from other governmental units received in year September 30, 2022;

POLK COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended September 30, 2022

- To re-appropriate monies within or between departments; and
- To reflect department year end projections.

CAPITAL ASSETS

At the end of the year, the County's governmental activities had invested \$57,961,501 in a variety of capital assets and infrastructure (net of accumulated depreciation). This represents a net decrease of \$69,511.

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

- six new vehicle purchases for the jail, constables, and sheriff's department
- eight Mack trucks and 1 Mustang motor grader for road and bridge department

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

LONG-TERM DEBT

At the end of the year, the County reported total bonds, tax notes, and notes payable of \$18,022,854. The County issued \$5,430,000 in tax notes and \$1,125,969 in notes payable during 2022.

More detailed information about the County's long-term liabilities is presented in note III.E to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The fiscal year 2023 budget for current property taxes is expected to generate \$15,649,732, which is an increase of \$932,320 over the prior budgeted fiscal year 2022 amount of \$14,717,412, primarily due to new construction. Sales tax revenue for fiscal year 2023 is budgeted at \$3,200,000 as compared to fiscal year 2022 budget of \$2,800,000, which is an increase of \$400,000. This increase is consistent with the economic growth we are seeing in Polk County.

Regardless of the increase in revenue at this time, the County cannot assess the long-term outcome of the Texas Legislature's continued attempts to further restrict the County's ability to increase tax rates and with the continuing increase in the inflation rate, along with other factors. It is unknown as to the effects these factors will have on the County's operating expenses. With the additional construction that has occurred in the County, along with aging infrastructure, increased services and maintenance will be required. Although continued growth and stability are anticipated in fiscal year 2023 and beyond, there can be no assurances that the County's economic stability will not be negatively affected by economic factors.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the County's finances. Questions concerning this report or requests for additional financial information should be directed to Louis Ploth, County Auditor, Polk County, 602 East Church Street, Suite 108, Livingston, Texas 77351.

BASIC FINANCIAL STATEMENTS

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POLK COUNTY, TEXAS

STATEMENT OF NET POSITION

September 30, 2022

	Primary Government Governmental Activities	Component Unit
<u>Assets</u>		
Cash and cash equivalents	\$ 42,515,667	\$ 9,074,499
Receivables, net	5,621,032	3,257,495
Prepays	37,490	-
Total Current Assets	48,174,189	12,331,994
Noncurrent assets:		
Net pension asset	5,143,472	-
Nondepreciable capital assets	9,390,272	330,346
Capital assets, net of accumulated depreciation	48,571,229	8,538,409
Total Noncurrent Assets	63,104,973	8,868,755
Total Assets	111,279,162	21,200,749
<u>Deferred Outflows of Resources</u>		
Deferred charge on refunding	846,398	-
Deferred outflows - pensions	3,027,036	-
Deferred outflows - OPEB	3,145,319	-
Total Deferred Outflows of Resources	7,018,753	-
<u>Liabilities</u>		
Current liabilities:		
Accounts payable and accrued liabilities	1,509,020	2,689,999
Unearned revenue	11,905,529	-
Accrued interest payable	65,878	99,650
Due to other units	35,307	165,576
Long-term liabilities due within one year	4,709,548	3,225,000
Total Current Liabilities	18,225,282	6,180,225
Noncurrent liabilities:		
Long-term liabilities due in more than one year	32,398,038	6,795,000
Total Noncurrent Liabilities	32,398,038	6,795,000
Total Liabilities	50,623,320	12,975,225
<u>Deferred Inflows of Resources</u>		
Deferred inflows - pensions	10,006,289	-
Deferred inflows - OPEB	2,241,687	-
Deferred inflows - leases	386,781	-
Total Deferred Inflows of Resources	12,634,757	-
<u>Net Position</u>		
Net investment in capital assets	38,941,024	(1,151,245)
Restricted for:		
Debt service	146,229	-
Endowments/trusts	756,287	-
Road and bridge	1,684,020	-
Special projects	9,665,198	9,376,769
Unrestricted	3,847,080	-
Total Net Position	\$ 55,039,838	\$ 8,225,524

See Notes to Financial Statements.

POLK COUNTY, TEXAS

STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2022

Functions/Programs	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
Primary Government:			
Governmental Activities:			
General government	\$ 9,976,837	\$ 2,223,733	\$ 2,092,998
Administration of justice	13,026,844	417,548	222,373
Roads and bridges	7,087,458	91,506	449,826
Health and human services	1,016,272	559,059	419,289
Tax administration	1,348,198	-	-
Interest and fiscal agent fees on long-term debt	1,116,859	-	-
Total Governmental Activities	33,572,468	3,291,846	3,184,486
Total Primary Government	\$ 33,572,468	\$ 3,291,846	\$ 3,184,486
 IAH Public Facility Corporation			
Detention facility	\$ 17,992,596	\$ 20,215,523	\$ -
Interest and fiscal agent fees on long-term debt	337,010	-	-
Total Component Unit	\$ 18,329,606	\$ 20,215,523	\$ -

General Revenues:

- Property taxes
- Sales taxes
- Other taxes
- Investment income
- Other revenues
- Gain on early extinguishment of debt

Total General Revenues

Change in Net Position

Beginning net position

Ending Net Position

See Notes to Financial Statements.

Net (Expense) Revenue and Changes in Net Position	
Governmental Activities	Component Unit
\$ (5,660,106)	\$ -
(12,386,923)	-
(6,546,126)	-
(37,924)	-
(1,348,198)	-
(1,116,859)	-
<u>(27,096,136)</u>	<u>-</u>
<u>(27,096,136)</u>	<u>-</u>
-	2,222,927
-	(337,010)
<u>-</u>	<u>1,885,917</u>
23,902,511	-
3,548,077	-
1,560,180	-
310,023	14,115
2,713,392	-
-	577,954
<u>32,034,183</u>	<u>592,069</u>
4,938,047	2,477,986
<u>50,101,791</u>	<u>\$ 5,747,538</u>
<u>\$ 55,039,838</u>	<u>\$ 8,225,524</u>

POLK COUNTY, TEXAS

BALANCE SHEET

GOVERNMENTAL FUNDS

September 30, 2022

	General	Debt Service	Road and Bridge	American Rescue Plan Act
<u>Assets</u>				
Cash and cash equivalents	\$ 19,260,766	\$ 938,391	\$ 2,014,194	\$ 9,862,954
Receivables, net	2,593,341	384,014	527,148	-
Prepays	37,490	-	-	-
Due from other funds	16,981	-	-	-
Total Assets	\$ 21,908,578	\$ 1,322,405	\$ 2,541,342	\$ 9,862,954
<u>Liabilities, Deferred Inflows of Resources, and Fund Balances</u>				
<u>Liabilities</u>				
Accounts payable and accrued liabilities	\$ 1,102,118	\$ 3,519	\$ 333,134	\$ -
Unearned revenue	-	-	-	9,793,297
Due to other units	-	-	35,209	-
Due to other funds	-	-	-	-
Total Liabilities	1,102,118	3,519	368,343	9,793,297
<u>Deferred Inflows of Resources</u>				
Unavailable revenue - leases	386,781	-	-	-
Unavailable revenue - property taxes	1,287,973	361,442	488,979	-
Total Deferred Inflows of Resources	1,674,754	361,442	488,979	-
<u>Fund Balances</u>				
Nonspendable:				
Prepays	37,490	-	-	-
Restricted:				
Debt service	-	146,229	-	-
Road and bridge	-	-	1,684,020	-
Special projects	-	-	-	69,657
Capital projects	-	-	-	-
Endowments/trusts	-	-	-	-
Assigned:				
Post closure care costs	-	811,215	-	-
Unassigned	19,094,216	-	-	-
Total Fund Balances	19,131,706	957,444	1,684,020	69,657
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 21,908,578	\$ 1,322,405	\$ 2,541,342	\$ 9,862,954

See Notes to Financial Statements.

<u>Available School</u>	<u>Restoration Projects</u>	<u>Nonmajor Governmental</u>	<u>Total Governmental Funds</u>
\$ 298,662	\$ 5,730,000	\$ 4,410,700	\$ 42,515,667
2,007,308	-	109,221	5,621,032
-	-	-	37,490
-	-	-	16,981
<u>\$ 2,305,970</u>	<u>\$ 5,730,000</u>	<u>\$ 4,519,921</u>	<u>\$ 48,191,170</u>
\$ -	\$ 3,441	\$ 66,808	\$ 1,509,020
2,014,174	-	98,058	11,905,529
-	-	98	35,307
-	-	16,981	16,981
<u>2,014,174</u>	<u>3,441</u>	<u>181,945</u>	<u>13,466,837</u>
-	-	-	386,781
-	-	-	2,138,394
<u>-</u>	<u>-</u>	<u>-</u>	<u>2,525,175</u>
-	-	-	37,490
-	-	-	146,229
-	-	-	1,684,020
291,796	5,726,559	3,577,186	9,665,198
-	-	4,503	4,503
-	-	756,287	756,287
-	-	-	811,215
-	-	-	19,094,216
<u>291,796</u>	<u>5,726,559</u>	<u>4,337,976</u>	<u>32,199,158</u>
<u>\$ 2,305,970</u>	<u>\$ 5,730,000</u>	<u>\$ 4,519,921</u>	<u>\$ 48,191,170</u>

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POLK COUNTY, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO
THE STATEMENT OF NET POSITION
September 30, 2022

Fund balances - total governmental funds	\$	32,199,158
Adjustments for the Statement of Net Position:		
Capital assets used in governmental activities are not current financial resources and, therefore, not reported in the governmental funds.		
Nondepreciable capital assets		9,390,272
Depreciable capital assets, net		48,571,229
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds.		
Deferred revenue		2,138,394
Deferred outflows and deferred inflows related to pension activity and other postemployment benefits (OPEB) are not current financial resources and, therefore, not reported in the governmental funds.		
Net pension asset		5,143,472
Deferred outflows - pensions		3,027,036
Deferred inflows - pensions		(10,006,289)
Deferred outflows - OPEB		3,145,319
Deferred inflows - OPEB		(2,241,687)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Accrued interest payable		(65,878)
Deferred charge on refunding		846,398
Long-term liabilities due within one year		(4,709,548)
Long-term liabilities due in more than one year		(32,398,038)
Net Position of Governmental Activities	\$	<u>55,039,838</u>

See Notes to Financial Statements.

POLK COUNTY, TEXAS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS

For the Year Ended September 30, 2022

	General	Debt Service	Road and Bridge	American Rescue Plan Act
Revenues				
Property taxes	\$ 15,081,725	\$ 3,276,108	\$ 5,503,452	\$ -
Sales taxes	3,548,077	-	-	-
Other taxes	547,040	-	963,180	-
Fines and forfeitures	490,728	-	91,506	-
Charges for services	1,379,545	-	-	-
Intergovernmental	1,649,963	-	444,200	181,421
Licenses and permits	345,590	-	-	-
Investment income	207,265	5,678	15,227	65,663
Other revenue	1,747,560	-	431,317	-
Total Revenues	24,997,493	3,281,786	7,448,882	247,084
Expenditures				
Current:				
General government	7,073,760	-	-	181,421
Administration of justice	12,344,839	-	-	-
Roads and bridges	-	-	7,586,012	-
Health and human services	695,426	-	-	-
Tax administration	1,415,450	-	-	-
Debt service:				
Principal	54,437	2,795,000	1,140,239	-
Interest and fiscal charges	759	509,617	38,788	-
Debt issuance costs	111,734	-	-	-
Capital outlay				
	543,914	-	1,276,483	-
Total Expenditures	22,240,319	3,304,617	10,041,522	181,421
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,757,174	(22,831)	(2,592,640)	65,663
Other Financing Sources (Uses)				
Transfers in	554,979	-	412,794	-
Transfers (out)	(697,857)	-	-	-
Debt issued	226,707	-	1,154,469	-
Premium on debt issued	-	-	-	-
Sale of capital assets	-	-	976,000	-
Total Other Financing Sources (Uses)	83,829	-	2,543,263	-
Net Change in Fund Balances	2,841,003	(22,831)	(49,377)	65,663
Beginning fund balances	16,290,703	980,275	1,733,397	3,994
Ending Fund Balances	\$ 19,131,706	\$ 957,444	\$ 1,684,020	\$ 69,657

See Notes to Financial Statements.

Available School	Restoration Projects	Nonmajor Governmental	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 23,861,285
-	-	-	3,548,077
-	-	49,960	1,560,180
-	-	18,429	600,663
-	-	966,048	2,345,593
-	-	908,902	3,184,486
-	-	-	345,590
3,240	-	12,950	310,023
212,831	-	321,684	2,713,392
<u>216,071</u>	<u>-</u>	<u>2,277,973</u>	<u>38,469,289</u>
186,298	3,441	534,851	7,979,771
-	-	596,259	12,941,098
-	-	-	7,586,012
-	-	435,915	1,131,341
-	-	-	1,415,450
-	-	-	3,989,676
-	-	-	549,164
-	-	-	111,734
-	-	49,101	1,869,498
<u>186,298</u>	<u>3,441</u>	<u>1,616,126</u>	<u>37,573,744</u>
29,773	(3,441)	661,847	895,545
7,467	-	309,105	1,284,345
-	-	(586,488)	(1,284,345)
-	5,173,266	1,527	6,555,969
-	556,734	-	556,734
-	-	-	976,000
<u>7,467</u>	<u>5,730,000</u>	<u>(275,856)</u>	<u>8,088,703</u>
37,240	5,726,559	385,991	8,984,248
254,556	-	3,951,985	23,214,910
<u>\$ 291,796</u>	<u>\$ 5,726,559</u>	<u>\$ 4,337,976</u>	<u>\$ 32,199,158</u>

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POLK COUNTY, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2022

Net changes in fund balances – total governmental funds \$ 8,984,248

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

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

Capital additions	8,244,114
Depreciation expense	(2,645,624)
Capital retirements, net	(6,010,091)

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

Deferred revenue	41,226
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Net pension and other postemployment benefits (OPEB) liability and deferred outflows and deferred inflows related to the County's pension and OPEB plans are not reported in the governmental funds.

Net pension liability	10,128,614
Deferred outflows - pensions	(1,137,022)
Deferred inflows - pensions	(7,133,375)
Net OPEB liability	(776,857)
Deferred outflows - OPEB	(182,540)
Deferred inflows - OPEB	460,078

Bonds and note proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position.

Principal payment	3,989,676
Debt issuance	(6,555,969)
Changes to bond premiums	(309,663)
Amortization of deferred charges	(173,548)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. This adjustment reflects the net change on the accrual basis of accounting for these expenses.

Accrued interest payable	27,250
Compensated absences	(21,167)
Landfill closure and post closure costs	(1,991,303)

Change in Net Position of Governmental Activities	\$ 4,938,047
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See Notes to Financial Statements.

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POLK COUNTY, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
September 30, 2022

	Retiree Health Benefits Trust	Custodial
<u>Assets</u>		
Cash and cash equivalents	\$ 3,528,946	\$ 6,434,784
Due from other unit	-	23,249
Total Assets	3,537,893	6,458,033
<u>Liabilities</u>		
Accounts payable	47,184	42,714
Total Liabilities	47,184	42,714
<u>Net Position</u>		
Restricted for OPEB	3,490,709	-
Restricted net position for other governments	-	6,415,319
Total Net Position	\$ 3,490,709	\$ 6,415,319

See Notes to Financial Statements.

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POLK COUNTY, TEXAS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the Year Ended September 30, 2022

	Retiree Health Benefits Trust	Custodial
<u>Additions</u>		
Employer contributions	\$ 500,000	\$ -
Intergovernmental	-	2,176,947
Other revenue	129,097	113,096,237
Investment income	13,722	25,221
Total Additions	642,819	115,298,405
<u>Deductions</u>		
Benefits	302,157	-
Administrative expenses	9,650	-
Trust fund recipients	-	29,386
Criminal departments	-	2,174,807
Deed recipients	-	3,630,221
Taxing entities	-	107,907,558
Total Deductions	311,807	113,741,972
Change in Net Position	331,012	1,556,433
Beginning net position	3,159,697	4,858,886
Ending Net Position	\$ 3,490,709	\$ 6,415,319

See Notes to Financial Statements.

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POLK COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Polk County, Texas (the “County”) is an independent government entity created in 1846 from Liberty County by an act of the Texas Legislature. The County is governed by Commissioners’ Court, composed of four County Commissioners and the County Judge, all of whom are elected officials.

The County’s financial statements include the accounts of all County operations. The County provides a vast array of services including administration of justice, health and human services, public improvements, and general and tax administration.

Considerations regarding the potential for inclusion of other entities, organizations, or functions in the County’s financial reporting entity are based on criteria prescribed by generally accepted accounting principles. These same criteria are evaluated in considering whether the County is a part of any other governmental or other type of reporting entity. The overriding elements associated with prescribed criteria considered in determining that the County’s financial reporting entity status is that of a primary government are that it has a separately elected governing body, it is legally separate, and it is fiscally independent of other state and local governments. Additionally, prescribed criteria under generally accepted accounting principles include considerations pertaining to organizations for which the primary government is financially accountable and considerations pertaining to organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete.

Discretely Presented Component Unit

IAH Public Facility Corporation

IAH Public Facility Corporation (the “Corporation”) has been included in the reporting entity as a discretely presented component unit. The Corporation was created under the Public Facility Corporation Act Chapter 303 of the Texas Local Government Code by the County in 2004 for the purpose of financing for, and on behalf of, the County-eligible jail and criminal detention facility projects and other public buildings and facilities for use by the County. The Board of Directors is appointed by, and serves at the discretion of, the Commissioners’ Court of the County. Commissioners’ Court approval is required for annual budgets and bonded debt issuance. Separate financial statements of the Corporation may be obtained from the County Auditor’s office, 602 East Church Street, Suite 108, Livingston, Texas 77351.

B. Government-Wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component unit. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, of which the County has none. Likewise, the *primary government* is reported separately from a legally separate *component unit* for which the primary government is financially accountable.

POLK COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2022

C. Basis of Presentation – Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the various other functions of the County. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

D. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the County's funds, including its fiduciary funds. Separate statements for each fund category – governmental and fiduciary – are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The County reports the following governmental funds:

The *general fund* is used to account for and report all financial resources not accounted for and report in another fund. The principal sources of revenues include local property taxes, sales taxes, other taxes, licenses and permits, fines and forfeitures, and charges for services. Expenditures include general government, administration of justice, health and human services, and tax administration. The general fund is always considered a major fund for reporting purposes.

The *debt service fund* is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. The primary source of revenue for debt service is local property taxes. The debt service fund did not meet the technical criteria to be presented as a major fund, however, the County has elected to present it as major due to its significance.

The *special revenue funds* are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

The following special revenue funds are considered major funds for reporting purposes:

Road and bridge fund – This fund is used to account for revenues of property taxes levied and vehicle registration fees. Uses of funds are restricted for the maintenance of roads, bridges, and the operations of related facilities. All precinct operations, as well as permanent road monies, are accounted for in this fund.

American Rescue Plan Act fund – This fund is used to account for revenue received by the County from the American Rescue Plan Act and account for any expenditures associated with these funds.

Available school fund – this fund is used to accumulate investment earnings from the permanent school fund including lease payments received on properties owned by the

POLK COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2022

County in Throckmorton and Baylor counties.

Restoration project fund – this fund is used to account for revenue received for the courthouse restoration project.

The remaining special revenue funds are considered nonmajor funds for reporting purposes.

Permanent funds are governmental funds that are used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government’s programs.

The County has the following permanent fund:

Permanent school fund – This fund was established from proceeds received from the sale of lands granted by the State of Texas (the “State”) for educational purposes. Earnings from this fund, other than oil royalties, accrue directly to the available school fund. Oil royalties are deposited to the permanent school fund, which increases the principal.

Additionally, the County reports the following fund type:

The *fiduciary funds* account for assets held by the government in a trustee capacity or as custodial on behalf of others. 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 own programs. The County has the following fiduciary funds:

The *retiree health benefits trust fund* accounts for the funds held in trust for the health care benefit payments for the qualified retired employees of the County.

The *custodial funds* are custodial in nature and do not present results of operations or have a measurement focus. Custodial funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the County holds for others in a custodial capacity.

During the course of operations, the County has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

E. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current*

POLK COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2022

financial resources or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide and fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. 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.

The 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. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt is reported as an other financing source.

Property taxes, sales taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). All other revenue items are considered to be measurable and available only when cash is received by the County.

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

1. Cash and Cash Equivalents

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

2. Investments

Investments, except for certain investment pools, commercial paper, money market funds, and investment contracts, are reported at fair value. The investment pools operate in accordance with appropriate state laws and regulations and are reported at amortized cost. Money market funds, which are short-term highly liquid debt instruments that may include U.S. Treasury and agency obligations and commercial paper that have a remaining maturity of one year or less upon acquisition, are reported at amortized cost. Investments in nonparticipating interest earning contracts, such as certificates of deposit, are reported at cost.

POLK COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2022

The County has adopted a written investment policy regarding the investment of its funds as defined in the Public Funds Investment Act, Chapter 2256, Texas Government Code. In summary, the County is authorized to invest in the following:

- Direct obligations of the U.S. Government or U.S. Government agencies
- Fully collateralized certificates of deposit
- Money market mutual funds that meet certain criteria
- Bankers' acceptances
- Statewide investment pools

3. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

4. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities column in the government-wide financial statements. In accordance with GASB Statement No. 34, infrastructure has been capitalized retroactively. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Major outlays for capital assets and improvements are capitalized as projects are constructed.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Property, plant, and equipment of the County are depreciated using the straight-line method over the following estimated useful years.

<u>Asset Description</u>	<u>Estimated Useful Life</u>
Infrastructure	10 to 45 years
Buildings	20 to 50 years
Improvements other than buildings	5 to 30 years
Equipment	3 to 25 years

The costs of a significant portion of capital assets have been estimated based on management's estimated historical cost.

5. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

POLK COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2022

Deferred outflows/inflows of resources are amortized as follows:

- Deferred outflows/inflows from pension/other postemployment benefits (OPEB) activities are amortized over the average of the expected service lives of pension/OPEB plan members, except for the net differences between the projected and actual investment earnings on the pension/OPEB plan assets, which are amortized over a period of five years.
- For employer pension/OPEB plan contributions that were made subsequent to the measurement date through the end of the County's fiscal year, the amount is deferred and recognized as a reduction to the net pension/OPEB liability during the measurement period in which the contributions were made.
- A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

At the fund level, the County has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and grants. These amounts are deferred and recognized as inflows of resources in the period that the amounts become available.

6. Compensated Employee Absences

It is the County's policy to not allow employees to accumulate earned but unused holiday, vacation, and compensatory time. Certain allowances are made for holiday time for law enforcement personnel and extensions can be granted by the employee's supervising elected official or Department head. No liability is reported for unpaid accumulated sick leave since it does not vest. Employees are allowed to maintain an accrual of up to 480 hours of sick leave although it is not compensated on termination. Vacation, compensatory time, and holiday pay that is expected to be liquidated with expendable, available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it when it matures or becomes due. Amounts of vested or accumulated vacation leave and compensatory time that are not expected to be liquidated with expendable, available financial resources are maintained separately and represent a reconciling item between the fund and government-wide presentations.

7. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the 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, if material. Bonds payable are reported net of the applicable bond premium or discount.

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

The property tax rate is allocated each year between the general, road and bridge, and debt service funds. The full amount estimated to be required for debt service on general obligation debt is provided by the tax along with the interest earned in the debt service fund.

POLK COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2022

8. Net Position Flow Assumption

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

9. Fund Balance Flow Assumptions

Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

10. Fund Balance Policies

Fund balances of governmental funds are reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The County itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

Amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact are classified as nonspendable fund balance. Amounts that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions are classified as restricted.

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the County's highest level of decision-making authority. The Commissioners' Court is the highest level of decision-making authority for the County that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the County for specific purposes but do not meet the criteria to be classified as committed. Based on the County policy, the Commissioners' Court may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

In accordance with Commissioners' Court policy, the County must maintain a minimum of 25 percent of expenditures in unassigned fund balance in the general fund.

POLK COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2022

11. Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

12. Leases

The County is a lessee for noncancellable leases of equipment. The County recognizes a lease liability and an intangible, right-to-use lease asset (the “lease asset”) in the government-wide financial statements. The County recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and the purchase option price that the County is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the Statement of Net Position.

13. Pensions

For the 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 TCDRS’s fiduciary net position have been determined on the same basis as they are reported by TCDRS. 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.

POLK COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2022

14. Other Postemployment Benefits

For the purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB expense, information about the fiduciary net position of the Polk County Retiree Benefits Trust Plan (the “Plan”) and additions to/deductions from the Plan’s fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments, as applicable, are reported at fair value.

G. Revenues and Expenditures/Expenses

1. Program Revenues

Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

2. Property Taxes

Property taxes are recorded as revenue when levied for the current year and are due, payable, and collected in the current year. Uncollected amounts at year end are reported as deferred revenue. Delinquent property taxes collected within 60 days subsequent to year end were not considered material.

The property tax calendar dates are:

- Levy date and due date – October 1
- Collection dates – October 1 through January 31
- Lien date – February 1

The County bills and collects its own taxes and those for certain government entities within the County. Collections of the property taxes and subsequent remittances to the proper entities are accounted for in the tax assessor collector custodial fund. Tax collections deposited for the County are distributed on a periodic basis to the general, road and bridge, and debt service funds of the County. This distribution is based upon the tax rate established for each fund by order of the Commissioners’ Court for the tax year for which the collections are made.

The appraisal of property within the County is the responsibility of the County-wide appraisal district, which is required under the property tax code to assess all property within the appraisal district on the basis of 100 percent of its appraised value, and is prohibited from applying any assessment ratios. The appraisal district must review the value of the property within the County every three years unless the County, at its own expense, requires more frequent reviews. The County may challenge the appraised values through various appeals and, if necessary, legal action. Under this legislation, the County sets tax rates on County property.

POLK COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2022

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

The original budget is adopted by the Commissioners’ Court prior to the beginning of the fiscal year. The legal level of control is at the department level in the general fund and road and bridge fund. The debt service fund’s legal level of control is at the fund level. The remaining special revenue funds with adopted budgets are: County and district court technology, courthouse security, law library, aging, County records management, County clerk records preservation, hotel/motel tax, justice court technology, available school, district attorney collection, district clerk records preservation, forfeiture, waste management, jail commissary, district attorney special, justice court building security, pre-trial intervention program, child abuse prevention, fire marshal, guardianship, court reporter service, and permanent school. The legal level control for these special revenue funds is at the fund level. Although budgets are adopted annually for these special revenue funds, they are not subject to performance measurement. Management may not amend the budget without the approval of Commissioners’ Court.

Appropriations lapse at the end of the year for all funds. Budgets are adopted on a generally accepted accounting principles basis for all budgeted funds. Supplemental budget appropriations were made for the year ended September 30, 2022.

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

As of September 30, 2022, the County had the following investments:

Investment Type	Fair Value	Weighted Average Maturity (Years)
TexPool	\$ 17,681,139	0.07
Texas CLASS	9,431,322	0.07
Total	\$ 27,112,461	
Portfolio weighted average maturity		0.07

Interest rate risk. In accordance with its investment policy, the County manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to five years or less.

Credit risk. State law and the County’s investment policy limit investments to 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. Further, commercial paper must be rated not less than “A-1” or “P-1” or an equivalent rating by at least two nationally recognized credit rating agencies. As of September 30, 2022, the County’s investments in investment pools were rated “AAAm” and “AAA” by Standard & Poor’s.

Custodial credit risk – deposits. In the case of deposits, this is the risk that in the event of a bank failure, the County’s deposits may not be returned to it. The County’s investment policy requires funds on deposit at the depository bank to be collateralized by securities and FDIC insurance. As of September 30, 2022, bank balances did not exceed the market values of pledged securities and FDIC insurance.

TexPool

TexPool was established as a trust company with the Treasurer of the State as trustee, segregated from all other trustees, investments, and activities of the trust company. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence

POLK COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2022

operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. The advisory board members review the investment policy and management fee structure. Finally, Standard & Poor's rates TexPool "AAAm". As a requirement to maintain the rating, weekly portfolio information must be submitted to Standard & Poor's, as well as to the office of the Comptroller of Public Accounts for review.

TexPool is an external investment pool measured at amortized cost. In order to meet the criteria to be recorded at amortized cost TexPool, must transact at a stable net asset value per share and maintain certain maturity, quality, liquidity, and diversification requirements within TexPool. TexPool transacts at a net asset value of \$1.00 per share, has weighted average maturities of 60 days or less, and weighted average lives of 120 days or less. Investments held are highly rated by nationally recognized statistical rating organizations, have no more than five percent of portfolio with one issuer (excluding U.S. government securities), and can meet reasonably foreseeable redemptions. TexPool has a redemption notice period of one day and may redeem daily. TexPool's authority may only impose restrictions on redemptions in the event of a general suspension of trading on major national markets, general banking moratorium, or a national state of emergency that affects TexPool's liquidity.

Texas CLASS

The Texas Cooperative Liquid Assets Securities System Trust (CLASS) is a public funds investment pool under Section 2256.016 of the Public Funds Investment Act, Texas Government Code, as amended. CLASS is created under an amended and restated trust agreement, dated as of December 14, 2011 (the "Agreement"), among certain Texas governmental entities investing in Texas CLASS (the "Participants"), with Cutwater Investor Services Corporation as program administrator and Wells Fargo Bank Texas, NA as custodian. Texas CLASS is not SEC registered and is not subject to regulation by the State. Under the Agreement, however, Texas CLASS is administered and supervised by a seven-member board of trustees (the "Board"), whose members are investment officers of the Participants, elected by the Participants for overlapping two-year terms. In the Agreement and by resolution of the Board, Texas CLASS has contracted with Cutwater Investors Service Corporation to provide for the investment and management of the public funds of Texas CLASS. Separate financial statements for Texas CLASS may be obtained from Texas CLASS' website at www.texasclass.com.

B. Receivables

The following comprise receivable balances at year end:

	<u>General</u>	<u>Debt Service</u>	<u>Road and Bridge</u>	<u>Available School</u>	<u>Nonmajor</u>	<u>Total</u>
Property taxes	\$ 1,287,973	\$ 361,442	\$ 488,979	\$ -	\$ -	\$ 2,138,394
Leases	387,318	-	-	2,007,308	-	2,394,626
Other	918,050	22,572	38,169	-	109,221	1,088,012
	<u>\$ 2,593,341</u>	<u>\$ 384,014</u>	<u>\$ 527,148</u>	<u>\$ 2,007,308</u>	<u>\$ 109,221</u>	<u>\$ 5,621,032</u>

POLK COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2022

C. Leases Receivable

The County has entered into several leases (the “Agreements”) as a lessor for the use of their property. The Agreements range from 24 months to 100 years after extension options in which it is reasonably certain that the County and the lessee will extend. An initial leases receivable and deferred inflows of resources from leases were recorded in the amount of \$2,666,007 at the beginning of the fiscal year. As of September 30, 2022, the value of the leases receivable is \$2,394,626. The lease revenue that was recorded with charges for services for fiscal year 2022 was \$267,908 which consists of the interest payments on the leases receivable of \$2,855 and the amortization of the deferred inflows of resources from leases of \$265,053.

D. Capital Assets

A summary of changes in capital assets for the year ended September 30, 2022 is as follows:

	Beginning Balance	Increases	(Decrease)	Ending Balance
Governmental Activities				
Capital assets not being depreciated:				
Land	\$ 1,574,713	\$ -	\$ (61,245)	\$ 1,513,468
Construction in progress	1,992,581	5,884,223	-	7,876,804
Total capital assets not being depreciated	3,567,294	5,884,223	(61,245)	9,390,272
Other capital assets:				
Infrastructure	96,617,963	223,661	(5,261,594)	91,580,030
Buildings	44,572,292	112,490	(382,407)	44,302,375
Improvements	6,323,872	-	-	6,323,872
Equipment	18,573,926	2,023,740	(2,032,627)	18,565,039
Right-to-use assets	342,090	-	-	342,090
Total other capital assets	166,430,143	2,359,891	(7,676,628)	161,113,406
Less accumulated depreciation for:				
Infrastructure	(87,860,646)	(79,244)	757,669	(87,182,221)
Buildings	(9,150,353)	(860,471)	165,200	(9,845,624)
Improvements	(2,847,152)	(233,618)	-	(3,080,770)
Equipment	(11,766,184)	(1,398,897)	804,913	(12,360,168)
Right-to-use assets	-	(73,394)	-	(73,394)
Total accumulated depreciation	(111,624,335)	(2,645,624)	1,727,782	(112,542,177)
Other capital assets, net	54,463,718	(285,733)	(5,948,846)	48,571,229
Governmental Activities Capital Assets, Net	\$ 58,031,012	\$ 5,598,490	\$ (6,010,091)	57,961,501
			Less associated debt	(19,871,378)
			Plus deferred charge on refunding	846,398
			Net Investment in Capital Assets	\$ 38,941,024

Depreciation was charged to governmental functions as follows:

General government	\$ 889,423
Administration of justice	1,056,958
Roads and bridges	668,819
Health and human services	30,424
Total Governmental Activities Depreciation Expense	\$ 2,645,624

POLK COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2022

The following is a summary of changes in capital assets for the IAH for the year:

Component Unit:	Beginning Balance	Increases/ Adjustments	(Decreases)	Ending Balance
Capital assets not being depreciated:				
Land	\$ 330,346	\$ -	\$ -	\$ 330,346
Total capital assets not being depreciated	<u>330,346</u>	<u>-</u>	<u>-</u>	<u>330,346</u>
Other capital assets:				
Buildings	35,996,721	-	-	35,996,721
Furniture and fixtures	320,512	-	-	320,512
Equipment	699,468	-	-	699,468
Other	251,468	-	-	251,468
Total other capital assets	<u>37,268,169</u>	<u>-</u>	<u>-</u>	<u>37,268,169</u>
Less accumulated depreciation for:				
Buildings	(25,943,574)	(1,799,836)	-	(27,743,410)
Furniture and fixtures	(212,689)	(19,283)	-	(231,972)
Equipment	(539,766)	(27,960)	-	(567,726)
Other	(173,253)	(13,399)	-	(186,652)
Total accumulated depreciation	<u>(25,008,804)</u>	<u>(1,860,478)</u>	<u>-</u>	<u>(28,729,760)</u>
Other capital assets, net	<u>12,259,365</u>	<u>(1,860,478)</u>	<u>-</u>	<u>8,538,409</u>
Governmental Activities Capital Assets, Net	<u>\$ 12,589,711</u>	<u>\$ (1,860,478)</u>	<u>\$ -</u>	<u>8,868,755</u>
			Less associated debt	<u>(10,020,000)</u>
			Net Investment (Deficit) in Capital Assets	<u>\$ (1,151,245)</u>

POLK COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2022

E. Long-Term Liabilities

The following is a summary of changes in the County's total governmental long-term liabilities for the year ended September 30, 2022. In general, the County uses the general, road and bridge, and debt service funds to liquidate governmental long-term liabilities.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>(Reductions)</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds, notes payable, and capital leases:					
General obligation	\$ 10,645,000	\$ -	(2,015,000)	\$ 8,630,000	\$ 2,100,000
Tax notes	45,000	5,430,000	(20,000)	5,455,000	330,000
Notes payable	1,329,871	1,125,969	(1,122,986)	1,332,854	1,332,854
Direct borrowings/placements:					
Tax notes	3,365,000	-	(760,000)	2,605,000	610,000
Deferred amounts:					
Premium	1,268,461	556,734	(247,071)	1,578,124	-
Leases payable	342,090	-	(71,690)	270,400	84,479
	<u>16,995,422</u>	<u>7,112,703</u>	<u>(4,236,747)</u>	<u>19,871,378</u>	<u>4,457,333</u>
Other:					
Compensated absences	259,072	800,826	(779,659)	280,239	252,215
Net pension liability	4,985,142	-	(4,985,142)	-	-
Net OPEB liability	9,252,282	776,857	-	10,029,139	-
Landfill closure and post closure care costs	4,935,527	1,991,303	-	6,926,830	-
	<u>19,432,023</u>	<u>3,568,986</u>	<u>(5,764,801)</u>	<u>17,236,208</u>	<u>252,215</u>
Total Governmental Activities	<u>\$ 36,427,445</u>	<u>\$ 10,681,689</u>	<u>\$ (10,001,548)</u>	<u>\$ 37,107,586</u>	<u>\$ 4,709,548</u>
				<u>Long-term liabilities due in more than one year</u>	<u>\$ 32,398,038</u>
				<u>* Debt associated with capital assets</u>	<u>\$ 19,871,378</u>

See note IV.C. for additional information regarding landfill closure and post closure care costs. The County is not obligated in any manner for special assessment debt.

Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities in the governmental funds. The governmental activities compensated absences and net pension and OPEB liability are generally liquidated by the general fund. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.

POLK COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2022

Long term debt as of September 30, 2022 was comprised of the following debt issues:

	<u>Interest Rate Percentage</u>	<u>Original Amount</u>	<u>Balance</u>
General Obligation			
Contractual Obligation, Series 2016	1.935	\$ 1,680,000	\$ 1,550,000
Contractual Obligation, Series 2017	4.000-4.130	\$ 1,650,000	840,000
Contractual Obligation, Series 2020	4.300-4.125	\$ 7,315,000	6,240,000
			<u>8,630,000</u>
Tax Notes			
Series 2016	1.93	\$ 45,000	25,000
Series 2022	5.00	\$ -	5,430,000
			<u>5,455,000</u>
From direct borrowings/placements:			
Series 2015	1.93	\$ 160,000	\$ -
Series 2018	2.87	\$ 640,000	485,000
Series 2019	2.17	\$ 1,275,000	1,030,000
Series 2020	2.30	\$ 790,000	660,000
Series 2021	1.21	\$ 500,000	430,000
			<u>2,605,000</u>
			<u>8,060,000</u>
Notes Payable			
Bankcorp South Corporation	3.35	\$ 1,077,600	\$ 1,125,969
First National Bank Leasing	2.55	\$ 252,272	206,885
			<u>1,332,854</u>
		Total	\$ 18,022,854

A summary of the County's debt service requirements, including interest, is as follows:

Fiscal Year	Governmental Activities					
	General Obligation		Tax Notes		Notes Payable	
	Ending Sept. 30	Principal	Interest	Principal	Interest	Principal
2023	\$ 2,100,000	\$ 361,686	\$ 330,000	\$ 256,588	\$ 1,332,854	\$ 32,693
2024	1,335,000	281,727	750,000	237,500	-	-
2025	1,395,000	219,325	790,000	199,000	-	-
2026	1,470,000	154,277	830,000	158,500	-	-
2027	1,545,000	85,585	875,000	115,875	-	-
2028-2031	785,000	31,492	1,880,000	95,250	-	-
Totals	<u>\$ 8,630,000</u>	<u>\$ 1,134,092</u>	<u>\$ 5,455,000</u>	<u>\$ 1,062,713</u>	<u>\$ 1,332,854</u>	<u>\$ 32,693</u>

POLK COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2022

The annual requirements to amortize debt issues outstanding for the direct borrowings/placements at year end are as follows:

Fiscal Year Ending Sept. 30	Direct Borrowings Placement	
	Tax Anticipation Notes	
	Principal	Interest
2023	\$ 610,000	\$ 43,792
2024	615,000	31,476
2025	625,000	18,785
2026	470,000	8,084
2027	210,000	2,374
2028-2030	75,000	454
Totals	\$ 2,605,000	\$ 104,965

Leases Payable

For the year ended September 30, 2022, the financial statements include the adoption of GASB Statement No. 87, *Leases* (the “Statement”). The primary objective of this Statement is to enhance the relevance and consistency of information about the County’s leasing activities. This Statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. From October 2021 to the end of the fiscal year, the County entered into eleven various lease agreements for property and copiers as well as vehicles. These leases span in length from 24 months to 60 months in term. An initial lease liability was recorded in the amount of \$342,090 during the current fiscal year. As of September 30, 2022 the value of the lease liability was \$270,400. The property and equipment have a five year estimated useful life. The value of the right-to-use asset as of the end of the current fiscal year was \$268,696 and had accumulation amortization of \$73,394. The future principal and interest payments related to these leases as of September 30, 2022 are as follows:

Fiscal Year Ending Sept. 30	Leases Payable	
	Principal	Interest
	2023	\$ 84,479
2024	78,815	1,125
2025	60,295	634
2026	46,811	723
Totals	\$ 270,400	\$ 4,125

Federal Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage consisting of complex regulations with respect to issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service (IRS) at least every five years for applicable bond issues. Accordingly, there is the risk that if such calculations are not performed correctly, a substantial liability to the County could result. Although the County does not anticipate that it will have any arbitrage liability, it periodically engages an arbitrage consultant to perform the calculations in accordance with the rules and regulations of the IRS.

POLK COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2022

F. Interfund Transactions

Transfers between the governmental funds during the year were as follows:

<u>Transfer Out</u>	<u>Transfer In</u>	<u>Amounts</u>
Major funds:		
General fund	Road and bridge fund	\$ 412,794
General fund	Nonmajor governmental funds	285,063
Nonmajor governmental funds	Avialable school fund	7,467
Nonmajor governmental funds	General fund	554,979
Nonmajor governmental funds	Nonmajor governmental funds	24,042
	Total	<u>\$ 1,284,345</u>

These transfers are for a wide variety of reasons. The transfers from the general fund to the road and bridge and nonmajor governmental funds were made to cover additional expenses. The transfers from the nonmajor governmental and road and bridge funds were made to cover budgeted transfers for the payment of expenditures and salary subsidies that were for special project purposes.

The composition of interfund balances as of September 30, 2022 is as follows:

<u>Due to</u>	<u>Due from</u>	<u>Amounts</u>
General fund	Nonmajor governmental funds	\$ 16,981

Amounts recorded as due to/from are considered to be temporary loans and will be repaid during the following year.

G. Restatement of Fund Balance/Net Position

Beginning net position and fund balance has been restated for assets, liabilities, and deferred inflows of resources for governmental activities for the implementation of GASB 87, *Leases*. This restatement had no effect on beginning fund balance/net position.

	<u>Net Position</u>	<u>General Fund</u>	<u>Permenanet School Fund</u>
Beginning net position - as reported in prior year	\$ 50,101,791	\$ 4,206,541	\$ -
Right-to-use assets	-	342,090	-
Lease liability	-	(342,090)	-
Leases receivable	2,666,008	421,643	2,244,365
Deferred inflows of resources - leases	(2,666,008)	(421,643)	(2,244,365)
Beginning fund balance/net position - restated	<u>\$ 50,101,791</u>	<u>\$ 4,206,541</u>	<u>\$ -</u>

IV. OTHER INFORMATION

A. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the County carries commercial insurance. In addition, the County participates along with 254 other entities in the Texas Association of Counties' (TAC) Workers' Compensation Self-Insurance Fund (the "Pool"). TAC created this Pool in 1974 to insure the County for workers' compensation related claims. The County also provides its employees benefits, including medical and life insurance, which the County obtains through the TAC's Insurance Trust Fund.

POLK COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2022

This Pool purchases commercial insurance at group rates for participants in the Pool. The County has no additional risk or responsibility to either of the Pools in which it participates, outside of payment of insurance premiums. The County has not significantly reduced insurance coverage or had settlements that exceeded coverage amounts for the past three years.

B. Contingent Liabilities

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

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the County's counsel that resolution of these matters will not have a material adverse effect on the financial condition of the County.

The County reports liabilities when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency, and amount of payouts, and other economic and social factors. No claim liabilities are reported at year end.

C. Landfill Closure and Post Closure Care Costs

On December 1, 2001, the County entered into an agreement (the "Agreement") with a private contractor (the "Contractor") to operate the County's landfill and solid waste collection activities. The Agreement also provides for the Contractor to pay for a portion of the closure and post closure care costs for capacity utilized under their management. The Contractor is required to annually obtain a performance bond to provide financial assurance to the County for such costs. Upon the termination of the Agreement, the Contractor is relieved of any financial obligation for closure and post closure care costs. Accordingly, the County is liable or contingently liable for the entire amount of the closure and post closure care costs.

Current state regulations and the U.S. Environmental Protection Agency require the County to place a final cover on its landfill when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and post closure care costs will be paid only near or after the date that the landfill stops accepting waste, the County is required to recognize a portion of the landfill closure and post closure care liability each year. Recognition of the liability is based on the landfill capacity used to date. The operations of the landfill are recorded in the waste management fund, one of the special revenue funds used by the County.

The County revised its estimated closure and post closure care costs in an application for a permit amendment submitted to the Texas Commission on Environmental Quality in 2004 to modify the existing permit for expansion of total permit capacity. The County's estimate of total costs of closure and post closure care for 30 years, under permits and regulations currently in effect, is \$13,168,880.

The \$6,926,830 reported as landfill closure and post closure care liability at September 30, 2022 is based on the use of 52.60 percent of the estimated capacity of the landfill. The estimated net decrease in capacity after the permit modification during the year was 12.42 percent related to new estimates of airspace capacity using digital terrain modeling techniques. The accrued liability increased by \$1,991,303. The County will recognize the remaining estimated cost of closure and post closure care of \$6,242,049 as the

POLK COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2022

remaining estimated capacity is filled. Based on the current rate of materials deposited, the life of the landfill is 11.9 years.

The estimated costs are based on what it would cost to perform all closure and post closure care in 2022 and do not include provisions for inflation. Based on current projections, the present landfill site will be closed in the year 2034. Monitoring would begin on this date and would continue for the next 30 years.

The County expects that future inflation costs will be paid from interest earnings on accumulated landfill earnings. However, if interest earnings are inadequate or additional post closure care requirements are determined (due to changes in technology or applicable laws or regulations, for example), these costs may need to be covered by charges to future landfill users or from future tax revenue.

The County is not currently required to make contributions to a trust fund to finance closure and post closure care costs. The County has reserved \$811,215 in its debt service fund for post closure costs. The County intends to fund the deficiency in amounts currently available and the total estimated costs with contractor franchise fees.

D. Pension Plan

Texas County and District Retirement System

Plan Description

TCDRS is a statewide, agent multiple-employer, public-employee retirement system. TCDRS serves over 800 participating counties and districts throughout Texas. Each employer maintains its own customized plan of benefits. Plan provisions are adopted by the governing body of each employer, within the options available in the TCDRS Act. Employers have the flexibility and local control to adjust benefits annually and pay for those benefits based on their needs and budgets.

Each employer has a defined benefit plan that functions similarly to a cash balance plan. The assets of the plans are pooled for investment purposes, but each employer's plan assets may be used only for the payment of benefits to the members of that employer's plan. In accordance with Texas law, it is intended that the pension plan be construed and administered in a manner that the retirement system will be considered qualified under Section 401(a) of the Internal Revenue Code. All employees (except temporary staff) of a participating employer must be enrolled in TCDRS.

Benefits Provided

TCDRS provides retirement, disability, and death benefits. The benefit provisions are adopted by the Commissioners' Court within the options available in Texas state statutes governing TCDRS. Members can retire at age 60 and above with eight or more years of service, with 20 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after eight years of service, but must leave their accumulated contributions in the plan to receive any County-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by the County.

Benefit amounts are determined by the sum of the employee's contribution to TCDRS, with interest, and County-financed monetary credits. The level of these monetary credits adopted by the Commissioners' Court within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the County's commitment to contribute. At retirement, death, or disability, the benefit is calculated by converting the sum of the employee's accumulated contributions

POLK COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2022

and the County-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

Employees Covered by Benefit Terms

At the December 31, 2021 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	236
Inactive employees entitled to, but not yet receiving, benefits	347
Active employees	312
Total	895

Contributions

A combination of three elements funds each employer’s plan: employee deposits, employer contributions, and investment income.

- The deposit rate for employees is four percent, five percent, six percent, or seven percent of compensation, as adopted by the employer’s governing body.
- Participating employers are required, by law, to contribute at actuarially determined rates, which are determined annually by the actuary, using the Entry Age Normal actuarial cost method.
- Investment income funds a large part of the benefits employees earn.

Employers have the option of paying more than the required contribution rate each year. Extra contributions can help employers “prefund” benefit increases, such as a cost-of-living adjustment to retirees, and they can be used to help offset or mitigate future increases in the required rate due to negative plan experience. There are two approaches for making extra contributions:

- (a) paying an elected contribution rate higher than the required rate and
- (b) making an extra lump-sum contribution to the employer account.

Employees for the County were required to contribute seven percent of their annual gross earnings during the fiscal year. The contribution rates for the County were 14.21 percent and 15.46 percent in calendar years 2021 and 2022, respectively. The County’s contributions to TCDRS for the fiscal year ended September 30, 2022 were \$1,967,651 and were in excess of the actuarially determined contribution by \$785.

Net Pension Liability/Asset

The County’s Net Pension Liability/Asset (NPL/A) was measured as of December 31, 2021 and the Total Pension Liability (TPL) used to calculate the NPL/A was determined by an actuarial valuation as of that date.

POLK COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2022

Actuarial Assumptions

The actuarial assumptions that determined the TPL as of December 31, 2021 were based on the results of an actuarial experience study for the period January 1, 2013 through December 31, 2016, except where required to be different by GASB Standard No. 68, *Accounting and Financial Reporting for Pensions* (GASB 68).

Key assumptions used in the December 31, 2021 actuarial valuation are as follows:

Valuation Timing	Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of the fiscal year in the which the contributions are reported.
Actuarial Cost Method	Entry age (level percent of pay)
Amortization Method	Recognition of economic/demographic gains or losses Straight-Line amortization over Expected Working Life. Recognition of assumptions changes or inputs Straight-Line amortization over Expected Working Life
Smoothing Period	5 years
Recognition Method	Non-asymptotic
Corridor	None
Inflation	2.50%
Salary Increases	Same as funding valuation
Investment Rate of Return	7.60% (Gross of administrative expenses)
Cost-of-Living Adjustments	Cost-of-living adjustments for the County are not considered to be substantively automatic under GASB 68. Therefore, no assumption for future cost-of-living adjustments is included in the GASB calculations. No assumption for future cost-of-living adjustments is included in the funding valuation.

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 target allocation and best estimate of geometric real rate of return for each major asset class are summarized in the following table:

Asset Class	Benchmark	Target Allocation	Geometric Real Rate of Return (Expected minus Inflation)
US Equities	Dow Jones U.S. Total Stock Market Index	11.50%	3.80%
Global Equities	MSCI World (net) Index	2.50%	4.10%
International Equities - Developed	MSCI World Ex USA (net) Index	5.00%	3.80%
International Equities - Emerging	MSCI Emerging Markets (net) Index	6.00%	4.30%
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%	1.77%
Direct Lending	S&P/LSTA Leveraged Loan Index	16.00%	6.25%
Distressed Debt	Cambridge Associates Distressed Securities Index	4.00%	4.50%
REIT Equities	67% FTSE NAREIT All Equity REITs Index + 33% S&P Global REIT (net) Index	2.00%	3.10%
Master Limited Partnerships (MLPs)	Alerian MLP Index	2.00%	3.85%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index	6.00%	5.10%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index	25.00%	6.80%
Hedge Funds	Hedge Fund Research, Inc. (HFR) Fund of Funds Composite Index	6.00%	1.55%
Cash Equivalents	90-day U.S. Treasury	2.00%	-1.05%

POLK COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2022

Discount Rate

The discount rate used to measure the TPL was 7.6 percent. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, TCDRS's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL.

Changes in the NPL/A

	Increase (Decrease)		
	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/Asset (A) - (B)
Changes for the year:			
Service cost	\$ 1,992,562	\$ -	\$ 1,992,562
Interest	5,811,040	-	5,811,040
Change in current period benefits	-	-	-
Difference between expected and actual experience	137,410	-	137,410
Changes in assumptions	2,764	-	2,764
Contributions - employer	-	1,745,023	(1,745,023)
Contributions - employee	-	859,617	(859,617)
Net investment income	-	15,533,143	(15,533,143)
Benefit payments, including refunds of employee contributions	(3,972,725)	(3,972,726)	-
Administrative expense	-	(46,274)	46,274
Other changes	-	(19,119)	19,119
Net changes	3,971,051	14,099,664	(10,128,614)
Balance at December 31, 2020	76,418,481	\$ 71,433,339	\$ 4,985,142
Balance at December 31, 2021	\$ 80,389,532	\$ 85,533,003	\$ (5,143,472)

Sensitivity of the NPL/A to Changes in the Discount Rate

The following presents the NPL/A of the County, calculated using the discount rate of 7.6 percent, as well as what the County's NPL would be if it were calculated using a discount rate that is one percentage point lower (6.6%) or one percentage point higher (8.6%) than the current rate:

	1% Decrease in Discount Rate (6.6%)	Discount Rate (7.6%)	1% Increase in Discount Rate (8.6%)
County's Net Pension Liability/Asset	\$ 5,769,337	\$ (5,143,472)	\$ (14,229,645)

Pension Plan Fiduciary Net Position

Detailed information about the TCDRS's fiduciary net position is available in a separately-issued TCDRS financial report. That report may be obtained on the Internet at www.tcdrs.com.

POLK COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2022

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

For the fiscal year ended September 30, 2022, the County recognized pension expense of \$109,337.

At December 31, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 91,607	\$ 226,152
Changes in actuarial assumptions	1,453,296	-
Difference between projected and actual investment earnings	-	9,780,137
Contributions subsequent to the measurement date	1,482,133	-
Total	\$ 3,027,036	\$ 10,006,289

\$1,482,133 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the NPL/A for the fiscal year ending September 30, 2023. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ended	Pension Expense
September 30:	
2023	\$ (850,467)
2024	(3,246,067)
2025	(2,333,316)
2026	(2,031,536)
Total	\$ (8,461,386)

E. Other Postemployment Benefits

Healthcare Plan

Plan Description

In order to recognize and reward long-term employees, as well as to provide an incentive for remaining in the County’s employment, the County administers a single-employer defined benefit OPEB plan, known as Polk County Retiree Benefits Trust Plan (the “Plan”). The Commissioners’ Court has been appointed as the trustees for the Plan. The trustees have the power to amend or modify this Plan in order to comply with applicable legal requirements or to carry out the purposes of this Plan.

A separate financial report is not issued for the Plan. The financials are presented within the annual comprehensive financial report of Polk County, Texas.

Each full-time employee who separates from the service of the County and who, at the time of their separation, is eligible for retirement under the TCDRS guidelines, and either (1) has total creditable service with TCDRS and continuous service as a full-time employee of the County for 20 years or more or (2) has total creditable service with TCDRS and continuous service as an elected official of the County for 16 years or more; and whose full salary has been paid entirely from the County funds or grant funds received from Federal, State, or other local governments by the County continuously for 20 years or more or for 16 years or more as an elected official; and is covered by the County group health plan at the time of their

POLK COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2022

retirement will have the same dollar amount contributed towards their group medical premiums by the County that the County contributes towards such premiums for its full-time employees. For employees and elected officials retiring on or after October 1, 2019 who are eligible for the Plan, a maximum of \$800 per month toward the premium for eligible retirees participating in the County’s group health plan (pre-65) will be paid by the County and the retiree will be responsible for any portion of the total premium amount exceeding the County’s maximum contribution.

Upon reaching Medicare eligibility (retiree must have Medicare A and B, and may have to be 65 or older), employees who meet the above requirements will be eligible to participate in the Plan offered by the County. For employees and elected officials retiring on or after October 1, 2018 who are eligible for the Plan, a maximum of \$400 per month toward the premium for eligible retirees electing to participate in the Plan will be paid by the County and the retiree will be responsible for any portion of the total premium amount exceeding the County’s maximum contribution.

Coverage for spouses and dependents who are participants in the County’s group health plan on the date of the employee’s retirement may also be continued. Premiums for spouses and dependents shall be paid by the retiree. Coverage for spouses or dependents ceases at midnight on the last day of any month in which the premium is not received in the Treasurer’s office when due.

The following provides a summary of the number of participants in the plan as of September 30, 2022:

Inactive employees or beneficiaries currently receiving benefits	35
Inactive employees entitled to, but not yet receiving, benefits	-
Active employees	261
Total	296

Net OPEB Liability

The County’s net OPEB liability of \$10,029,193 was determined by an actuarial valuation as of December 31, 2021.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	0.40% to 5.25%, not including wage inflation of 3.00%.
Discount rate	1.84% as of December 31, 2021
Actuarial cost method	Individual entry-age Normal
Demographic assumptions	Based on experience study covering the four-year period ending December 31, 2020 as conducted for the Texas County and District Retirement System (TCDRS). For the OPEB valuation, the standard TCDRS retirement rates were adjusted to reflect the impact of the For healthy retirees, the Pub-2010 General Retirees Tables for males and females are used with male rates multiplied by 135% and female rates multiplied by 120%. Those rates are projected on a fully generational basis based on 100% of the ultimate rates of mortality improvement scale MP-2021.
Mortality	
Healthcare costs trend rates	Pre-65: Initial rate of 7.00% declining to an ultimate rate of 4.25% after 13 years. Post-65: Initial rate of 6.30% declining to an ultimate rate of 4.25% after 13 years.
Participation rates	95% of retirees that are eligible for subsidized coverage; 0% of retirees that are not eligible for subsidized coverage

POLK COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2022

Funding Policy

The County has elected to finance the Plan on a pay-as-you-go basis, paying an amount each year equal to the claims paid.

Investments

The Plan is authorized to invest in the same options available to the County as authorized by the Public Funds Investment Act, Chapter 2256, Texas Government Code. Investments, except for certain investment pools, commercial paper, money market funds, and investment contracts, are reported at fair value. No investments were held by the Plan as of its most recent fiscal year end.

Changes in the Net OPEB Liability

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Changes for the year:			
Service cost	\$ 512,733	\$	\$ 512,733
Interest	251,209		251,209
Change in benefit terms	-		-
Difference between expected and actual experience	(2,036)		(2,036)
Changes in assumption	210,200		210,200
Employer contributions		195,847	(195,847)
Net investment income		7,540	(7,540)
Benefit payments	(327,069)	(327,069)	-
Administrative expense		(8,138)	8,138
Net Changes	645,037	(131,820)	776,857
Beginning balance	12,467,615	\$ 3,215,333	\$ 9,252,282
Ending Balance	\$ 13,112,652	\$ 3,083,513	\$ 10,029,139

Consistent with the requirements of GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, the employer contributions include amounts for OPEB as the benefits come due that will not be reimbursed to the employer using OPEB plan assets. The employer contributions shown above include trust contributions of \$256,726 and implicit benefit payments of \$70,343 which were paid by the County using its own assets.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the County, as well as what the County's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate:

	1% Decrease in Discount Rate (0.84%)	Discount Rate (1.84%)	1% Increase in Discount Rate (2.84%)
County's Net OPEB Liability	\$ 11,974,908	\$ 10,029,139	\$ 8,419,724

POLK COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2022

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the net OPEB liability of the County, as well as what the County's net OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate:

	1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
County's Net OPEB Liability	\$ 9,079,068	\$ 10,029,139	\$ 11,175,190

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended September 30, 2022, the County recognized OPEB expense of \$809,464. The County reported deferred outflows/inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 26,222	\$ 2,241,687
Changes in actuarial assumptions	2,771,713	-
Excess investment returns	62,486	-
Contributions subsequent to the measurement date	284,898	-
Total	\$ 3,145,319	\$ 2,241,687

\$284,898 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the NPL for the fiscal year ending September 30, 2023. Amounts reported as deferred outflows/inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ended September 30	OPEB Expense
2023	\$ 73,145
2024	69,155
2025	68,845
2026	58,029
2027	3,498
Thereafter	346,062
Total	\$ 618,734

F. Jointly Governed and Related Organizations

The Adult Probation and Juvenile Probation divisions are operated as combined departments doing business as the 258th and 411th Community Supervision and Correction Departments (the "Departments"). A different board (the "Board") governs each department, although the District Judges preside on both Boards. The Departments service the counties of Polk, San Jacinto, and Trinity. Each county is required to provide office space for the operations of the Departments. Substantially all of the Departments' funding is provided by the State. The participating counties provide approximately ten percent of the Departments'

POLK COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2022

budgets.

The Juvenile Probation Board consists of the Polk County Judge and the Polk County Court-at-Law Judge, along with two District judges and County judges from San Jacinto and Trinity Counties. The Adult Probation Department’s Board consists of two District judges and the County Court-at-Law Judge from the County. The Departments and their divisions are considered to be legally separate from the County. In addition, the County is not able to appoint a voting majority to either of the Departments’ Boards or otherwise able to impose its will. The Departments are not fiscally dependent on the County since the County’s approvals are ministerial in nature. While the Department’s divisions are closely affiliated with the County, they are not considered to be part of the reporting entity, i.e., component units of the County.

G. Component Unit Disclosures

1. Long-Term Debt

The following is a summary of changes in the Corporation’s total governmental long-term liabilities for the year ended September 30, 2022. The Corporation uses the general fund to liquidate governmental long-term liabilities.

	<u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u>	<u>One Year</u>
Governmental Activities:					
Bonds payable:					
2017 Project Revenue Bonds	\$ 13,760,000	\$ -	\$ (3,740,000)	\$ 10,020,000	\$ 3,225,000
Total Governmental Activities	<u>\$ 13,760,000</u>	<u>\$ -</u>	<u>\$ (3,740,000)</u>	<u>\$ 10,020,000</u>	<u>\$ 3,225,000</u>
			Long-term liabilities due in more than one year	<u>\$ 6,795,000</u>	

In October 2021, the Trustee conducted a Reverse Dutch Auction whereas \$1,975,000 was retired for \$1,573,397, resulting in a gain of \$401,603. In April 2021, the Trustee conducted a Reverse Dutch Auction whereas \$1,765,000 was retired for \$1,588,649, resulting in a gain of \$176,351. This totals a gain for the fiscal year of \$577,954.

Long-term debt obligations of the Corporation as of September 30, 2022 are as follows:

Fiscal Year Ending Sept. 30	Principal	Interest	Total
2023	3,225,000	335,900	3,560,900
2024	3,295,000	270,701	3,565,701
2025	3,355,000	208,010	3,563,010
2026	145,000	8,990	153,990
Total	<u>\$ 10,020,000</u>	<u>\$ 823,601</u>	<u>\$ 10,843,601</u>

Long-term liabilities applicable to the Corporation’s governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities in the governmental fund. Interest on long-term debt is not accrued in the governmental fund, but rather is recognized as an expenditure when due.

The debt service of the 2017 Project Revenue Bonds (the “Bonds”) is payable from project revenues as a result of the operation of the Corporation’s facility. The Bonds do not constitute an obligation, either special, general, or moral, of the County, the State, or any other political subdivision thereof.

POLK COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2022

At least 30, but not more than 60, days prior to any sinking fund payment date, each bond holder shall have right, but not the obligation, to offer its bonds for purchase by the issuer in lieu of sinking fund redemption pursuant to a Reverse Dutch Auction at a price less than the principal amount thereof from funds available therefore in the bond fund.

The Bonds were issued to finance a project that consists of the acquisition of real property in the County and the construction, furnishing, and equipping of a multi-classification secure detention center. Separate financial statements are available from the County Auditor's office.

2. Subsequent Events for Component Unit

Reverse Dutch Auction

Subsequent to year end, the Trustees initiated the November 2022 Reverse Dutch Auction in which \$1,650,000 in bonds was retired for \$1,604,400, resulting in a gain on extinguishment of debt of \$45,600. The next Reverse Dutch Auction is scheduled for April 2023, of which the results are presently unknown.

REQUIRED SUPPLEMENTARY INFORMATION

POLK COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Page 1 of 2)
GENERAL FUND
For the Year Ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues				
Property taxes	\$ 15,096,584	\$ 15,096,584	\$ 15,081,725	\$ (14,859)
Sales taxes	2,800,000	2,800,000	3,548,077	748,077
Other taxes	368,000	368,000	547,040	179,040
Fines and forfeitures	610,850	610,850	490,728	(120,122)
Charges for services	1,238,900	1,238,900	1,379,545	140,645
Intergovernmental	1,089,800	1,093,736	1,649,963	556,227
Licenses and permits	268,375	268,985	345,590	76,605
Investment income	20,000	20,000	207,265	187,265
Other revenue	1,460,258	1,988,065	1,747,560	(240,505)
Total Revenues	22,952,767	23,485,120	24,997,493	1,512,373
Expenditures				
General Government:				
County Judge	262,475	262,475	258,120	4,355
Commissioners' Court	1,167,982	944,490	825,413	119,077
County Clerk	746,667	1,136,132	1,094,640	41,492
County Treasurer	186,837	191,165	182,085	9,080
County Auditor	415,412	417,543	331,965	85,578
Data processing	633,191	648,700	630,356	18,344
Human resources	216,661	219,071	202,967	16,104
Fire Marshall	104,667	104,673	83,579	21,094
Maintenance	945,650	954,644	859,325	95,319
Fire department support	209,710	221,785	220,913	872
Emergency management	337,475	510,365	460,293	50,072
General operating	1,483,859	1,454,859	1,443,021	11,838
Grants and contracts	59,416	59,416	57,369	2,047
Other unclassified	792,722	758,650	423,714	334,936
	7,562,724	7,883,968	7,073,760	810,208
Administration of Justice:				
Jury	97,137	97,137	84,105	13,032
County Court-at-law	802,469	805,618	745,566	60,052
District Clerk	602,355	603,810	523,974	79,836
District Judges	1,222,470	1,259,509	1,102,686	156,823
Pretrial services	4,000	1,250	1,250	-
Justice of the Peace Pct. 1	246,865	247,803	240,353	7,450
Justice of the Peace Pct. 2	206,610	209,876	205,919	3,957
Justice of the Peace Pct. 3	196,361	196,361	185,792	10,569
Justice of the Peace Pct. 4	205,402	208,609	190,122	18,487
District Attorney	1,293,011	1,297,344	978,212	319,132
Sheriff	4,161,883	4,299,367	4,090,184	209,183
Jail	3,558,239	3,692,016	3,692,016	-
Constables	245,966	249,121	228,127	20,994
Department of Public Safety	78,329	78,329	76,533	1,796
	12,921,097	13,246,150	12,344,839	901,311

POLK COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Page 2 of 2)
GENERAL FUND
For the Year Ended September 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Expenditures (continued)</u>				
Health and Human Services:				
Museum	\$ 64,233	\$ 64,233	\$ 61,705	\$ 2,528
Permit/inspections	112,164	123,335	119,105	4,230
Social services	439,985	439,985	265,092	174,893
Veterans services	65,895	65,895	61,821	4,074
County extension	123,120	123,665	115,841	7,824
Environmental services	103,633	101,133	71,862	29,271
	<u>909,030</u>	<u>918,246</u>	<u>695,426</u>	<u>222,820</u>
Tax Administration:				
Appraisal District	501,057	501,057	497,203	3,854
Tax Assessor-Collector	1,049,319	1,049,259	918,247	131,012
	<u>1,550,376</u>	<u>1,550,316</u>	<u>1,415,450</u>	<u>134,866</u>
Debt Service:				
Principal	-	54,437	54,437	-
Interest and fiscal charges	-	759	759	-
Debt issuance costs	-	111,734	111,734	-
	<u>-</u>	<u>166,930</u>	<u>166,930</u>	<u>-</u>
Capital Outlay	<u>220,000</u>	<u>595,315</u>	<u>543,914</u>	<u>51,401</u>
Total Expenditures	<u>23,163,227</u>	<u>24,360,925</u>	<u>22,240,319</u>	<u>2,120,606</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>(210,460)</u>	<u>(875,805)</u>	<u>2,757,174</u>	<u>3,632,979</u>
<u>Other Financing Sources (Uses)</u>				
Transfers in	554,977	554,977	554,979	2
Transfers (out)	(344,077)	(709,057)	(697,857)	11,200
Debt issuance	-	114,335	226,707	112,372
Total Other Financing Sources	<u>210,900</u>	<u>(39,745)</u>	<u>83,829</u>	<u>123,574</u>
Net Change in Fund Balance	<u>\$ 440</u>	<u>\$ (915,550)</u>	<u>2,841,003</u>	<u>\$ 3,756,553</u>
Beginning fund balance			<u>16,290,703</u>	
Ending Fund Balance			<u>\$ 19,131,706</u>	

Notes to Required Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

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POLK COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ROAD AND BRIDGE FUND
For the Year Ended September 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Property taxes	\$ 5,511,348	\$ 5,511,348	\$ 5,503,452	\$ (7,896)
Other taxes	985,000	985,000	963,180	(21,820)
Fines and forfeitures	72,500	72,500	91,506	19,006
Intergovernmental	49,300	150,490	444,200	293,710
Investment income	1,200	1,200	15,227	14,027
Other revenue	-	423,832	431,317	7,485
Total Revenues	<u>6,619,348</u>	<u>7,144,370</u>	<u>7,448,882</u>	<u>304,512</u>
<u>Expenditures</u>				
Roads and bridges:				
Precinct 1	1,467,478	1,660,438	1,550,617	109,821
Precinct 2	1,514,699	2,335,385	2,230,430	104,955
Precinct 3	1,829,531	2,061,768	1,875,009	186,759
Precinct 4	1,765,878	2,051,360	1,929,956	121,404
Debt service:				
Principal	1,122,986	1,140,239	1,140,239	-
Interest	34,777	38,788	38,788	-
Capital outlay	<u>1,131,480</u>	<u>1,499,658</u>	<u>1,276,483</u>	<u>223,175</u>
Total Expenditures	<u>8,866,829</u>	<u>10,787,636</u>	<u>10,041,522</u>	<u>746,114</u>
(Deficiency) of Revenues				
(Under) Expenditures	(2,247,481)	(3,643,266)	(2,592,640)	1,050,626
<u>Other Financing Sources (Uses)</u>				
Transfers in	140,001	423,994	412,794	(11,200)
Debt issuance	1,131,480	1,159,980	1,154,469	(5,511)
Sale of capital assets	976,000	976,000	976,000	-
Total Other Financing Sources	<u>2,247,481</u>	<u>2,559,974</u>	<u>2,543,263</u>	<u>(16,711)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (1,083,292)</u>	<u>(49,377)</u>	<u>\$ 1,033,915</u>
Beginning fund balance			<u>1,733,397</u>	
Ending Fund Balance			<u>\$ 1,684,020</u>	

Notes to Required Supplementary Information:

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

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POLK COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
AVAILABLE SCHOOL FUND
For the Year Ended September 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Investment income	\$ -	\$ -	\$ 3,240	\$ 3,240
Other revenue	192,821	192,821	212,831	20,010
Total Revenues	<u>192,821</u>	<u>192,821</u>	<u>216,071</u>	<u>23,250</u>
<u>Expenditures</u>				
General government	192,821	193,014	186,298	6,716
Total Expenditures	<u>192,821</u>	<u>193,014</u>	<u>186,298</u>	<u>6,716</u>
Excess of Revenues Over (Under)				
Expenditures	-	(193)	29,773	29,966
<u>Other Financing (Uses)</u>				
Transfers in	-	-	7,467	7,467
Total Other Financing (Uses)	<u>-</u>	<u>-</u>	<u>7,467</u>	<u>7,467</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (193)</u>	37,240	<u>\$ 37,433</u>
Beginning fund balance			<u>254,556</u>	
Ending Fund Balance			<u>\$ 291,796</u>	

Notes to Required Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

POLK COUNTY, TEXAS

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM

For the Year Ended September 30, 2022

	Measurement Year*			
	2014	2015	2016	2017
Total Pension Liability				
Service cost	\$ 1,609,408	\$ 1,635,340	\$ 1,775,942	\$ 1,800,150
Interest (on the total pension liability)	3,913,810	4,187,330	4,425,097	4,723,059
Changes of benefit terms	-	(312,590)	-	109,415
Difference between expected and actual experience	(345,432)	(878,518)	(940,817)	(637,391)
Change of assumptions	-	575,540	-	183,374
Benefit payments, including refunds of employee contributions	(1,834,960)	(2,054,587)	(2,375,085)	(2,652,608)
Net Change in Total Pension Liability	<u>3,342,826</u>	<u>3,152,515</u>	<u>2,885,137</u>	<u>3,525,999</u>
Beginning total pension liability	<u>48,429,228</u>	<u>51,772,054</u>	<u>54,924,569</u>	<u>57,809,706</u>
Ending Total Pension Liability	<u>\$ 51,772,054</u>	<u>\$ 54,924,569</u>	<u>\$ 57,809,706</u>	<u>\$ 61,335,705</u>
Plan Fiduciary Net Position				
Contributions - employer	\$ 1,311,060	\$ 1,294,127	\$ 1,300,420	\$ 1,438,245
Contributions - employee	742,511	749,514	769,300	787,437
Net investment income	3,140,528	(761,831)	3,616,677	7,556,897
Benefit payments, including refunds of employee contributions	(1,834,961)	(2,054,587)	(2,375,085)	(2,652,608)
Administrative expense	(37,125)	(35,522)	(39,392)	(39,173)
Other	(184,795)	13,191	(406,128)	(6,091)
Net Change in Plan Fiduciary Net Position	<u>3,137,218</u>	<u>(795,108)</u>	<u>2,865,792</u>	<u>7,084,707</u>
Beginning plan fiduciary net position	<u>46,611,088</u>	<u>49,748,306</u>	<u>48,953,198</u>	<u>51,818,990</u>
Ending Plan Fiduciary Net Position	<u>\$ 49,748,306</u>	<u>\$ 48,953,198</u>	<u>\$ 51,818,990</u>	<u>\$ 58,903,697</u>
Net Pension Liability/Asset	<u>\$ 2,023,748</u>	<u>\$ 5,971,371</u>	<u>\$ 5,990,716</u>	<u>\$ 2,432,008</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability/Asset	96.09%	89.13%	89.64%	96.03%
Covered Payroll	\$ 10,607,304	\$ 10,677,523	\$ 11,032,245	\$ 10,957,089
Net Pension Liability/Asset as a Percentage of Covered Payroll	19.08%	55.92%	54.30%	22.20%

*Only eight years of information is currently available. The County will build this schedule over the next two-year period.

Measurement Year*			
2018	2019	2020	2021
\$ 1,689,624	\$ 1,717,165	\$ 1,836,800	\$ 1,992,562
4,992,429	5,292,389	5,575,809	5,811,040
-	-	-	-
6,205	(229,118)	(506,618)	137,410
-	-	4,354,357	2,764
(2,836,014)	(3,196,180)	(3,614,072)	(3,972,726)
<u>3,852,244</u>	<u>3,584,256</u>	<u>7,646,276</u>	<u>3,971,050</u>
<u>61,335,705</u>	<u>65,187,949</u>	<u>68,772,205</u>	<u>76,418,481</u>
<u>\$ 65,187,949</u>	<u>\$ 68,772,205</u>	<u>\$ 76,418,481</u>	<u>\$ 80,389,531</u>
\$ 1,520,716	\$ 1,571,701	\$ 1,726,462	\$ 1,745,023
794,408	826,589	850,539	859,617
(1,103,184)	9,398,114	6,790,911	15,533,143
(2,836,014)	(3,196,180)	(3,614,072)	(3,972,726)
(45,962)	(50,109)	(52,269)	(46,274)
(9,768)	(18,068)	(24,172)	(19,119)
<u>(1,679,804)</u>	<u>8,532,047</u>	<u>5,677,399</u>	<u>14,099,664</u>
<u>58,903,697</u>	<u>57,223,893</u>	<u>65,755,940</u>	<u>71,433,339</u>
<u>\$ 57,223,893</u>	<u>\$ 65,755,940</u>	<u>\$ 71,433,339</u>	<u>\$ 85,533,003</u>
<u>\$ 7,964,056</u>	<u>\$ 3,016,265</u>	<u>\$ 4,985,142</u>	<u>\$ (5,143,472)</u>
87.78%	95.61%	93.48%	106.40%
\$ 11,348,691	\$ 11,808,411	\$ 12,150,551	\$ 12,280,241
70.18%	25.54%	41.03%	-41.88%

POLK COUNTY, TEXAS
SCHEDULE OF CONTRIBUTIONS
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM
For the Year Ended September 30, 2022

	Fiscal Year*			
	2014	2015	2016	2017
Actuarially determined contribution	\$ 1,289,676	\$ 1,302,182	\$ 1,257,017	\$ 1,375,377
Contributions in relation to the actuarially determined contribution	1,289,676	1,302,182	1,257,017	1,375,377
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 Covered payroll	 \$ 10,160,018	 \$ 10,693,266	 \$ 10,597,164	 \$ 10,860,701
 Contributions as a percentage of covered payroll	 12.69%	 12.18%	 11.86%	 12.66%

*Only nine years of information is currently available. The County will build this schedule over the next one-year period.

Notes to Required Supplementary Information:

1. There were no benefit changes during the year.

Fiscal Year*				
2018	2019	2020	2021	2022
\$ 1,494,403	\$ 1,552,232	\$ 1,689,122	\$ 1,726,462	\$ 1,966,866
1,494,403	1,551,911	1,689,122	1,726,462	1,967,651
<u>\$ -</u>	<u>\$ 321</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (785)</u>
\$ 11,244,476	\$ 11,640,558	\$ 12,098,729	\$ 12,242,817	\$ 12,998,517
13.29%	13.33%	13.96%	14.10%	15.14%

POLK COUNTY, TEXAS
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
For the Year Ended September 30, 2022

	Measurement Year*			
	2017	2018	2019	2020
Total OPEB Liability				
Service cost	\$ 1,056,692	\$ 1,277,734	\$ 386,941	\$ 447,446
Interest (on the total OPEB liability)	658,785	682,731	373,435	322,394
Changes of benefit terms	-	(8,228,980)	-	(594,278)
Difference between expected and actual experience	(2,118)	(3,792,181)	39,938	(238,270)
Changes of assumptions	1,746,883	224,992	1,143,965	1,193,271
Benefit payments	(219,817)	(250,958)	(308,230)	(325,265)
Net Change in Total OPEB Liability	3,240,425	(10,086,662)	1,636,049	805,298
Beginning total OPEB liability	16,872,505	20,112,930	10,026,268	11,662,317
Ending Total OPEB Liability	\$ 20,112,930	\$ 10,026,268	\$ 11,662,317	\$ 12,467,615
Plan Fiduciary Net Position				
Contributions - employer	\$ 514,673	\$ 580,708	\$ 663,699	\$ 1,272,783
OPEB plan net investment income	15,783	21,707	49,164	14,094
Benefit payments	(219,817)	(250,958)	(308,230)	(325,265)
OPEB plan administrative expense	(6,798)	(1,800)	(3,000)	-
Other	-	-	-	-
Net Change in Plan Fiduciary Net Position	303,841	349,657	401,633	961,612
Beginning plan fiduciary net position	1,198,590	1,502,431	1,852,088	2,253,721
Ending Plan Fiduciary Net Position	\$ 1,502,431	\$ 1,852,088	\$ 2,253,721	\$ 3,215,333
Net OPEB Liability	\$ 18,610,499	\$ 8,174,180	\$ 9,408,596	\$ 9,252,282
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	7.47%	18.47%	19.32%	25.79%
Covered Payroll	\$ 9,598,064	\$ 11,348,691	\$ 11,808,411	\$ 10,529,006
Net OPEB Liability as a Percentage of Covered Payroll	193.90%	72.03%	79.68%	87.87%

*Only five years of information is currently available. The County will build this schedule over the next five-year period.

Notes to Required Supplementary Information:

1. Changes in Assumptions

Changes of assumptions reflect a change in the single discount rate from 2.00% as of December 31, 2020 to 1.84% as of December 31, 2021, and the demographic and salary increase assumptions were updated to reflect the 2021 TCDRS experience study.

**Measurement
Year***
2021

\$ 512,733
251,209
-

(2,036)
210,200
(327,069)
645,037

12,467,615
\$ 13,112,652

\$ 195,847
7,540
(327,069)
(8,138)
-
(131,820)

3,215,333
\$ 3,083,513

\$ 10,029,139

23.52%

\$ 12,145,304

82.58%

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***COMBINING STATEMENTS
AND SCHEDULES***

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

County and District Court Technology - This fund and the associated fees assessed to certain offenders and case filings were approved by the Legislature and became effective in late 2009. Monies will be utilized, per statute, to improve the technology in County and District courts.

Courthouse Security Fund - This fund is used to account for special fees collected by the District clerk and County clerk for the purpose of defraying expenses related to providing security in the County's court rooms.

Law Library Fund - This fund accounts for revenues and expenditures to maintain a County law library at the County seat. Commissioners' Court has established a fee for each civil case filed in the County or District

Aging Fund - This fund is used to account for a program created by the County and is funded in part by the Deep East Texas Council of Governments. This program provides senior citizens with nutrition and activity centers, home delivered meal programs, and counseling.

County Records Management Fund - Fees collected by the District clerk and County clerk-at-law, as approved by the Texas Legislature, are accounted for in this fund. The requests to expend funds collected are addressed to Commissioners' Court.

County Clerk Records Preservation Fund - Fees collected by the County clerk for filing official documents, such as birth and death certificates, are deposited in this fund and are expended for the purpose of preservation of documents within the County clerk's office.

Hotel/Motel Tax Fund - This fund is used to account for revenues generated from a hotel/motel occupancy tax and expenditures for improvements that serve the purpose of attracting visitors and tourists.

Justice Court Technology Fund - This fund is used to account for fees collected by Justice Court and designated for technology expenditures.

Historical Commission Fund - Revenues received by the Historical Commission are recorded in this fund. The purpose of the fund is to preserve the heritage of the Polk County area and to promote its history.

District Attorney Collection Fund - Fees collected in connection with processing checks issued or passed in violation of the Texas Penal Code are deposited in this fund and used for the purposes of defraying the salaries and expenses of the District attorney.

District Clerk Records Preservation Fund - This fund is used to account for records preserved by the District clerk and fees collected.

Forfeiture Fund - Funds collected in connection with gambling, drug seizures, and forfeitures for the use of the District attorney or sheriff are deposited into this fund. Depending on the nature of funds obtained, these monies can be used for either department.

District Clerk TDCJ Fund - Monies contributed by the Texas Department of Criminal Justice (TDCJ) to help offset the additional costs of the District clerk's office for having a prison located within the County are recorded within this fund.

Judiciary Fund - Fees collected by the County and District clerk for various agencies are accumulated in this fund until payment is made.

Officials' Fee Account Fund - This fund is used to account for monies held in official fee bank accounts. County officials (two justices of the peace and the County clerk) have bank accounts into which they deposit their collections.

Sheriff Federal Revenue Sharing Fund - This fund is used to account for revenues seized and distributed by the federal government to the County.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

Special Revenue Funds (continued)

District Attorney's Check Restitution Fund - This fund is used to collect and remit restitution for insufficient checks. Fees collected are remitted to the District Attorney collection fund.

Waste Management Fund - This fund is used to account for all revenues generated from the operation of the County landfill and citizens' collection stations.

Jail Commissary Fund - This fund is used to account for all revenues generated from the County's jails.

District Attorney Special Fund - Money requested by the District Attorney from the State is deposited into this fund and used for the purposes of defraying costs of salaries within the District Attorney's office. Also, funds from the State for the District Attorney's investigators for education and training expenses are included.

Justice Court Building Security Fund - This fund is used to account for special fees collected for the purpose of defraying expenses related to providing security in the County's court rooms.

Pre-Trial Intervention Fund - This fund is used to account for special fees collected for the purpose of defraying expenses related to the pretrial intervention program.

Child Abuse Prevention Fund - This fund is used to account for special fees collected for the purpose of child abuse prevention.

Fire Marshall - This fund is restricted for the administration and enforcement of the fire code.

Guardianship Fund - This fund is used to account for the legislated fees collected in probate cases and administered by the Commissioners' Court for guardianship programs.

Court Reporter Service Fund - This fund is used to account for the legislated fees collected as a court cost in civil cases to be used to assist in the payment of court-reporter related services.

Grant Fund - This fund is used to account for funds received from State and/or Federal Grant programs and utilized for restricted purposes, such as disaster recovery.

Court Facility Fee - This fund is used to account for fees collected that may be used by a county only to fund the construction, renovation, or improvement of facilities that house the courts or to pay the principal of, interest on, and costs of issuance of bonds, including refunding bonds, issued for the construction, renovation, or

County Speciality Court Fund - This fund is used to account for fees collected for special purposes.

Language Access Fund - This fund is used to account for fees collected to provide language access services for individuals appearing before the court or receiving court services.

Permanent Fund

Permanent funds are governmental funds which are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's

Permanent School Fund - This fund is used to account for mineral lease revenue derived from property awarded in Texas land grants to be held for the benefit of schools within the County. These funds may be distributed if approved by the Commissioners' Court.

POLK COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (page 1 of 4)
September 30, 2022

	Special Revenue Funds			
	County and District Court Technology	Courthouse Security	Law Library	Aging
Assets				
Cash and cash equivalents	\$ 11,970	\$ 114,649	\$ 107,538	\$ 49,717
Receivables, net	-	-	-	14,773
Total Assets	\$ 11,970	\$ 114,649	\$ 107,538	\$ 64,490
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities:				
Accounts payable	\$ -	\$ 4,274	\$ 162	\$ 8,508
Unearned revenue	-	-	-	-
Due to other funds	-	-	-	-
Due to other units	-	-	-	-
Total Liabilities	-	4,274	162	8,508
Deferred Inflows of Resources:				
Unavailable revenue - leases	-	-	-	-
Fund Balances:				
Restricted:				
Special projects	11,970	110,375	107,376	55,982
Capital projects	-	-	-	-
Endowments/trusts	-	-	-	-
Total Fund Balances	11,970	110,375	107,376	55,982
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 11,970	\$ 114,649	\$ 107,538	\$ 64,490

Special Revenue Funds

County Records Mgmt.	County Clerk Records Preservation	Hotel/Motel Tax	Justice Court Technology	Historical Commission	Language Access
\$ 8,891	\$ 1,041,758	\$ 113,082	\$ 6,646	\$ 322,747	\$ 1,890
-	-	5,640	-	-	-
<u>\$ 8,891</u>	<u>\$ 1,041,758</u>	<u>\$ 118,722</u>	<u>\$ 6,646</u>	<u>\$ 322,747</u>	<u>\$ 1,890</u>
\$ -	\$ 850	\$ 10,047	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>850</u>	<u>10,047</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
8,891	1,040,908	108,675	6,646	322,747	1,890
-	-	-	-	-	-
-	-	-	-	-	-
<u>8,891</u>	<u>1,040,908</u>	<u>108,675</u>	<u>6,646</u>	<u>322,747</u>	<u>1,890</u>
<u>\$ 8,891</u>	<u>\$ 1,041,758</u>	<u>\$ 118,722</u>	<u>\$ 6,646</u>	<u>\$ 322,747</u>	<u>\$ 1,890</u>

POLK COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (page 2 of 4)
September 30, 2022

	Special Revenue Funds			
	District Attorney Collection	District Clerk Records Preservation	Forfeiture	District Clerk TDCJ
Assets				
Cash and cash equivalents	\$ 29,239	\$ 170,244	\$ 612,529	\$ 2,312
Receivables, net	-	-	-	-
Total Assets	\$ 29,239	\$ 170,244	\$ 612,529	\$ 2,312
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities:				
Accounts payable	\$ 431	\$ -	\$ 80	\$ -
Unearned revenue	-	-	-	-
Due to other funds	-	-	-	-
Due to other units	-	-	-	-
Total Liabilities	431	-	80	-
Deferred Inflows of Resources:				
Unavailable revenue - leases	-	-	-	-
Fund Balances:				
Restricted:				
Special projects	28,808	170,244	612,449	2,312
Capital projects	-	-	-	-
Endowments/trusts	-	-	-	-
Total Fund Balances	28,808	170,244	612,449	2,312
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 29,239	\$ 170,244	\$ 612,529	\$ 2,312

Special Revenue Funds

Judiciary	Officials' Fee Account	Sheriff Federal Revenue Sharing	District Attorney's Check Restitution	Waste Management	Jail Commissary
\$ 13,747	\$ 1,475	\$ 26,538	\$ 288	\$ 579,162	\$ 164,095
13,257	-	-	-	-	764
<u>\$ 27,004</u>	<u>\$ 1,475</u>	<u>\$ 26,538</u>	<u>\$ 288</u>	<u>\$ 579,162</u>	<u>\$ 164,859</u>
\$ 27,004	\$ -	\$ -	\$ 288	\$ 4,510	\$ 1,312
-	-	-	-	-	-
-	-	-	-	-	-
-	98	-	-	-	-
<u>27,004</u>	<u>98</u>	<u>-</u>	<u>288</u>	<u>4,510</u>	<u>1,312</u>
-	-	-	-	-	-
-	1,377	26,538	-	574,652	163,547
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>1,377</u>	<u>26,538</u>	<u>-</u>	<u>574,652</u>	<u>163,547</u>
\$ 27,004	\$ 1,475	\$ 26,538	\$ 288	\$ 579,162	\$ 164,859

POLK COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (page 3 of 4)
September 30, 2022

	Special Revenue Funds			
	District Attorney Special	Justice Court Building Security	Pre-Trial Intervention	Child Abuse Prevention
Assets				
Cash and cash equivalents	\$ 4,967	\$ 43,407	\$ 140,483	\$ 2,589
Receivables, net	-	-	-	-
Total Assets	\$ 4,967	\$ 43,407	\$ 140,483	\$ 2,589
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities:				
Accounts payable	\$ 4,644	\$ -	\$ -	\$ -
Unearned revenue	-	-	-	-
Due to other funds	-	-	-	-
Due to other units	-	-	-	-
Total Liabilities	4,644	-	-	-
Deferred Inflows of Resources:				
Unavailable revenue - leases	-	-	-	-
Fund Balances:				
Restricted:				
Special projects	323	43,407	140,483	2,589
Capital projects	-	-	-	-
Endowments/trusts	-	-	-	-
Total Fund Balances	323	43,407	140,483	2,589
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 4,967	\$ 43,407	\$ 140,483	\$ 2,589

Special Revenue Funds

Fire Marshall	Guardianship	Court Reporter Service	Grant	Court Facility Fee	County Specialty Court
\$ 5,086	\$ 16,523	\$ 768	\$ 44,950	\$ 12,620	\$ 4,503
-	-	-	74,787	-	-
<u>\$ 5,086</u>	<u>\$ 16,523</u>	<u>\$ 768</u>	<u>\$ 119,737</u>	<u>\$ 12,620</u>	<u>\$ 4,503</u>
\$ -	\$ -	\$ -	\$ 4,698	\$ -	\$ -
-	-	-	98,058	-	-
-	-	-	16,981	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>119,737</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
5,086	16,523	768	-	12,620	-
-	-	-	-	-	4,503
-	-	-	-	-	-
<u>5,086</u>	<u>16,523</u>	<u>768</u>	<u>-</u>	<u>12,620</u>	<u>4,503</u>
<u>\$ 5,086</u>	<u>\$ 16,523</u>	<u>\$ 768</u>	<u>\$ 119,737</u>	<u>\$ 12,620</u>	<u>\$ 4,503</u>

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POLK COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (page 4 of 4)
September 30, 2022

	<u>Permanent Fund</u>	
	<u>Permanent School</u>	<u>Total Nonmajor Governmental Funds</u>
<u>Assets</u>		
Cash and cash equivalents	\$ 756,287	\$ 4,410,700
Receivables, net	-	109,221
Total Assets	<u>\$ 756,287</u>	<u>\$ 4,519,921</u>
<u>Liabilities, Deferred Inflows of Resources, and Fund Balances</u>		
<u>Liabilities:</u>		
Accounts payable	\$ -	\$ 66,808
Unearned revenue	-	98,058
Due to other funds	-	16,981
Due to other units	-	98
Total Liabilities	<u>-</u>	<u>181,945</u>
<u>Deferred Inflows of Resources:</u>		
Unavailable revenue - leases	-	-
<u>Fund Balances:</u>		
Restricted:		
Special projects	-	3,577,186
Capital projects	-	4,503
Endowments/trusts	756,287	756,287
Total Fund Balances	<u>756,287</u>	<u>4,337,976</u>
Total Liabilities, Deferred Inflows of of Resources, and Fund Balances	<u>\$ 756,287</u>	<u>\$ 4,519,921</u>

POLK COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (page 1 of 4)
For the Year Ended September 30, 2022

	Special Revenue Funds			
	County and District Court Technology	Courthouse Security	Law Library	Aging
Revenues				
Other taxes	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	1,167	8,085	-	-
Charge for services	-	34,648	25,107	-
Intergovernmental	-	-	-	419,289
Investment income	-	-	-	-
Other revenue	-	-	-	40
Total Revenues	1,167	42,733	25,107	419,329
Expenditures				
Current:				
General government	-	-	6,998	-
Administration of justice	1,047	121,297	-	-
Health and human services	-	-	-	435,915
Capital outlay	-	-	-	-
Total Expenditures	1,047	121,297	6,998	435,915
Excess (Deficiency) of Revenues Over (Under) Expenditures	120	(78,564)	18,109	(16,586)
Other Financing Sources (Uses)				
Transfers in	-	168,077	-	-
Transfers (out)	-	-	-	-
Debt issuance	-	1,527	-	-
Total Other Financing Sources (Uses)	-	169,604	-	-
Net Change in Fund Balances	120	91,040	18,109	(16,586)
Beginning fund balances	11,850	19,335	89,267	72,568
Ending Fund Balances	\$ 11,970	\$ 110,375	\$ 107,376	\$ 55,982

Special Revenue Funds

County Records Mgmt.	County Clerk Records Preservation	Hotel/Motel Tax	Justice Court Technology	Historical Commission	Language Access
\$ -	\$ -	\$ 49,960	\$ -	\$ -	\$ -
-	-	-	8,720	-	-
7,870	313,156	-	-	-	-
-	-	-	-	-	-
-	2,231	-	-	2,768	-
-	-	-	-	5,000	1,890
<u>7,870</u>	<u>315,387</u>	<u>49,960</u>	<u>8,720</u>	<u>7,768</u>	<u>1,890</u>
16,000	184,103	36,491	-	-	-
-	-	-	65,830	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>16,000</u>	<u>184,103</u>	<u>36,491</u>	<u>65,830</u>	<u>-</u>	<u>-</u>
<u>(8,130)</u>	<u>131,284</u>	<u>13,469</u>	<u>(57,110)</u>	<u>7,768</u>	<u>1,890</u>
-	-	-	60,838	-	-
(24,044)	(154,977)	-	-	-	-
-	-	-	-	-	-
<u>(24,044)</u>	<u>(154,977)</u>	<u>-</u>	<u>60,838</u>	<u>-</u>	<u>-</u>
(32,174)	(23,693)	13,469	3,728	7,768	1,890
41,065	1,064,601	95,206	2,918	314,979	-
<u>\$ 8,891</u>	<u>\$ 1,040,908</u>	<u>\$ 108,675</u>	<u>\$ 6,646</u>	<u>\$ 322,747</u>	<u>\$ 1,890</u>

POLK COUNTY, TEXAS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS (page 2 of 4)
For the Year Ended September 30, 2022

	Special Revenue Funds			
	District Attorney Collection	District Clerk Records Preservation	Forfeiture	District Clerk TDCJ
Revenues				
Other taxes	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	-
Charge for services	-	25,774	-	-
Intergovernmental	-	-	156,752	-
Investment income	-	-	2,351	-
Other revenue	-	-	-	-
Total Revenues	-	25,774	159,103	-
Expenditures				
Current:				
General government	-	-	-	-
Administration of justice	1,287	17,750	245,930	5,116
Health and human services	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	1,287	17,750	245,930	5,116
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,287)	8,024	(86,827)	(5,116)
Other Financing Sources (Uses)				
Transfers in	-	75,290	-	-
Transfers (out)	-	-	-	-
Debt issuance	-	-	-	-
Total Other Financing Sources (Uses)	-	75,290	-	-
Net Change in Fund Balances	(1,287)	83,314	(86,827)	(5,116)
Beginning fund balances	30,095	86,930	699,276	7,428
Ending Fund Balances	\$ 28,808	\$ 170,244	\$ 612,449	\$ 2,312

Special Revenue Funds

Judiciary	Officials' Fee Account	Sheriff Federal Revenue Sharing	District Attorney's Check Restitution	Waste Management	Jail Commissary
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	559,059	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	6,915	64,781
-	-	-	-	565,974	64,781
-	-	-	-	-	-
-	33,568	-	-	-	41,147
-	-	-	-	-	-
-	-	-	-	40,657	-
-	33,568	-	-	40,657	41,147
-	(33,568)	-	-	525,317	23,634
-	-	-	-	4,900	-
-	-	-	-	(400,000)	-
-	-	-	-	-	-
-	-	-	-	(395,100)	-
-	(33,568)	-	-	130,217	23,634
-	34,945	26,538	-	444,435	139,913
\$ -	\$ 1,377	\$ 26,538	\$ -	\$ 574,652	\$ 163,547

POLK COUNTY, TEXAS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS (page 3 of 4)
For the Year Ended September 30, 2022

	Special Revenue Funds			
	District Attorney Special	Justice Court Building Security	Pre-Trial Intervention	Child Abuse Prevention
Revenues				
Other taxes	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	457	-	-
Charge for services	-	-	-	-
Intergovernmental	-	-	15,876	108
Investment income	-	-	-	-
Other revenue	16,382	-	-	-
Total Revenues	16,382	457	15,876	108
Expenditures				
Current:				
General government	-	-	-	-
Administration of justice	19,112	-	1,800	-
Health and human services	-	-	-	-
Capital outlay	-	8,444	-	-
Total Expenditures	19,112	8,444	1,800	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,730)	(7,987)	14,076	108
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Debt issuance	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(2,730)	(7,987)	14,076	108
Beginning fund balances	3,053	51,394	126,407	2,481
Ending Fund Balances	\$ 323	\$ 43,407	\$ 140,483	\$ 2,589

Special Revenue Funds

Fire Marshall	Guardianship	Court Reporter Service	Grant	Court Facility Fee	County Specialty Court
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	434	-	-	-
5,626	7,262	-	291,369	12,620	-
-	-	-	-	-	-
665	-	-	-	-	-
<u>6,291</u>	<u>7,262</u>	<u>434</u>	<u>291,369</u>	<u>12,620</u>	<u>-</u>
7,047	-	-	248,994	-	-
-	-	-	42,375	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>7,047</u>	<u>-</u>	<u>-</u>	<u>291,369</u>	<u>-</u>	<u>-</u>
<u>(756)</u>	<u>7,262</u>	<u>434</u>	<u>-</u>	<u>12,620</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(756)	7,262	434	-	12,620	-
5,842	9,261	334	-	-	4,503
<u>\$ 5,086</u>	<u>\$ 16,523</u>	<u>\$ 768</u>	<u>\$ -</u>	<u>\$ 12,620</u>	<u>\$ 4,503</u>

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POLK COUNTY, TEXAS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS (page 4 of 4)
For the Year Ended September 30, 2022

	<u>Permanent Fund</u>	
	<u>Permanent School</u>	<u>Total Nonmajor Governmental Funds</u>
<u>Revenues</u>		
Other taxes	\$ -	\$ 49,960
Fines and forfeitures	-	18,429
Charge for services	-	966,048
Intergovernmental	-	908,902
Investment income	5,600	12,950
Other revenue	226,011	321,684
Total Revenues	<u>231,611</u>	<u>2,277,973</u>
<u>Expenditures</u>		
Current:		
General government	35,218	534,851
Administration of justice	-	596,259
Health and human services	-	435,915
Capital outlay	-	49,101
Total Expenditures	<u>35,218</u>	<u>1,616,126</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>196,393</u>	<u>661,847</u>
<u>Other Financing Sources (Uses)</u>		
Transfers in	-	309,105
Transfers (out)	(7,467)	(586,488)
Debt issuance	-	1,527
Total Other Financing Sources (Uses)	<u>(7,467)</u>	<u>(275,856)</u>
Net Change in Fund Balances	188,926	385,991
Beginning fund balances	<u>567,361</u>	<u>3,951,985</u>
Ending Fund Balances	<u>\$ 756,287</u>	<u>\$ 4,337,976</u>

POLK COUNTY, TEXAS
COMBINING ROAD AND BRIDGE SUB-FUNDS
SCHEDULE OF BALANCE SHEET
September 30, 2022

	<u>Road and Bridge Leases</u>	<u>Road and Bridge Precinct No. 1</u>	<u>Road and Bridge Precinct No. 2</u>	<u>Road and Bridge Precinct No. 3</u>
<u>Assets</u>				
Cash and cash equivalents	\$ -	\$ 578,595	\$ 202,216	\$ 858,896
Receivables, net	-	120,907	120,840	145,440
Total Assets	<u>\$ -</u>	<u>\$ 699,502</u>	<u>\$ 323,056</u>	<u>\$ 1,004,336</u>
<u>Liabilities</u>				
Accounts payable	\$ -	\$ 46,130	\$ 165,346	\$ 32,707
Due to other units	-	-	-	-
Total Liabilities	<u>-</u>	<u>46,130</u>	<u>165,346</u>	<u>32,707</u>
<u>Deferred Inflows of Resources</u>				
Unavailable revenue - property taxes	-	112,438	112,019	135,047
<u>Fund Balances</u>				
Restricted	-	540,934	45,691	836,582
Total Fund Balances	<u>-</u>	<u>540,934</u>	<u>45,691</u>	<u>836,582</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ -</u>	<u>\$ 699,502</u>	<u>\$ 323,056</u>	<u>\$ 1,004,336</u>

Road and Bridge Precinct No. 4	Interfund Activity Elimination	Total Road and Bridge Funds
\$ 374,487	\$ -	\$ 2,014,194
139,961	-	527,148
<u>\$ 514,448</u>	<u>\$ -</u>	<u>\$ 2,541,342</u>
\$ 88,951	\$ -	\$ 333,134
35,209	-	35,209
<u>124,160</u>	<u>-</u>	<u>368,343</u>
<u>129,475</u>	<u>-</u>	<u>488,979</u>
<u>260,813</u>	<u>-</u>	<u>1,684,020</u>
<u>260,813</u>	<u>-</u>	<u>1,684,020</u>
<u>\$ 514,448</u>	<u>\$ -</u>	<u>\$ 2,541,342</u>

POLK COUNTY, TEXAS

COMBINING ROAD AND BRIDGE SUB-FUNDS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Year Ended September 30, 2022

	Road and Bridge Capital Leases	Road and Bridge Precinct No. 1	Road and Bridge Precinct No. 2	Road and Bridge Precinct No. 3
Revenues				
Property taxes	\$ -	\$ 1,264,519	\$ 1,257,961	\$ 1,522,242
Other taxes	-	221,531	221,531	260,059
Fines and forfeitures	-	21,046	21,046	24,707
Intergovernmental	-	107,069	47,334	110,127
Investment income	-	2,249	2,103	6,661
Other	-	202,045	225,144	1,238
Total Revenues	-	1,818,459	1,775,119	1,925,034
Expenditures				
Current:				
Roads and bridges	-	1,550,617	2,230,430	1,875,009
Debt service:				
Principal	1,122,986	17,253	-	-
Interest charges	38,408	380	-	-
Capital outlay	1,125,969	99,550	50,964	-
Total Expenditures	2,287,363	1,667,800	2,281,394	1,875,009
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,287,363)	150,659	(506,275)	50,025
Other Financing Sources (Uses)				
Debt issued	1,125,969	28,500	-	-
Transfers in	185,394	109,621	238,773	32,200
Transfers (out)	-	(86,727)	(32,889)	(32,889)
Sale of capital assets	976,000	-	-	-
Total Other Financing Sources (Uses)	2,287,363	51,394	205,884	(689)
Net Change in Fund Balances	-	202,053	(300,391)	49,336
Beginning fund balances	-	338,881	346,082	787,246
Ending Fund Balances	\$ -	\$ 540,934	\$ 45,691	\$ 836,582

Road and Bridge Precinct No. 4	Interfund Activity Elimination	Total Road and Bridge Funds
\$ 1,458,730	\$ -	\$ 5,503,452
260,059	-	963,180
24,707	-	91,506
179,670	-	444,200
4,214	-	15,227
2,890	-	431,317
<u>1,930,270</u>	<u>-</u>	<u>7,448,882</u>
1,929,956	-	7,586,012
-	-	1,140,239
-	-	38,788
-	-	1,276,483
<u>1,929,956</u>	<u>-</u>	<u>10,041,522</u>
314	-	(2,592,640)
-	-	1,154,469
32,200	(185,394)	412,794
(32,889)	185,394	-
-	-	976,000
<u>(689)</u>	<u>-</u>	<u>2,543,263</u>
(375)	-	(49,377)
<u>261,188</u>	<u>-</u>	<u>1,733,397</u>
<u>\$ 260,813</u>	<u>\$ -</u>	<u>\$ 1,684,020</u>

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POLK COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND
For the Year Ended September 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Property taxes	\$ 3,309,527	\$ 3,309,527	\$ 3,276,108	\$ (33,419)
Investment income	-	-	5,678	5,678
Total Revenues	<u>3,309,527</u>	<u>3,309,527</u>	<u>3,281,786</u>	<u>(27,741)</u>
<u>Expenditures</u>				
Principal	2,795,000	2,795,000	2,795,000	-
Interest and fiscal charges	514,491	514,491	509,617	4,874
Total Expenditures	<u>3,309,491</u>	<u>3,309,491</u>	<u>3,304,617</u>	<u>4,874</u>
Net Change in Fund Balance	<u>\$ 36</u>	<u>\$ 36</u>	(22,831)	<u>\$ (22,867)</u>
Beginning fund balance			<u>980,275</u>	
Ending Fund Balance			<u>\$ 957,444</u>	

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POLK COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ROAD AND BRIDGE FUND - Precinct One
For the Year Ended September 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Property taxes	\$ 1,266,333	\$ 1,266,333	\$ 1,264,519	\$ (1,814)
Other taxes	226,550	226,550	221,531	(5,019)
Fines and forfeitures	16,675	16,675	21,046	4,371
Intergovernmental	11,339	11,339	107,069	95,730
Investment income	200	200	2,249	2,049
Other	-	198,689	202,045	3,356
Total Revenues	<u>1,521,097</u>	<u>1,719,786</u>	<u>1,818,459</u>	<u>98,673</u>
<u>Expenditures</u>				
Current:				
Precinct 1	1,467,478	1,660,438	1,550,617	109,821
Debt Service:				
Principal	-	17,253	17,253	-
Interest	-	380	380	-
Capital outlay	-	99,550	99,550	-
Total Expenditures	<u>1,467,478</u>	<u>1,777,621</u>	<u>1,667,800</u>	<u>109,821</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>53,619</u>	<u>(57,835)</u>	<u>150,659</u>	<u>208,494</u>
<u>Other Financing Sources (Uses)</u>				
Transfers in	32,200	109,621	109,621	-
Transfers (out)	(85,819)	(86,727)	(86,727)	-
Debt issued	-	28,500	28,500	-
Total Other Financing Sources(Uses)	<u>(53,619)</u>	<u>51,394</u>	<u>51,394</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (6,441)</u>	<u>202,053</u>	<u>\$ 208,494</u>
Beginning fund balance			<u>338,881</u>	
Ending Fund Balance			<u>\$ 540,934</u>	

POLK COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ROAD AND BRIDGE FUND - Precinct Two
For the Year Ended September 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Property taxes	\$ 1,259,766	\$ 1,259,766	\$ 1,257,961	\$ (1,805)
Other taxes	226,550	226,550	221,531	(5,019)
Fines and forfeitures	16,675	16,675	21,046	4,371
Intergovernmental	11,339	11,339	47,334	35,995
Investment income	150	150	2,103	1,953
Other	-	225,143	225,144	1
Total Revenues	<u>1,514,480</u>	<u>1,739,623</u>	<u>1,775,119</u>	<u>35,496</u>
<u>Expenditures</u>				
Current:				
Precinct 2	1,514,699	2,335,385	2,230,430	104,955
Capital outlay	-	50,964	50,964	-
Total Expenditures	<u>1,514,699</u>	<u>2,386,349</u>	<u>2,281,394</u>	<u>104,955</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(219)</u>	<u>(646,726)</u>	<u>(506,275)</u>	<u>140,451</u>
<u>Other Financing Sources (Uses)</u>				
Transfers in	32,200	238,773	238,773	-
Transfers (out)	(31,981)	(32,889)	(32,889)	-
Total Other Financing Sources	<u>219</u>	<u>205,884</u>	<u>205,884</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (440,842)</u>	<u>(300,391)</u>	<u>\$ 140,451</u>
Beginning fund balance			<u>346,082</u>	
Ending Fund Balance			<u>\$ 45,691</u>	

POLK COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ROAD AND BRIDGE FUND - Precinct Three
For the Year Ended September 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Property taxes	\$ 1,524,426	\$ 1,524,426	\$ 1,522,242	\$ (2,184)
Other taxes	265,950	265,950	260,059	(5,891)
Fines and forfeitures	19,575	19,575	24,707	5,132
Intergovernmental	13,311	13,311	110,127	96,816
Investment income	450	450	6,661	6,211
Other	-	-	1,238	1,238
Total Revenues	<u>1,823,712</u>	<u>1,823,712</u>	<u>1,925,034</u>	<u>101,322</u>
<u>Expenditures</u>				
Current:				
Precinct 3	1,829,531	2,061,768	1,875,009	186,759
Capital outlay	-	217,664	-	217,664
Total Expenditures	<u>1,829,531</u>	<u>2,279,432</u>	<u>1,875,009</u>	<u>404,423</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(5,819)</u>	<u>(455,720)</u>	<u>50,025</u>	<u>505,745</u>
<u>Other Financing Sources (Uses)</u>				
Transfers in	37,800	37,800	32,200	(5,600)
Transfers (out)	(31,981)	(32,889)	(32,889)	-
Total Other Financing Sources (Uses)	<u>5,819</u>	<u>4,911</u>	<u>(689)</u>	<u>(5,600)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (450,809)</u>	<u>49,336</u>	<u>\$ 500,145</u>
Beginning fund balance			<u>787,246</u>	
Ending Fund Balance			<u>\$ 836,582</u>	

POLK COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ROAD AND BRIDGE FUND - Precinct Four
For the Year Ended September 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Property taxes	\$ 1,460,823	\$ 1,460,823	\$ 1,458,730	\$ (2,093)
Other taxes	265,950	265,950	260,059	(5,891)
Fines and forfeitures	19,575	19,575	24,707	5,132
Intergovernmental	13,311	114,501	179,670	65,169
Investment income	400	400	4,214	3,814
Other	-	-	2,890	2,890
Total Revenues	<u>1,760,059</u>	<u>1,861,249</u>	<u>1,930,270</u>	<u>69,021</u>
<u>Expenditures</u>				
Current:				
Precinct 4	1,765,878	2,051,360	1,929,956	121,404
Total Expenditures	<u>1,765,878</u>	<u>2,051,360</u>	<u>1,929,956</u>	<u>121,404</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(5,819)</u>	<u>(190,111)</u>	<u>314</u>	<u>190,425</u>
<u>Other Financing Sources (Uses)</u>				
Transfers (in)	37,800	37,800	32,200	(5,600)
Transfers (out)	(31,981)	(32,889)	(32,889)	-
Total Other Financing Sources(Uses)	<u>5,819</u>	<u>4,911</u>	<u>(689)</u>	<u>(5,600)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (185,200)</u>	<u>(375)</u>	<u>\$ 184,825</u>
Beginning fund balance			<u>261,188</u>	
Ending Fund Balance			<u>\$ 260,813</u>	

POLK COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ROAD AND BRIDGE FUND - Leases
For the Year Ended September 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Expenditures</u>				
Debt service:				
Principal	\$ 1,122,986	\$ 1,122,986	\$ 1,122,986	\$ -
Interest	34,777	38,408	38,408	-
Capital outlay	1,131,480	1,131,480	1,125,969	5,511
Total Expenditures	<u>2,289,243</u>	<u>2,292,874</u>	<u>2,287,363</u>	<u>5,511</u>
(Deficiency) of Revenues				
(Under) Expenditures	<u>(2,289,243)</u>	<u>(2,292,874)</u>	<u>(2,287,363)</u>	<u>5,511</u>
<u>Other Financing Sources (Uses)</u>				
Transfers in	181,763	185,394	185,394	-
Debt issued	1,131,480	1,131,480	1,125,969	(5,511)
Sale of capital assets	976,000	976,000	976,000	-
Total Other Financing Sources	<u>2,289,243</u>	<u>2,292,874</u>	<u>2,287,363</u>	<u>(5,511)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Beginning fund balance			<u>-</u>	
Ending Fund Balance			<u>\$ -</u>	

POLK COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY AND DISTRICT COURT TECHNOLOGY
For the Year Ended September 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Fines and forfeitures	\$ 1,600	\$ 1,600	\$ 1,167	\$ 433
Total Revenues	<u>1,600</u>	<u>1,600</u>	<u>1,167</u>	<u>433</u>
<u>Expenditures</u>				
Administration of justice	1,600	2,226	1,047	1,179
Total Expenditures	<u>1,600</u>	<u>2,226</u>	<u>1,047</u>	<u>1,179</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (626)</u>	120	<u>\$ (746)</u>
Beginning fund balance			<u>11,850</u>	
Ending Fund Balance			<u>\$ 11,970</u>	

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COURTHOUSE SECURITY
For the Year Ended September 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Charges for services	\$ 29,800	\$ 29,800	\$ 34,648	\$ 4,848
Fines and forfeitures	-	-	8,085	8,085
Total Revenues	<u>29,800</u>	<u>29,800</u>	<u>42,733</u>	<u>12,933</u>
<u>Expenditures</u>				
Administration of justice	197,877	199,404	121,297	78,107
Total Expenditures	<u>197,877</u>	<u>199,404</u>	<u>121,297</u>	<u>78,107</u>
(Deficiency) of Revenues				
(Under) Expenditures	<u>(168,077)</u>	<u>(169,604)</u>	<u>(78,564)</u>	<u>91,040</u>
<u>Other Financing Sources (Uses)</u>				
Transfers in	168,077	168,077	168,077	-
Debt issuance	-	1,527	1,527	-
Total Other Financing Sources	<u>168,077</u>	<u>169,604</u>	<u>169,604</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	91,040	<u>\$ 91,040</u>
Beginning fund balance			<u>19,335</u>	
Ending Fund Balance			<u>\$ 110,375</u>	

POLK COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
LAW LIBRARY

For the Year Ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for services	\$ 11,000	\$ 11,000	\$ 25,107	\$ 14,107
Total Revenues	<u>11,000</u>	<u>11,000</u>	<u>25,107</u>	<u>14,107</u>
Expenditures				
General government	11,000	11,000	6,998	4,002
Total Expenditures	<u>11,000</u>	<u>11,000</u>	<u>6,998</u>	<u>4,002</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	18,109	<u>\$ 18,109</u>
Beginning fund balance			89,267	
Ending Fund Balance			<u>\$ 107,376</u>	

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
AGING

For the Year Ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 427,115	\$ 427,115	\$ 419,289	\$ (7,826)
Other	-	-	40	40
Total Revenues	<u>427,115</u>	<u>427,115</u>	<u>419,329</u>	<u>(7,786)</u>
Expenditures				
Health and human services	379,579	436,715	435,915	800
Total Expenditures	<u>379,579</u>	<u>436,715</u>	<u>435,915</u>	<u>800</u>
Net Change in Fund Balance	<u>\$ 47,536</u>	<u>\$ (9,600)</u>	(16,586)	<u>\$ (6,986)</u>
Beginning fund balance			72,568	
Ending Fund Balance			<u>\$ 55,982</u>	

POLK COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY RECORDS MANAGEMENT
For the Year Ended September 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Charges for services	\$ 18,000	\$ 18,000	\$ 7,870	\$ (10,130)
Total Revenues	<u>18,000</u>	<u>18,000</u>	<u>7,870</u>	<u>(10,130)</u>
<u>Expenditures</u>				
General government	16,000	16,000	16,000	-
Total Expenditures	<u>16,000</u>	<u>16,000</u>	<u>16,000</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,000</u>	<u>2,000</u>	<u>(8,130)</u>	<u>(10,130)</u>
<u>Other Financing Sources (Uses)</u>				
Transfers (out)	-	(24,044)	(24,044)	-
Total Other Financing Sources	<u>-</u>	<u>(24,044)</u>	<u>(24,044)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 2,000</u>	<u>\$ (22,044)</u>	<u>(32,174)</u>	<u>\$ (10,130)</u>
Beginning fund balance			41,065	
Ending Fund Balance			<u>\$ 8,891</u>	

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY CLERK RECORDS PRESERVATION
For the Year Ended September 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Charges for services	\$ 285,600	\$ 285,600	\$ 313,156	\$ 27,556
Investment income	-	-	2,231	2,231
Total Revenues	<u>285,600</u>	<u>285,600</u>	<u>315,387</u>	<u>29,787</u>
<u>Expenditures</u>				
General government	130,358	189,750	184,103	5,647
Total Expenditures	<u>130,358</u>	<u>189,750</u>	<u>184,103</u>	<u>5,647</u>
Excess of Revenues Over Expenditures	<u>155,242</u>	<u>95,850</u>	<u>131,284</u>	<u>35,434</u>
<u>Other Financing Sources (Uses)</u>				
Transfers (out)	(154,977)	(154,977)	(154,977)	-
Total Other Financing (Uses)	<u>(154,977)</u>	<u>(154,977)</u>	<u>(154,977)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 265</u>	<u>\$ (59,127)</u>	<u>(23,693)</u>	<u>\$ 35,434</u>
Beginning fund balance			1,064,601	
Ending Fund Balance			<u>\$ 1,040,908</u>	

POLK COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
HOTEL/MOTEL TAX
For the Year Ended September 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Other taxes	\$ 25,000	\$ 36,491	\$ 49,960	\$ 13,469
Total Revenues	<u>25,000</u>	<u>36,491</u>	<u>49,960</u>	<u>13,469</u>
<u>Expenditures</u>				
General government	25,000	36,491	36,491	-
Total Expenditures	<u>25,000</u>	<u>36,491</u>	<u>36,491</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	13,469	<u>\$ 13,469</u>
Beginning fund balance			<u>95,206</u>	
Ending Fund Balance			<u>\$ 108,675</u>	

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
JUSTICE COURT TECHNOLOGY
For the Year Ended September 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Fines and forfeitures	\$ 14,070	\$ 14,070	\$ 8,720	\$ (5,350)
Total Revenues	<u>14,070</u>	<u>14,070</u>	<u>8,720</u>	<u>(5,350)</u>
<u>Expenditures</u>				
Administration of justice	50,000	65,830	65,830	-
Total Expenditures	<u>50,000</u>	<u>65,830</u>	<u>65,830</u>	<u>-</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(35,930)</u>	<u>(51,760)</u>	<u>(57,110)</u>	<u>(5,350)</u>
<u>Other Financing Sources (Uses)</u>				
Transfers in	36,000	36,000	60,838	24,838
Total Other Financing Total Other Financing Sources	<u>36,000</u>	<u>36,000</u>	<u>60,838</u>	<u>24,838</u>
Net Change in Fund Balance	<u>\$ 70</u>	<u>\$ (15,760)</u>	3,728	<u>\$ 19,488</u>
Beginning fund balance			<u>2,918</u>	
Ending Fund Balance			<u>\$ 6,646</u>	

POLK COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DISTRICT ATTORNEY COLLECTION
For the Year Ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Expenditures</u>				
Administration of justice	\$ -	\$ 1,287	\$ 1,287	\$ -
Total Expenditures	-	1,287	1,287	-
Net Change in Fund Balance	\$ -	\$ (1,287)	(1,287)	\$ -
Beginning fund balance			30,095	
Ending Fund Balance			\$ 28,808	

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DISTRICT CLERK RECORDS PRESERVATION
For the Year Ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues</u>				
Charges for services	\$ 24,000	\$ 24,000	\$ 25,774	\$ 1,774
Total Revenues	24,000	24,000	25,774	1,774
<u>Expenditures</u>				
Administration of justice	13,126	17,750	17,750	-
Total Expenditures	13,126	17,750	17,750	-
Excess of Revenues Over (Under)				
Expenditures	10,874	6,250	8,024	1,774
<u>Other Financing Sources (Uses)</u>				
Transfers in	-	-	75,290	75,290
Total Other Financing Sources (Uses)	-	-	75,290	75,290
Net Change in Fund Balance	\$ 10,874	\$ 6,250	83,314	\$ 77,064
Beginning fund balance			86,930	
Ending Fund Balance			\$ 170,244	

POLK COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FORFEITURE

For the Year Ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 766	\$ 2,229	\$ 156,752	\$ 154,523
Investment income	-	-	2,351	2,351
Total Revenues	<u>766</u>	<u>2,229</u>	<u>159,103</u>	<u>156,874</u>
Expenditures				
Administration of justice	766	343,456	245,930	97,526
Total Expenditures	<u>766</u>	<u>343,456</u>	<u>245,930</u>	<u>97,526</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (341,227)</u>	<u>(86,827)</u>	<u>\$ 254,400</u>
Beginning fund balance			<u>699,276</u>	
Ending Fund Balance			<u>\$ 612,449</u>	

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
WASTE MANAGEMENT

For the Year Ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for services	\$ 400,000	\$ 447,481	\$ 559,059	\$ 111,578
Other revenue	-	6,915	6,915	-
Total Revenues	<u>400,000</u>	<u>454,396</u>	<u>565,974</u>	<u>111,578</u>
Expenditures				
Capital outlay	-	65,796	40,657	25,139
Total Expenditures	<u>-</u>	<u>65,796</u>	<u>40,657</u>	<u>25,139</u>
Excess of Revenues Over Expenditures	<u>400,000</u>	<u>388,600</u>	<u>525,317</u>	<u>136,717</u>
Other Financing Sources (Uses)				
Transfers in	-	-	4,900	4,900
Transfers (out)	(400,000)	(400,000)	(400,000)	-
Total Other Financing (Uses)	<u>(400,000)</u>	<u>(400,000)</u>	<u>(395,100)</u>	<u>4,900</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (11,400)</u>	<u>130,217</u>	<u>\$ 141,617</u>
Beginning fund balance			<u>444,435</u>	
Ending Fund Balance			<u>\$ 574,652</u>	

POLK COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
JAIL COMMISSARY
For the Year Ended September 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Other	\$ 26,500	\$ 41,790	\$ 64,781	\$ 22,991
Total Revenues	<u>26,500</u>	<u>41,790</u>	<u>64,781</u>	<u>22,991</u>
<u>Expenditures</u>				
Administration of justice	26,500	53,340	41,147	12,193
Total Expenditures	<u>26,500</u>	<u>53,340</u>	<u>41,147</u>	<u>12,193</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (11,550)</u>	23,634	<u>\$ 35,184</u>
Beginning fund balance			139,913	
Ending Fund Balance			<u>\$ 163,547</u>	

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DISTRICT ATTORNEY SPECIAL
For the Year Ended September 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Other	\$ 28,200	\$ 28,200	\$ 16,382	\$ (11,818)
Total Revenues	<u>28,200</u>	<u>28,200</u>	<u>16,382</u>	<u>(11,818)</u>
<u>Expenditures</u>				
Administration of justice	28,200	28,200	19,112	9,088
Total Expenditures	<u>28,200</u>	<u>28,200</u>	<u>19,112</u>	<u>9,088</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	(2,730)	<u>\$ (2,730)</u>
Beginning fund balance			3,053	
Ending Fund Balance			<u>\$ 323</u>	

POLK COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
JUSTICE COURT BUILDING SECURITY
For the Year Ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Fines and forfeitures	\$ 3,400	\$ 3,400	\$ 457	\$ (2,943)
Total Revenues	<u>3,400</u>	<u>3,400</u>	<u>457</u>	<u>(2,943)</u>
Expenditures				
Capital outlay	1,700	9,444	8,444	1,000
Total Expenditures	<u>1,700</u>	<u>9,444</u>	<u>8,444</u>	<u>1,000</u>
Net Change in Fund Balance	<u>\$ 1,700</u>	<u>\$ (6,044)</u>	(7,987)	<u>\$ (1,943)</u>
Beginning fund balance			51,394	
Ending Fund Balance			<u>\$ 43,407</u>	

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
PRE-TRIAL INTERVENTION PROGRAM
For the Year Ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 7,000	\$ 7,000	\$ 15,876	\$ 8,876
Total Revenues	<u>7,000</u>	<u>7,000</u>	<u>15,876</u>	<u>8,876</u>
Expenditures				
Administration of justice	7,000	7,000	1,800	5,200
Total Expenditures	<u>7,000</u>	<u>7,000</u>	<u>1,800</u>	<u>5,200</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	14,076	<u>\$ 14,076</u>
Beginning fund balance			126,407	
Ending Fund Balance			<u>\$ 140,483</u>	

POLK COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CHILD ABUSE PREVENTION
For the Year Ended September 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Intergovernmental	\$ 400	\$ 400	\$ 108	\$ (292)
Total Revenues	<u>400</u>	<u>400</u>	<u>108</u>	<u>(292)</u>
Net Change in Fund Balance	<u>\$ 400</u>	<u>\$ 400</u>	<u>108</u>	<u>\$ (292)</u>
Beginning fund balance			<u>2,481</u>	
Ending Fund Balance			<u>\$ 2,589</u>	

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FIRE MARSHALL
For the Year Ended September 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Intergovernmental	\$ 1,500	\$ 1,500	\$ 5,626	\$ 4,126
Other revenue	-	-	665	665
Total Revenues	<u>1,500</u>	<u>1,500</u>	<u>6,291</u>	<u>4,791</u>
<u>Expenditures</u>				
General government	1,500	7,047	7,047	-
Total Expenditures	<u>1,500</u>	<u>7,047</u>	<u>7,047</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (5,547)</u>	<u>(756)</u>	<u>\$ 4,791</u>
Beginning fund balance			<u>5,842</u>	
Ending Fund Balance			<u>\$ 5,086</u>	

POLK COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GUARDIANSHIP

For the Year Ended September 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Intergovernmental	\$ 2,500	\$ 2,500	\$ 7,262	\$ 4,762
Total Revenues	<u>2,500</u>	<u>2,500</u>	<u>7,262</u>	<u>4,762</u>
Net Change in Fund Balance	<u>\$ 2,500</u>	<u>\$ 2,500</u>	7,262	<u>\$ 4,762</u>
Beginning fund balance			<u>9,261</u>	
Ending Fund Balance			<u>\$ 16,523</u>	

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
PERMANENT SCHOOL

For the Year Ended September 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Investment income	\$ -	\$ -	\$ 5,600	\$ 5,600
Other	25,000	35,251	226,011	190,760
Total Revenues	<u>25,000</u>	<u>35,251</u>	<u>231,611</u>	<u>196,360</u>
<u>Expenditures</u>				
General government	25,000	35,218	35,218	-
Total Expenditures	<u>25,000</u>	<u>35,218</u>	<u>35,218</u>	<u>-</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>-</u>	<u>33</u>	<u>196,393</u>	<u>196,360</u>
<u>Other Financing Sources (Uses)</u>				
Transfers (out)	-	(7,467)	(7,467)	-
Total Other Financing (Uses)	<u>-</u>	<u>(7,467)</u>	<u>(7,467)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (7,434)</u>	188,926	<u>\$ 196,360</u>
Beginning fund balance			<u>567,361</u>	
Ending Fund Balance			<u>\$ 756,287</u>	

POLK COUNTY, TEXAS
COMBINING STATEMENT OF NET POSITION
FIDUCIARY FUNDS
September 30, 2022

	Custodial Funds			
	County Clerk's Probate Trust	District Clerk's Trust	Tax Assessor Collector	Adult Probation
<u>Assets</u>				
Cash and cash equivalents	\$ 651,752	\$ 3,981,601	\$ 1,779,826	\$ 10,247
Due from other units	-	-	-	14,118
Total Assets	651,752	3,981,601	1,779,826	24,365
<u>Liabilities</u>				
Accounts payable	-	-	-	24,365
Total Liabilities	-	-	-	24,365
<u>Net Position</u>				
Restricted for:				
Individuals, organizations, or other governments	651,752	3,981,601	1,779,826	-
Total Net Position	\$ 651,752	\$ 3,981,601	\$ 1,779,826	\$ -

Custodial Funds		
Juvenile Probation	Jail Inmate	Total Custodial Funds
\$ 9,218	\$ 2,140	\$ 6,434,784
9,131	-	23,249
<u>18,349</u>	<u>2,140</u>	<u>6,458,033</u>
18,349	-	42,714
<u>18,349</u>	<u>-</u>	<u>42,714</u>
-	2,140	6,415,319
<u>\$ -</u>	<u>\$ 2,140</u>	<u>\$ 6,415,319</u>

POLK COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS (page 1 of 2)
For the Year Ended September 30, 2022

	Custodial Funds			
	County Clerk's Probate Trust	District Clerk's Trust	Tax Assessor Collector	Adult Probation
<u>Additions</u>				
Intergovernmental	\$ -	\$ -	\$ -	\$ 1,068,298
Other revenue	28,687	3,396,741	109,670,809	-
Investment income	1,151	7,495	16,575	-
Total Additions	29,838	3,404,236	109,687,384	1,068,298
<u>Deductions</u>				
Trust fund recipients	29,386	-	-	-
Criminal departments	-	-	-	1,068,298
Deed recipients	-	3,630,221	-	-
Taxing entities	-	-	107,907,558	-
Total Deductions	29,386	3,630,221	107,907,558	1,068,298
Change in Net Position	452	(225,985)	1,779,826	-
Beginning net position	651,300	4,207,586	-	-
Ending Net Position	\$ 651,752	\$ 3,981,601	\$ 1,779,826	\$ -

See Notes to Financial Statements.

Custodial Funds		
Juvenile Probation	Jail Inmate	Total Custodial Funds
\$ 679,369	\$ 429,280	\$ 2,176,947
-	-	113,096,237
-	-	25,221
<u>679,369</u>	<u>429,280</u>	<u>115,298,405</u>
-	-	29,386
679,369	427,140	2,174,807
-	-	3,630,221
-	-	107,907,558
<u>679,369</u>	<u>427,140</u>	<u>113,741,972</u>
-	2,140	1,556,433
-	-	4,858,886
<u>\$ -</u>	<u>\$ 2,140</u>	<u>\$ 6,415,319</u>

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STATISTICAL SECTION

This part of the 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 says about the County's overall financial health.

Contents

Financial Trends (Page 138)

These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Revenue Capacity (Page 146)

These schedules contain information to help the reader assess the County's most significant local revenue source, property tax.

Debt Capacity (Page 156)

These schedules 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.

Demographic and Economic Information (Page 164)

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

Operating Information (Page 169)

These schedules 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 and the activities it performs.

POLK COUNTY, TEXAS

NET POSITION BY COMPONENT

Last Ten Years

(Accrual basis of accounting)

	Fiscal Year			
	2013	2014	2015	2016
Governmental activities				
Net investment in capital assets	\$ 27,247,770	\$ 29,864,824	\$ 31,763,084	\$ 34,652,210
Restricted	4,430,353	5,567,823	5,576,469	5,766,620
Unrestricted	4,014,357	3,799,287	2,503,356	1,879,843
Total Governmental Activities Net Position	<u>\$ 35,692,480</u>	<u>\$ 39,231,934</u>	<u>\$ 39,842,909</u>	<u>\$ 42,298,673</u>

Fiscal Year					
2017	2018	2019	2020	2021	2022
\$ 36,559,546	\$ 37,695,725	\$ 38,630,639	\$ 40,272,870	\$ 42,402,129	\$ 38,941,024
4,627,091	4,415,662	5,501,000	6,817,883	6,699,618	12,251,734
2,032	(9,836,200)	(1,994,172)	(2,023,023)	1,000,044	3,847,080
<u>\$ 41,188,669</u>	<u>\$ 32,275,187</u>	<u>\$ 42,137,467</u>	<u>\$ 45,067,730</u>	<u>\$ 50,101,791</u>	<u>\$ 55,039,838</u>

POLK COUNTY, TEXAS

CHANGES IN NET POSITION

Last Ten Years

(Accrual basis of accounting)

	Fiscal Year			
	2013	2014	2015	2016
Expenses				
Governmental activities				
General government	\$ 10,804,098	\$ 7,453,356	\$ 7,183,313	\$ 8,247,032
Administration of justice	10,179,505	10,840,429	10,950,781	11,216,535
Roads and bridges	4,732,628	5,182,543	7,124,431	5,864,408
Health and human services	1,068,339	1,121,303	1,044,763	1,192,366
Tax administration	1,174,054	1,247,269	1,235,406	1,240,282
Interest and fiscal agent fees	925,609	937,773	878,067	877,747
Total Governmental Activities Expenses	\$ 28,884,233	\$ 26,782,673	\$ 28,416,761	\$ 28,638,369
Program Revenues				
Governmental activities				
Charges for services				
General government	\$ 2,044,160	\$ 2,048,349	\$ 2,204,713	\$ 1,976,516
Administration of justice	221,211	291,860	337,454	336,248
Roads and bridges	82,282	67,811	105,240	108,232
Health and human services	139,624	129,909	143,881	145,676
Operating grants and contributions	9,137,367	4,118,523	2,688,631	3,181,552
Total Governmental Activities Program Revenues	11,624,644	6,656,452	5,479,919	5,748,224
Net (Expense)				
Governmental activities	\$ (17,259,589)	\$ (20,126,221)	\$ (22,936,842)	\$ (22,890,145)
General Revenues and Other Changes in Net Position				
Governmental activities				
Taxes	\$ 20,113,427	\$ 21,645,908	\$ 22,354,430	\$ 22,981,912
Investment earnings	20,216	10,250	30,436	59,910
Gain on sale of capital assets	-	-	-	-
Other revenues	1,834,354	2,009,517	1,988,796	2,304,087
Total Governmental Activities	21,967,997	23,665,675	24,373,662	25,345,909
Change in Net Position				
Governmental activities	\$ 4,708,408	\$ 3,539,454	\$ 1,436,820	\$ 2,455,764

Fiscal Year

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 8,052,484	\$ 7,277,465	\$ 5,907,007	\$ 12,183,608	\$ 9,099,542	\$ 9,976,837
12,429,450	13,024,986	8,089,203	12,540,565	11,271,427	13,026,844
9,257,802	7,388,389	6,774,803	7,017,278	6,774,048	7,087,458
1,192,373	1,292,738	1,284,264	1,368,351	1,058,807	1,016,272
1,303,518	1,374,349	996,187	1,393,851	1,312,104	1,348,198
784,356	624,347	580,035	851,342	435,488	1,116,859
<u>\$ 33,019,983</u>	<u>\$ 30,982,274</u>	<u>\$ 23,631,499</u>	<u>\$ 35,354,995</u>	<u>\$ 29,951,416</u>	<u>\$ 33,572,468</u>
\$ 2,101,994	\$ 2,143,912	\$ 2,023,645	\$ 2,007,715	\$ 2,263,734	\$ 2,223,733
354,383	356,482	346,923	351,256	424,250	417,548
125,057	92,555	74,950	85,823	63,982	91,506
183,360	238,896	228,364	421,770	598,204	559,059
3,627,839	2,650,189	3,263,193	6,020,646	2,627,211	3,184,486
<u>6,392,633</u>	<u>5,482,034</u>	<u>5,937,075</u>	<u>8,887,210</u>	<u>5,977,381</u>	<u>6,476,332</u>
<u>\$ (26,627,350)</u>	<u>\$ (25,500,240)</u>	<u>\$ (17,694,424)</u>	<u>\$ (26,467,785)</u>	<u>\$ (23,974,035)</u>	<u>\$ (27,096,136)</u>
\$ 23,064,315	\$ 24,338,387	\$ 25,002,843	\$ 26,632,818	\$ 26,812,272	\$ 29,010,768
140,485	310,990	499,843	213,083	32,870	310,023
-	126,759	111,559	183,000	-	-
2,087,173	1,584,686	1,942,459	2,369,147	1,949,580	2,713,392
<u>25,291,973</u>	<u>26,360,822</u>	<u>27,556,704</u>	<u>29,398,048</u>	<u>28,794,722</u>	<u>32,034,183</u>
<u>\$ (1,335,377)</u>	<u>\$ 860,582</u>	<u>\$ 9,862,280</u>	<u>\$ 2,930,263</u>	<u>\$ 4,820,687</u>	<u>\$ 4,938,047</u>

POLK COUNTY, TEXAS
FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Years
(Modified accrual basis of accounting)

	Fiscal Year			
	2013	2014	2015	2016
General Fund				
Nonspendable	\$ 13,763	\$ 15,548	\$ -	\$ -
Special projects	-	-	-	-
Unassigned	6,605,018	7,105,228	7,440,074	8,365,306
Total General Fund	<u><u>\$ 6,618,781</u></u>	<u><u>\$ 7,120,776</u></u>	<u><u>\$ 7,440,074</u></u>	<u><u>\$ 8,365,306</u></u>
All Other Governmental Funds				
Restricted	\$ 4,430,313	\$ 5,567,823	\$ 5,576,469	\$ 7,323,132
Assigned	759,628	759,884	760,277	762,472
Unassigned	-	-	-	-
Total All Other Governmental Funds	<u><u>\$ 5,189,941</u></u>	<u><u>\$ 6,327,707</u></u>	<u><u>\$ 6,336,746</u></u>	<u><u>\$ 8,085,604</u></u>

Fiscal Year

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ -	\$ -	\$ 12,468	\$ 33,874	\$ 11,018	\$ 37,490
-	-	585,461	585,461	585,461	-
9,083,198	10,475,683	12,414,533	13,675,781	15,694,224	19,094,216
<u>\$ 9,083,198</u>	<u>\$ 10,475,683</u>	<u>\$ 13,012,462</u>	<u>\$ 14,295,116</u>	<u>\$ 16,290,703</u>	<u>\$ 19,131,706</u>
\$ 4,787,736	\$ 4,524,661	\$ 4,915,684	\$ 6,232,567	\$ 6,118,660	\$ 12,256,237
767,770	779,642	797,876	805,147	805,547	811,215
(51,791)	-	-	-	-	-
<u>\$ 5,503,715</u>	<u>\$ 5,304,303</u>	<u>\$ 5,713,560</u>	<u>\$ 7,037,714</u>	<u>\$ 6,924,207</u>	<u>\$ 13,067,452</u>

POLK COUNTY, TEXAS
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Years
(Modified accrual basis of accounting)

	Fiscal Year			
	2013	2014	2015	2016
Revenues				
Taxes	\$ 20,213,918	\$ 21,466,960	\$ 22,182,899	\$ 23,022,338
Licenses and permits	175,398	178,133	160,261	174,746
Fines and forfeitures	718,960	652,276	721,504	657,667
Charges for services	1,592,959	1,707,520	1,909,523	1,734,259
Intergovernmental	9,137,367	4,118,523	2,688,631	3,181,552
Investment earnings	20,216	10,250	30,436	59,910
Other revenue	1,834,354	2,009,517	1,988,796	2,304,087
Total Revenues	33,693,172	30,143,179	29,682,050	31,134,559
Expenditures				
General government	15,307,259	8,711,024	7,020,291	7,268,461
Administration of justice	9,886,816	10,726,732	10,456,874	10,675,120
Roads and bridges	4,819,560	4,664,171	5,954,742	5,667,284
Health and human services	971,190	1,016,281	941,598	1,073,199
Tax administration	1,174,054	1,247,269	1,238,932	1,221,446
Capital outlay	93,215	1,078,353	2,050,961	2,320,390
Debt service				
Principal	3,258,789	3,267,645	3,509,860	3,762,198
Debt issuance costs	28,213	52,847	31,226	58,033
Interest and paying agent	956,778	869,231	827,127	777,664
Payment to refunding bond escrow agent	-	-	-	-
Total Expenditures	36,495,874	31,633,553	32,031,611	32,823,795
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,802,702)	(1,490,374)	(2,349,561)	(1,689,236)
Other Financing Sources (Uses)				
Transfers in	2,826,354	1,029,953	407,626	370,335
Transfers out	(2,826,354)	(1,029,953)	(407,626)	(370,335)
Issuance of debt	525,000	2,395,865	1,921,898	3,572,326
Payment to refunding bond escrow agent	-	-	-	-
Premium on bonds issued	-	26,552	-	-
Sale of capital assets	-	707,678	756,000	791,000
Total Other Financing Sources	525,000	3,130,095	2,677,898	4,363,326
Net change in fund balances	\$ (2,277,702)	\$ 1,639,721	\$ 328,337	\$ 2,674,090
Debt service as a percentage of noncapital expenditures	11.59%	13.56%	14.90%	15.74%

Fiscal Year

	2017	2018	2019	2020	2021	2022
\$	22,907,667	\$ 24,353,603	\$ 25,138,592	\$ 26,422,461	\$ 27,182,501	\$ 28,969,542
	171,385	173,822	190,967	285,618	336,168	345,590
	799,538	778,876	666,431	547,642	603,478	600,663
	1,793,871	1,879,147	1,816,484	2,033,304	2,410,524	2,352,855
	3,627,839	2,650,189	3,263,193	6,020,646	2,627,211	3,177,224
	140,485	310,990	499,843	213,083	32,870	310,023
	2,087,173	1,584,686	1,942,459	2,369,147	1,949,580	2,713,392
	<u>31,527,958</u>	<u>31,731,313</u>	<u>33,517,969</u>	<u>37,891,901</u>	<u>35,142,332</u>	<u>38,469,289</u>
	7,002,234	6,235,358	6,757,948	10,422,050	8,008,612	7,979,771
	11,046,954	11,617,784	11,946,817	11,928,619	12,252,394	12,941,098
	7,324,181	5,975,553	5,655,314	6,127,668	6,376,197	7,586,012
	1,051,857	1,153,656	1,383,842	1,234,599	1,241,907	1,131,341
	1,234,171	1,302,814	1,310,620	1,356,334	1,374,688	1,415,450
	3,337,273	2,624,567	2,876,391	1,921,609	2,307,322	1,869,498
	3,653,094	3,686,949	3,719,030	3,227,028	3,799,173	3,989,676
	98,014	32,953	35,825	29,030	26,750	111,734
	771,061	671,453	631,766	550,178	624,183	549,164
	4,119,069	-	-	-	-	-
	<u>39,637,908</u>	<u>33,301,087</u>	<u>34,317,553</u>	<u>36,797,115</u>	<u>36,011,226</u>	<u>37,573,744</u>
	(6,679,230)	(784,785)	(799,584)	1,094,786	(868,894)	895,545
	734,434	584,863	638,364	936,112	703,752	1,284,345
	(734,434)	(584,863)	(638,364)	(936,112)	(703,752)	(1,284,345)
	4,941,160	2,025,795	2,812,820	9,491,445	1,577,600	6,555,969
	-	-	-	(9,517,488)	-	-
	320,953	-	-	1,355,065	-	556,734
	983,840	948,000	932,800	183,000	960,000	976,000
	<u>6,245,953</u>	<u>2,973,795</u>	<u>3,745,620</u>	<u>1,512,022</u>	<u>2,537,600</u>	<u>8,088,703</u>
\$	<u>(433,277)</u>	<u>\$ 2,189,010</u>	<u>\$ 2,946,036</u>	<u>\$ 2,606,808</u>	<u>\$ 1,668,706</u>	<u>\$ 8,984,248</u>
	12.41%	14.04%	14.04%	10.49%	14.05%	15.48%

POLK COUNTY, TEXAS
TAX REVENUES BY SOURCE, GOVERNMENTAL ACTIVITIES
Last Ten Years
(Accrual basis of accounting)

Function	Fiscal Year			
	2013	2014	2015	2016
Property taxes	\$ 16,548,137	\$ 18,212,134	\$ 18,586,644	\$ 19,168,536
Sales taxes	2,354,141	2,063,194	2,210,700	2,470,991
Other taxes	1,211,149	1,370,580	1,385,555	1,342,385
Total Taxes	\$ 20,113,427	\$ 21,645,908	\$ 22,182,899	\$ 22,981,912

Fiscal Year						Change
2017	2018	2019	2020	2021	2022	2021-2022
\$ 19,052,802	\$ 20,458,921	\$ 21,081,991	\$ 22,227,706	\$ 22,582,322	\$ 23,861,285	5.7%
2,437,411	2,502,791	2,502,854	2,795,362	3,173,120	3,548,077	11.8%
1,417,454	1,376,675	1,417,998	1,399,393	1,427,059	1,560,180	9.3%
<u>\$ 22,907,667</u>	<u>\$ 24,338,387</u>	<u>\$ 25,002,843</u>	<u>\$ 26,422,461</u>	<u>\$ 27,182,501</u>	<u>\$ 28,969,542</u>	6.6%

POLK COUNTY, TEXAS

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Years

	Fiscal Year			
	2013	2014	2015	2016
Real property	\$ 1,886,501,642	\$ 2,038,542,297	\$ 2,584,070,818	\$ 2,743,880,166
Personal property	470,556,096	512,183,088	535,973,582	575,589,894
Mineral	349,102,310	352,464,821	336,421,796	232,753,563
Total assessed value (1)	2,706,160,048	2,903,190,206	3,456,466,196	3,552,223,623
Less: real property exemptions	(429,347,409)	(442,563,250)	(456,123,623)	(475,602,352)
Total Taxable Assessed Value (Net)(1)	2,276,812,639	2,460,626,956	3,000,342,573	3,076,621,271
Less: freeze taxable exemptions	(310,369,756)	(352,192,056)	(393,901,443)	(421,853,708)
Total Freeze Adjusted Taxable(1)	\$ 1,966,442,883	\$ 2,108,434,900	\$ 2,606,441,130	\$ 2,654,767,563
Total Direct Tax Rate	\$ 0.6277	\$ 0.6277	\$ 0.6461	\$ 0.6461

(1) Property is assessed at actual value; therefore, the assessed values are equal to actual value.

Source: Polk Central Appraisal District

Fiscal Year

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 2,873,191,987	\$ 3,047,723,414	\$ 3,154,514,774	\$ 3,380,313,153	\$ 3,470,980,729	\$ 3,806,586,738
604,117,476	690,425,326	835,555,725	858,270,565	904,827,820	966,679,881
109,579,830	198,273,059	196,736,488	179,051,026	91,385,889	66,297,681
<u>3,586,889,293</u>	<u>3,936,421,799</u>	<u>4,186,806,987</u>	<u>4,417,634,744</u>	<u>4,467,194,438</u>	<u>4,839,564,300</u>
(463,299,119)	(598,407,562)	(771,896,150)	(815,715,833)	(863,904,678)	(903,873,164)
<u>3,123,590,174</u>	<u>3,338,014,237</u>	<u>3,414,910,837</u>	<u>3,601,918,911</u>	<u>3,603,289,760</u>	<u>3,935,691,136</u>
(454,131,686)	(516,439,579)	(538,128,396)	(577,952,726)	(611,807,374)	(681,416,721)
<u>\$ 2,669,458,488</u>	<u>\$ 2,821,574,658</u>	<u>\$ 2,876,782,441</u>	<u>\$ 3,023,966,185</u>	<u>\$ 2,991,482,386</u>	<u>\$ 3,254,274,415</u>
\$ 0.6461	\$ 0.6461	\$ 0.6461	\$ 0.6461	\$ 0.6461	\$ 0.6376

POLK COUNTY, TEXAS
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Years

	Fiscal Year			
	2013	2014	2015	2016
<u>Polk County by fund:</u>				
General	\$ 0.33350	\$ 0.36390	\$ 0.37570	\$ 0.37980
Road and bridge	0.15050	0.14880	0.14880	0.14290
Debt service	0.14370	0.13340	0.12160	0.12340
	<u>0.62770</u>	<u>0.64610</u>	<u>0.64610</u>	<u>0.64610</u>
<u>Cities:</u>				
City of Corrigan	0.48150	0.48150	0.44310	0.43540
City of Goodrich	0.55150	0.50840	0.49320	0.45730
<u>School Districts:</u>				
Big Sandy ISD	1.19480	1.18210	1.17540	1.21650
Corrigan-Camden ISD	1.19290	1.20000	1.18000	1.18000
Goodrich ISD	1.04000	1.17000	1.17000	1.17000
Leggett ISD	1.14500	1.14190	1.14000	1.15290
Livingston ISD	1.39500	1.39500	1.39500	1.39000
Onalaska ISD	1.16500	1.15600	1.29880	1.27980
<u>Utility Districts:</u>				
Memorial Point Utility District	0.89000	0.89000	0.89000	0.89000
Polk County FWSD	0.37300	0.35800	0.35800	0.33500
Total Direct and Overlapping Rates	<u>\$ 10.05640</u>	<u>\$ 10.12900</u>	<u>\$ 10.18960</u>	<u>\$ 10.15300</u>

Tax rates per \$100 of assessed valuation
Source: Polk County Tax Assessor/Collector

Fiscal Year

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 0.38680	\$ 0.39840	\$ 0.39744	\$ 0.39744	\$ 0.40019	\$ 0.40290
0.14710	0.14710	0.14710	0.14710	0.14710	0.14710
0.11220	0.10060	0.10156	0.10156	0.09881	0.08760
<u>0.64610</u>	<u>0.64610</u>	<u>0.64610</u>	<u>0.64610</u>	<u>0.64610</u>	<u>0.63760</u>
0.35180	0.43600	0.42770	0.42000	0.47640	0.50000
0.40840	0.42600	0.43290	0.42810	0.41820	0.38060
1.26940	1.26900	1.20450	1.20830	1.21530	1.09520
1.18000	1.18000	1.11000	1.10000	1.07680	1.07650
1.33000	1.33100	1.20530	1.15750	1.06560	1.03150
1.20000	1.18200	1.17740	1.26337	1.23770	1.08430
1.39000	1.39000	1.32330	1.30970	1.23690	1.13200
1.23500	1.24900	1.17890	1.16530	1.08390	1.03990
0.89000	0.90000	0.90000	0.90000	0.90000	0.08900
0.33500	0.33500	0.33500	0.33500	0.33250	0.32270
<u>\$ 10.23570</u>	<u>\$ 10.34410</u>	<u>\$ 9.94110</u>	<u>\$ 9.93337</u>	<u>\$ 9.68940</u>	<u>\$ 8.38930</u>

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

Property Taxpayer	2022			2013		
	2021 Taxable Assessed Value	Rank	% of Taxable Assessed Value	2012 Taxable Assessed Value	Rank	% of Taxable Assessed Value
Georgia Pacific LLC*	\$ 120,174,790	1	3.69%	\$ 63,150,450	2	2.86%
Transcanada Keystone Pipeline LP	92,339,284	2	2.84%	-		0.00%
Gulf South Pipeline Co LP	49,125,600	3	1.51%	-		0.00%
Union Pacific Railroad Co.	33,517,390	4	1.03%	17,118,290	10	0.78%
RMS Texas Timberlands I LP	28,998,997	5	0.89%	22,489,556	8	1.02%
Unit Petroleum Company	21,329,761	6	0.66%	-		0.00%
Kinder Morgan Tejas Pipeline LP	19,140,420	7	0.59%	-		0.00%
Sam Houston Electric Coop Inc	14,751,165	8	0.45%	-		0.00%
East Texas Electric Coop Inc	13,630,000	9	0.42%	-		0.00%
Eastex Telephone	13,339,500	10	0.41%	19,751,280	9	0.90%
Black Stone Minerals	-	-	0.00%	24,204,357	7	1.10%
Comstock Oil and Gas	-	-	0.00%	66,255,055	1	3.01%
ETC Katy Pipeline Limited	-	-	0.00%	45,041,870	4	2.04%
Enbridge Pipelines	-	-	0.00%	35,868,460	6	1.63%
BBX Operating LLC	-	-	0.00%	37,753,411	5	1.71%
Wapiti Operating LLC	-	-	0.00%	47,838,698	3	2.17%
Subtotal	<u>406,346,907</u>		<u>12.49%</u>	<u>379,471,427</u>		<u>17.21%</u>
Other taxpayers	<u>2,847,927,508</u>		<u>87.51%</u>	<u>1,825,330,119</u>		<u>82.79%</u>
Total	<u><u>\$ 3,254,274,415</u></u>		<u><u>100.00%</u></u>	<u><u>\$ 2,204,801,546</u></u>		<u><u>100.00%</u></u>

Source: Polk Central Appraisal District

*Previously named International Paper Company

POLK COUNTY, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
 Last Ten Years

	Fiscal Year			
	2013	2014	2015	2016
Adjusted tax levy	\$ 16,354,546	\$ 17,876,863	\$ 18,472,325	\$ 18,827,503
Current tax collected	\$ 15,776,269	\$ 17,270,190	\$ 17,690,427	\$ 18,220,530
Percentage of current tax collections	96.46%	96.61%	95.77%	96.78%
Delinquent tax collections	499,214	517,685	685,888	505,328
Total Tax Collections	\$ 16,253,949	\$ 17,760,258	\$ 18,376,315	\$ 18,725,858
Total collections as a percentage of current levy	99.32%	99.27%	99.12%	99.05%
Outstanding Delinquent Taxes	\$ 79,062	\$ 88,988	\$ 96,010	\$ 101,645
Outstanding delinquent taxes as percentage of current levy	0.48%	0.50%	0.52%	0.54%

Source: Polk County Tax Assessor/Collector

Fiscal Year					
2017	2018	2019	2020	2021	2022
\$ 18,891,307	\$ 20,298,419	\$ 20,793,624	\$ 21,980,245	\$ 21,879,475	\$ 23,459,904
\$ 18,238,267	\$ 19,600,034	\$ 20,197,962	\$ 21,256,031	\$ 21,353,183	\$ 22,782,673
96.54%	96.56%	97.14%	96.71%	97.59%	97.11%
547,450	568,268	456,146	551,520	264,155	-
\$ 18,785,717	\$ 20,168,302	\$ 20,654,108	\$ 21,807,551	\$ 21,617,338	\$ 22,782,673
98.89%	98.43%	97.14%	99.21%	98.80%	97.11%
\$ 105,590	\$ 130,117	\$ 139,516	\$ 172,694	\$ 262,137	\$ 677,231
0.56%	0.64%	0.67%	0.79%	1.20%	2.89%

POLK COUNTY, TEXAS
RATIO OF GENERAL BONDED DEBT OUTSTANDING
Last Ten Years

	Fiscal Year			
	2013	2014	2015	2016
Net Taxable Assessed Value				
All property	\$ 2,276,812,639	\$ 2,460,626,956	\$ 3,000,342,573	\$ 3,076,621,271
Net Bonded Debt				
Gross bonded debt	\$ 28,319,066	\$ 27,045,440	\$ 26,083,036	\$ 25,351,776
Less debt service funds	33,694	39,975	48,183	63,588
Total Net Bonded Debt	\$ 28,285,372	\$ 27,005,465	\$ 26,034,853	\$ 25,288,188
Ratio of Net Bonded Debt To Assessed Value	1.2423%	1.0975%	0.8677%	0.8219%
Population (1,2,3)	45,790	46,079	46,079	46,972
Net Bonded Debt per Capita	\$ 618	\$ 586	\$ 565	\$ 538

Data sources:

- (1) U.S. Bureau of Economic Analysis**
- (2) Texas Association of Counties (County Information Project)**
- (3) US Census Bureau**

**Most current information available from these data sources.

Fiscal Year

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<u>\$ 3,123,590,174</u>	<u>\$ 3,338,014,237</u>	<u>\$ 3,414,910,837</u>	<u>\$ 3,601,918,911</u>	<u>\$ 3,603,289,760</u>	<u>\$ 3,935,691,136</u>
\$ 22,777,368	\$ 21,042,017	\$ 20,019,665	\$ 17,869,325	\$ 15,323,461	\$ 17,711,389
51,766	-	44,083	121,173	174,728	146,229
<u>\$ 22,725,602</u>	<u>\$ 21,042,017</u>	<u>\$ 19,975,582</u>	<u>\$ 20,019,665</u>	<u>\$ 15,148,733</u>	<u>\$ 17,565,160</u>
0.7275%	0.6304%	0.5850%	0.5979%	0.4204%	0.4463%
46,972	49,162	50,031	51,353	50,123	51,899
\$ 484	\$ 428	\$ 459	\$ 400	\$ 302	\$ 338

POLK COUNTY, TEXAS
RATIO OF OUTSTANDING DEBT BY TYPE
Last Ten Years

	Fiscal Year			
	2013	2014	2015	2016
Governmental activities:				
General obligation	\$ 24,455,000	\$ 22,810,000	\$ 21,762,567	\$ 22,092,278
Tax notes	3,864,066	4,235,440	4,290,469	3,259,498
Notes payable	399,645	825,865	862,198	1,307,326
Direct borrowings/placement	-	-	-	-
Premium	731,143	698,013	637,567	577,278
Net Governmental Activities Debt	\$ 29,449,854	\$ 28,569,318	\$ 27,552,801	\$ 27,236,380
Percentage of personal income	1.54%	1.50%	1.44%	1.60%
Net Bonded Debt per Capita	\$ 643	\$ 620	\$ 598	\$ 580

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

Fiscal Year

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 20,329,842	\$ 18,293,460	\$ 15,665,000	\$ 12,570,000	\$ 10,645,000	\$ 8,630,000
2,447,527	2,748,557	3,790,000	305,000	45,000	5,455,000
1,281,393	1,253,238	1,267,033	1,256,444	1,329,871	1,603,254
-	-	3,235,000	3,475,000	3,365,000	2,605,000
769,368	667,017	564,665	1,519,325	1,268,461	1,578,124
<u>\$ 24,828,130</u>	<u>\$ 22,962,272</u>	<u>\$ 24,521,698</u>	<u>\$ 19,125,769</u>	<u>\$ 16,653,332</u>	<u>\$ 19,871,378</u>
1.43%	1.22%	1.24%	0.94%	0.73%	0.80%
\$ 518	\$ 467	\$ 490	\$ 372	\$ 332	\$ 383

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POLK COUNTY, TEXAS
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
September 30, 2022

<u>Governmental Unit</u>	<u>Net Bonded Debt Outstanding</u>	<u>Estimated Percentage Applicable (1)</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Cities:			
Corrigan	\$ 349,000	100.00%	\$ 349,000
Goodrich	\$ 80,000	100.00%	80,000
Livingston	\$ -	100.00%	-
Onalaska	\$ -	100.00%	-
School Districts:			
Big Sandy ISD	\$ 845,000	100.00%	845,000
Chester ISD	\$ -	39.60%	-
Corrigan-Camden ISD	\$ 1,115,000	100.00%	1,115,000
Goodrich ISD	\$ 2,495,000	100.00%	2,495,000
Leggett ISD	\$ 2,575,000	100.00%	2,575,000
Livingston ISD	\$ 51,385,000	100.00%	51,385,000
Onalaska ISD	\$ 9,737,589	100.00%	9,737,589
Woodville ISD	\$ 2,714,000	0.71%	19,269
Subtotal, overlapping debt	71,295,589		68,600,858
Polk County direct debt	<u>\$ 17,711,389</u>	100.00%	<u>17,711,389</u>
Total Direct and Overlapping debt	<u><u>\$ 89,006,978</u></u>		<u><u>\$ 86,312,247</u></u>

Source: Texas Municipal Reports

(1) Estimated Percentage Applicable obtained from Municipal Advisory Council of Texas: "The percentage of overlapping debt applicable is determined by dividing the County's certified taxable value within the taxing jurisdiction by the certified taxable value of the taxing jurisdiction."

POLK COUNTY, TEXAS
LEGAL DEBT MARGIN INFORMATION
Last Ten Years

	Fiscal Year			
	2013	2014	2015	2016
Debt limit	\$ 571,008,137	\$ 615,244,268	\$ 750,085,643	\$ 769,155,318
Total net debt applicable to limit	28,272,306	26,968,025	25,335,817	24,685,412
Legal Debt Margin	\$ 542,735,831	\$ 588,276,243	\$ 724,749,826	\$ 744,469,906
Total net debt applicable to the limit as a percentage of debt limit	4.95%	4.38%	3.38%	3.21%

Legal Debt Margin Calculation for 2022

Assessed value	\$ 3,935,691,136
Debt limit (25% of assessed value)	983,922,784
Debt applicable to limit:	
General obligation bonds	8,630,000
Tax notes	5,455,000
Notes payable	1,603,254
Direct borrowings/placement	2,605,000
Less: amount set aside for direct borrowings/placement	(146,229)
Total net debt applicable to limit	18,147,025
Legal Debt Margin	\$ 965,775,759

Fiscal Year

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 780,897,544	\$ 834,503,559	\$ 853,727,709	\$ 900,467,228	\$ 900,822,440	\$ 983,922,784
22,059,766	20,375,000	19,455,000	16,350,000	14,055,000	17,711,389
<u>\$ 758,837,778</u>	<u>\$ 814,128,559</u>	<u>\$ 834,272,709</u>	<u>\$ 834,272,709</u>	<u>\$ 886,767,440</u>	<u>\$ 966,211,395</u>
2.82%	2.44%	2.28%	2.28%	1.56%	1.80%

POLK COUNTY, TEXAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Years

	Fiscal Year			
	2013	2014	2015	2016
Population (5)**	45,790	46,079	46,079	46,972
Personal income (4)**	\$1,907,585,000	\$1,907,585,000	\$1,663,552,000	\$1,706,994,000
Per capita personal income (4)**	\$ 41,659	\$ 37,194	\$ 36,102	\$ 39,662
Median age (1,4,5)**	42.9	42.9	43.6	43.5
School enrollment (2)				
Big Sandy ISD	494	464	464	498
Chester ISD	181	155	155	175
Corrigan-Camden ISD	1,018	945	945	988
Goodrich ISD	235	207	207	239
Leggett ISD	187	159	159	168
Livingston ISD	4,098	3,788	3,788	4,049
Onalaska ISD	942	846	846	893
Total	7,155	6,564	6,564	7,010
Unemployment rate (3)	8.00%	7.70%	6.40%	6.50%

Data sources:

- (1) U.S. Bureau of Economic Analysis**
- (2) Texas Education Association**
- (3) Texas Workforce
- (4) Texas Association of Counties (County Information Project)**
- (5) US Census Bureau**

**Most current information available from these data sources.

Fiscal Year

2017	2018	2019	2020	2021	2022
47,916	49,162	50,031	51,353	50,123	51,899
\$ 1,736,049,000	\$1,878,484,000	\$1,973,118,000	\$2,044,752,000	\$2,269,799,000	\$ 2,490,838,000
\$ 36,231	\$ 38,210	\$ 24,686	\$ 39,818	\$ 42,830	\$ 47,994
43.7	43.4	43.7	43.6	44.1	43.9
528	528	507	503	532	529
194	194	206	203	213	212
917	917	890	820	819	817
227	227	241	259	244	244
163	163	179	195	219	219
4,063	4,063	4,056	3,970	4,023	4,013
1,026	1,026	1,110	1,143	1,215	1,213
<u>7,118</u>	<u>7,118</u>	<u>7,189</u>	<u>7,093</u>	<u>7,265</u>	<u>7,247</u>
6.30%	4.60%	5.00%	8.30%	6.90%	5.40%

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POLK COUNTY, TEXAS

PRINCIPAL EMPLOYERS

Last Ten Years

Employer	2022			2013		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Georgia Pacific*	1,000	1	1.93%	1,000	1	2.18%
Texas Dept of Criminal Justice, Polunsky Unit	691	2	1.33%	767	2	1.68%
Alabama-Coushatta Tribe of Texas**	684	3	1.32%	250	7	0.55%
Livingston ISD	600	4	1.16%	630	3	1.38%
Wal-Mart	367	5	0.71%	400	4	0.87%
CHI St. Luke's Health Memorial Livingston	332	6	0.64%	388	5	0.85%
Polk County	318	7	0.61%	300	6	0.66%
Brookshire Brothers (Corrigan, Livingston, Onalaska)	209	8	0.40%	206	9	0.45%
Onalaska ISD	197	9	0.38%	-	-	-
Corrigan OSB	178	10	0.34%	-	-	-
Corrian/Camden ISD	173	-	0.33%	185	10	0.40%
Sam Houston Electric Cooperative	159	-	0.31%	-	-	-
Lowe's	211	-	0.41%	-	-	-
MTC (IAH Detention Facility)	166	-	0.32%	245	8	0.54%
Total	5,285		10.18%	4,371		9.55%

Sources:

Polk County Economic & Industrial Development Corporation
Texas Workforce

*Previously named International Paper Company

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POLK COUNTY, TEXAS

COUNTY EMPLOYEES

Last Ten Years

Function/Program	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government:										
County Judge	3	3	3	3	3	2	3	3	3	3
Commissioners' Court	1	1	1	1	1	1	1	1	1	1
County Clerk	10	10	10	10	11	11	11	12	11	12
County Auditor	5	5	4	5	4	5	5	5	5	5
County Treasurer	3	3	3	3	3	3	3	3	3	3
Information Technology*	2	2	2	3	3	3	3	3	3	4
Maintenance/Custodial	-	-	-	-	-	-	-	-	-	-
Maintenance/Engineering	11	11	11	12	12	10	11	12	11	12
Emergency Management	5	5	5	3	3	4	4	4	4	4
Personnel/Human Resources	3	3	2	3	3	3	3	3	3	3
Grants and Contracts***	-	-	-	-	-	-	1	1	1	1
Road and Bridges:										
Commissioners	4	4	4	4	4	4	4	4	4	4
Road and Bridge Workers	47	37	36	35	34	43	34	33	36	38
Administration of Justice:										
County Court-at-Law	4	3	4	4	3	4	5	5	5	5
District Clerk	10	9	10	9	10	10	12	12	10	12
District Judges	8	9	9	11	8	10	10	8	7	10
JP Precinct 1	3	3	3	4	4	4	4	4	4	4
JP Precinct 2	3	3	3	3	3	2	4	4	4	4
JP Precinct 3	3	3	3	3	3	3	3	3	3	3
JP Precinct 4	3	2	3	3	3	3	3	3	3	3
District Attorney	16	16	18	18	17	18	18	17	16	19
Sheriff's Dept	54	50	53	51	54	51	53	59	56	46
Jail	41	39	41	46	49	45	48	46	46	44
Constables	4	4	4	4	4	4	3	4	4	4
Department of Public Safety	1	1	1	1	1	1	1	1	1	1
Courthouse Security	2	2	2	3	3	2	4	4	2	2
Fire Marshall	-	-	-	-	-	-	1	1	1	-
Health and Human Services:										
Library and Museum	2	2	1	1	1	1	1	1	1	1
Social Services	2	2	2	1	1	1	2	2	2	2
Veterans Service	1	1	1	1	1	1	1	1	1	1
County Extension	4	4	4	4	3	3	3	3	3	3
Permits/Inspections**	-	-	-	2	2	2	2	2	2	2
Environmental Enforcement	-	-	-	1	1	1	2	2	2	0
Aging Services	1	1	1	4	4	4	7	7	7	7
Tax Administration:										
Tax Assessor/Collector	17	12	14	14	14	14	14	15	14	16
Total:	<u>273</u>	<u>250</u>	<u>258</u>	<u>270</u>	<u>270</u>	<u>273</u>	<u>284</u>	<u>288</u>	<u>279</u>	<u>279</u>

Source: Polk County Human Resources (Based on Full-Time Status)

*Previously named Data Processing

**FY2016 separated these functions from Emergency Management.

***FY2019 Newly created departments

POLK COUNTY, TEXAS
OPERATING INDICATORS BY FUNCTION
Last Ten Years

	Fiscal Year			
	2013	2014	2015	2016
<u>County Court</u>				
Civil Cases				
Pending Beginning of Year	1,472	1,678	1,734	1,724
Docket Adjust	(31)	46	-	-
Added	813	789	707	988
Disposed	(576)	(779)	(673)	(875)
Pending End of Year	1,678	1,734	1,724	2,504
Criminal Cases				
Pending Beginning of Year	3,120	3,142	3,180	2,294
Docket Adjust	(15)	(6)	-	-
Added	874	1,145	994	984
Disposed	(837)	(1,101)	(957)	(501)
Pending End of Year	3,142	3,180	2,294	2,555
<u>District Court</u>				
Civil Cases				
Pending Beginning of Year	860	889	956	707
Docket Adjust	(35)	-	-	-
Added	304	334	272	357
Disposed	(240)	(267)	(227)	(383)
Pending End of Year	889	956	707	679
Criminal Cases				
Pending Beginning of Year	1,639	1,561	1,687	918
Docket Adjust	(48)	-	-	-
Added	967	919	704	871
Disposed	(997)	(793)	(513)	(941)
Pending End of Year	1,561	1,687	918	639
<u>Justice of the Peace Courts</u>				
Cases Filed				
Traffic	4,290	4,162	4,837	3,172
Nontraffic	2,913	2,507	2,100	1,892
Small Claims Suits	44	168	155	277
Forcible Entry and Detainer	106	165	179	72
Other Civil Suits	238	195	281	120
Cases Disposed				
Traffic	3,780	3,658	2,922	2,682
Nontraffic	2,373	2,007	1,545	1,257
Small Claims Suits	33	170	182	173
Forcible Entry and Detainer	95	147	188	210
Other Civil Suits	200	101	208	272
Cases Appealed				
Traffic	12	10	10	4
Nontraffic	2	5	-	3
Small Claims Suits	-	-	-	3
Forcible Entry and Detainer	-	1	2	80
Other Civil Suits	-	-	-	-
Miscellaneous				
Examining Trials	-	1	-	-
Inquests	215	243	312	299

Source: Texas Courts Online (Office of Court Administration)

Fiscal Year					
2017	2018	2019	2020	2021	2022
2,504	2,461	2,414	2,338	2,152	2,129
(18)	(67)	(37)	(60)	(65)	(25)
860	855	864	757	811	689
(871)	(835)	(903)	(883)	(769)	(806)
2,461	2,414	2,338	2,152	2,129	2,011
2,555	1,873	1,692	3,088	3,770	2,084
1	(41)	994	11	(1,705)	116
1,078	734	606	922	548	541
(446)	(874)	(204)	(251)	(529)	(490)
1,873	1,692	3,088	3,770	2,084	2,251
679	776	761	749	760	813
(7)	-	(53)	-	(66)	(42)
428	327	390	345	402	328
(321)	(342)	(349)	(334)	(283)	(229)
776	761	749	760	813	870
639	832	637	554	1,258	1,804
(9)	(338)	(21)	283	130	(274)
688	998	830	1,019	1,025	720
(1,032)	(855)	(892)	(598)	(609)	(1,028)
832	637	554	1,258	1,804	1,222
4,447	6,101	5,541	3,528	3,149	2,733
1,217	1,724	2,053	1,480	1,499	1,350
130	131	179	155	105	242
207	179	204	63	161	332
387	487	533	343	665	1,096
2,837	4,246	3,565	2,019	2,086	2,104
984	1,264	1,241	903	1,109	1,480
122	97	175	70	103	242
178	173	199	164	151	332
266	395	508	471	597	753
5	5	17	22	34	32
-	1	1	2	1	-
-	1	4	2	2	4
5	5	-	2	5	5
-	-	-	-	-	-
-	-	8	1	-	10
307	334	347	417	487	442

POLK COUNTY, TEXAS

CAPITAL ASSET STATISTICS BY FUNCTION

Last Ten Years

Function/Program	Fiscal Year			
	2013	2014	2015	2016
<u>General Government</u>				
Commissioners' Court	2	2	2	2
County Clerk	6	6	7	7
General Operations	69	46	44	48
District Clerk	2	2	2	2
JP Precinct 1	-	-	-	1
JP Precinct 2	1	1	1	-
JP Precinct 4	-	-	-	5
Judicial	5	5	5	6
District Attorney	6	6	6	2
County Auditor	2	2	2	2
County Treasurer	2	2	2	3
Tax Assessor/Collector	3	3	4	1
Information Technology	14	14	13	13
Maintenance/Engineering	30	33	32	32
Jail	13	14	14	13
Constable Precinct 1	1	1	2	2
Constable Precinct 2	2	2	3	3
Constable Precinct 3	1	2	2	2
Constable Precinct 4	1	1	1	1
Sheriff's Department	88	96	93	91
Social Services	2	3	3	3
Extension	1	1	1	21
Emergency Management	12	13	14	14
Environmental Enforcement	3	-	3	3
<u>Road and Bridge</u>				
Road and Bridge Precinct 1	40	40	41	42
Road and Bridge Precinct 2	39	41	41	42
Road and Bridge Precinct 3	83	83	82	83
Road and Bridge Precinct 4	66	67	68	68
<u>Security</u>				
Security Department	1	1	1	1
<u>Historical Commission</u>				
Historical	2	2	2	2
<u>Waste Management</u>				
Waste Management	34	35	35	35
<u>Aging</u>				
Aging Services	11	10	10	10

Source: County Inventory Reports

Fiscal Year					
2017	2018	2019	2020	2021	2022
2	2	2	2	2	2
7	7	7	37	37	37
51	48	50	51	51	50
2	2	2	2	2	3
1	1	1	1	1	1
-	-	-	-	-	-
-	5	5	1	1	1
5	6	6	1	1	5
6	2	2	6	6	5
2	2	2	2	2	2
2	3	3	2	2	2
3	1	1	1	1	2
16	13	14	16	15	16
33	32	33	35	37	33
14	13	13	17	18	20
2	2	2	4	6	7
4	3	3	5	5	4
2	2	2	3	3	3
1	1	1	2	2	2
92	91	93	99	101	99
3	3	3	2	4	2
1	21	22	1	1	1
14	14	14	14	15	14
3	3	3	3	3	3
44	42	43	40	42	37
42	42	41	44	43	50
83	83	84	87	88	87
69	68	70	74	75	77
1	1	1	-	-	-
2	2	2	2	2	2
34	35	35	35	35	33
11	10	10	9	9	13

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