

**POTTER COUNTY, TEXAS**

**Annual Comprehensive  
Financial Report**

**For the Year Ended  
September 30, 2022**

POTTER COUNTY, TEXAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR YEAR ENDED SEPTEMBER 30, 2022

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## **INTRODUCTORY SECTION**



# *County of Potter*

*State of Texas*

900 S. Polk, Suite 716

Amarillo, Texas 79101-3412

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

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

March 20, 2023

The Annual Comprehensive Financial Report of Potter County, Texas (the County) for the year ended September 30, 2022 is submitted herewith. This report is submitted in accordance with Section 114.025 of the Local Government Code.

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

These financial statements and supplemental financial information have been audited by Doshier, Pickens & Francis, LLC, a firm of licensed certified public accountants engaged by the Potter County Commissioners' Court. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended September 30, 2022, are free of material misstatement. The independent auditor concluded, based on the audit, that there was a reasonable basis for rendering an unmodified opinion that the County's financial statements for the fiscal year ended September 30, 2022 are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

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

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

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

### **Profile of the Government**

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

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

The County, as a political subdivision of the State of Texas provides services allowed, or implied, by the State Constitution or statutes. The County serves an estimated 2021 population of 116,547 and provides a full range of county services normally associated with a Texas county, including administration of general government, adult and juvenile justice programs, assistance to indigents, courts, elections, fire protections, jails, law enforcement, law library, and recording offices, as well as the construction and maintenance of roads, bridges and other infrastructure.

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

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

### **Local Economy**

The economy of Potter County, Texas is greatly diversified. The largest industries in the County are manufacturing, followed closely by health care & social assistance, and retail trade. Historically, major industries in the Amarillo area also included grains, cattle, beef processing, natural gas, oil, helium and other petroleum by-products, and refining operations. In addition to these industries, today, our economy also includes food processing, defense industry, distribution, traffic and transportations, banking, criminal justices, and education.

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

The County has an important responsibility to the citizen of Potter County to carefully account for public funds and to plan for adequate funding of services. To meet this responsibility, policies and procedures are in place to achieve responsible stewardship and full disclosure, such as compliance with Local Government Code 111.003 to

maintain a balanced budget; a fund balance policy requiring 90 days of operating expenses held in reserve; a system of budgetary control using monitoring and encumbrances accounting to ensure budget compliance; a purchasing policy to ensure cost-effective purchasing; and an investment policy that ensures the safety of the County's funds.

### **Major Initiatives**

The County has contracted with architects Hellmuth, Obata & Kassabaum, Inc and general contractors Adolfson and Peterson Construction to build a new District Courts Building that will house our District Offices and Commissioner's Court. A records center is also included in the structure. There are multiple completion dates, the first is constructions completion is expected spring 2023 and occupation is estimated early summer 2023.

The Commissioners Courts of Potter and Armstrong Counties, in coordination with the trial courts established a public defense program to address its most urgent, long-term, fundamental indigent defense needs. The public defense program was established in Potter County and is taking a dual-model approach by simultaneously serving as a public defender's office under Art. 26.044, and a managed assigned counsel (MAC) program under Art. 26.047. By establishing a managed assigned counsel program in conjunction with the public defender's office, the Commissioners Courts goal is to relieve the trial courts of the administrative challenges of assigning, monitoring and reviewing payment vouchers for assigned counsel.

### **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Potter County for its annual comprehensive financial report for the fiscal year ended September 30, 2021. This was the twenty-ninth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

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

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

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

Respectfully submitted,

Jack Dossett  
Potter County Auditor



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Potter County  
Texas**

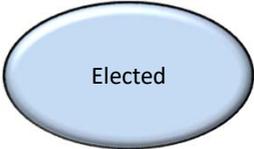
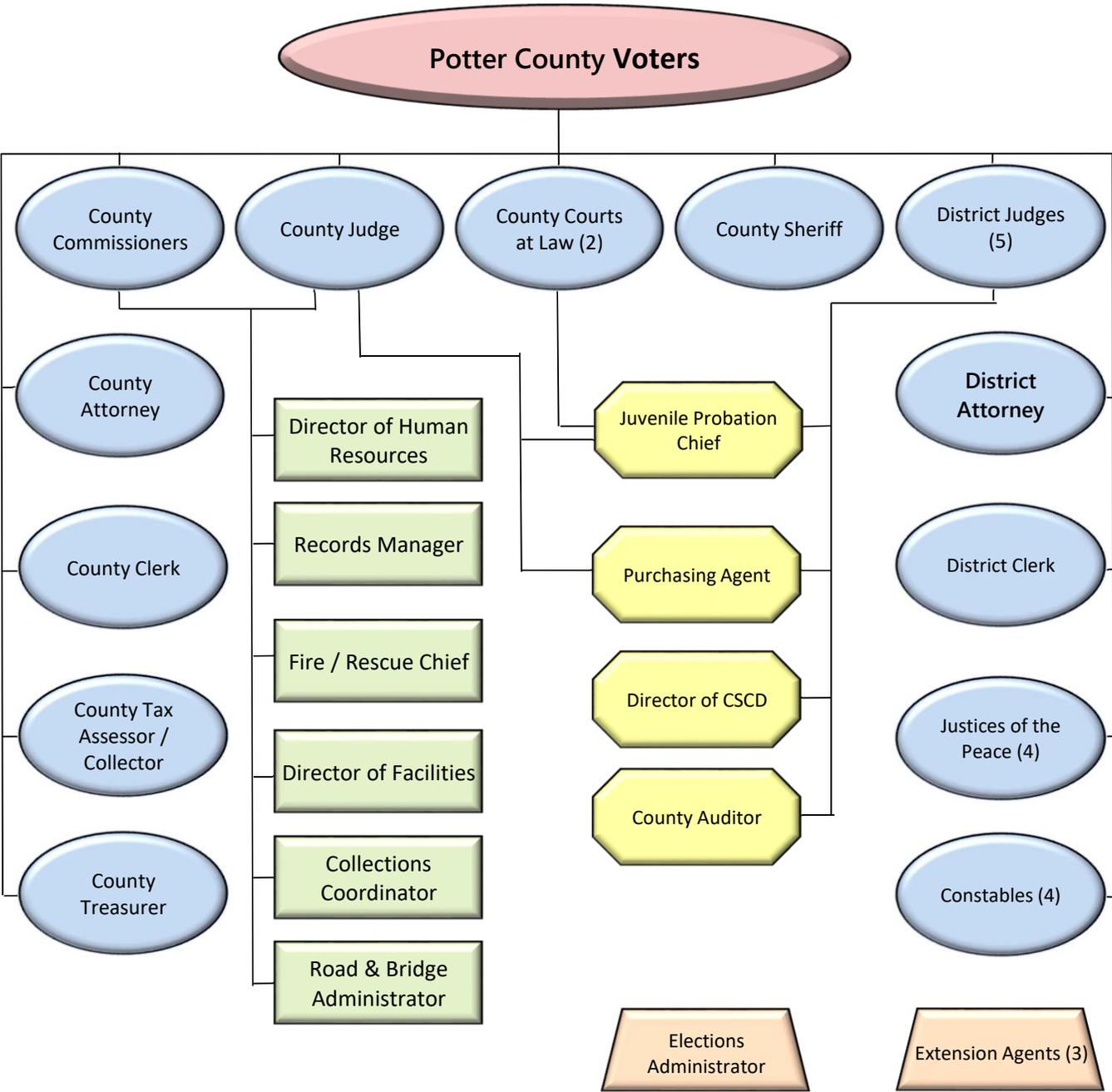
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

September 30, 2021

*Christopher P. Morill*

Executive Director/CEO

# Potter County, Texas Organization Chart



**POTTER COUNTY, TEXAS  
PRINCIPAL COUNTY OFFICIALS  
SEPTEMBER 30, 2022**

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

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## **FINANCIAL SECTION**



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

## INDEPENDENT AUDITORS' REPORT

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Potter County, Texas, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise Potter County, Texas's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Potter County, Texas, as of September 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***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 Potter County, Texas 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.

#### ***Responsibilities 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 Potter County, Texas'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' Responsibilities 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 auditor's 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 Potter County, Texas'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 Potter County, Texas'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 (pages 4 – 12), the budgetary comparison schedules for the major governmental funds, the Schedule of Changes in Net Pension Liability and Related Ratios; the Schedule of Employer Contributions, and the Schedule of Changes in Total OPEB Liability and Related Ratios (pages 59 – 63) 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 Potter County, Texas's basic financial statements. The accompanying combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. 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 and individual

nonmajor fund financial statements 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 March 20, 2023, on our consideration of Potter County, Texas's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Potter County, Texas's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Potter County, Texas's internal control over financial reporting and compliance.

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

DOSHIER, PICKENS & FRANCIS, LLC

Amarillo, Texas

March 20, 2023

## Management's Discussion and Analysis

As management of Potter County, we offer readers of Potter County's financial statements this narrative overview and analysis of the financial activities of Potter County for the fiscal year ended September 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages iv - vi of this report.

### Financial Highlights

- The assets and deferred outflows of resources of Potter County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$146.94 million (*net position*). Of this amount, \$23.49 million represents unrestricted net position, which may be used to meet the government's ongoing obligations to citizens and creditors.
- Potter County's total net position increased \$23.9 million. For the second year in a row we saw a strong operating grants number driven by the second and final installment of ARPA disbursements of \$11.4 million; however operating grants decreased \$579 thousand versus the prior year.
- Property taxes increased \$1.69 million, which were driven by an increase in the average taxable value of all property of 13%. Potter County also saw the average taxable value of a residences homestead increase 10% from \$137,741 in 2021 to \$151,932 in 2022.
- At the close of the current fiscal year, Potter County's governmental funds reported combined fund balances of \$92.817 million, a decrease of \$16.10 million from the prior year. Approximately 34.5% of the fund balance (\$32.05 million) is available for spending at the government's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, unrestricted fund balance (the total of the *committed*, *assigned*, and *unassigned* components of *fund balance*) for the general fund was \$32.15 million or approximately 50.2% of total general fund expenditures.
- Potter County's total outstanding long-term bonded debt decreased by \$2.01 million during the current fiscal year.

### Overview of the Financial Statements

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

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

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

The *statement of activities* presents information showing how Potter County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

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

The government-wide financial statements can be found on pages 13-15 of this report.

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

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

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

The basic governmental fund financial statements can be found on pages 16-19 of this report.

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

The proprietary fund financial statements can be found on pages 20-22 of this report.

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

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

The fiduciary fund financial statements can be found on page 23-24 of this report.

**Notes to the Financial Statements.** The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 25-58 of this report.

**Other Information.** The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following notes to the financial statements. Combining and individual fund statements and schedules can be found beginning on page 59 of this report.

### Government-wide Overall Financial Analysis

As noted earlier, net position over time, may serve as a useful indicator of a government’s financial position. In the case of Potter County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$146.91 million at the close of the most recent fiscal year.

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

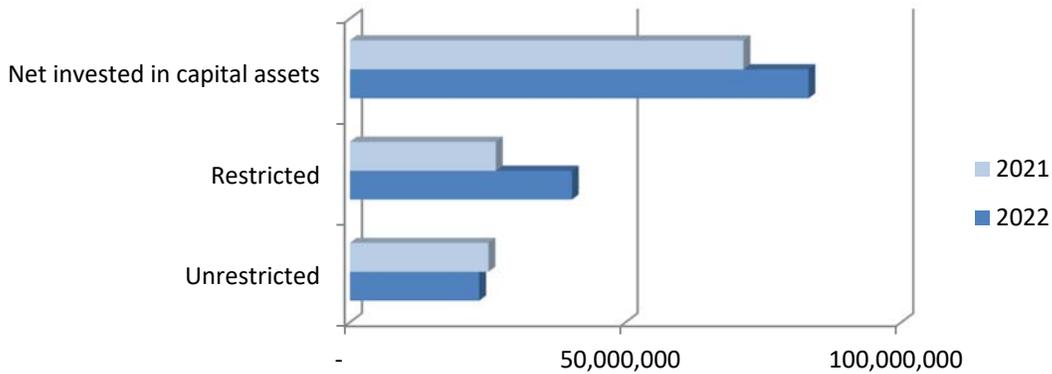
	Governmental Activities	
	2022	2021
Current and other assets	\$ 105,230	\$ 120,366
Net pension asset	10,120	-0-
Capital assets	149,202	105,817
Total assets	\$ 254,432	\$ 226,184
Deferred Outflows-Pension and OPEB	\$ 10,849	\$ 14,184
Noncurrent liabilities outstanding	\$ 74,947	\$ 98,173
Net Pension Liability	-0-	20,914
Other liabilities	11,705	10,335
Total liabilities	\$ 86,652	\$ 108,508
Deferred Inflows-Pension and OPEB	\$ 31,687	\$ 8,839
Net position:		
Net investment in capital assets	\$ 83,184	\$ 71,393
Restricted	\$ 40,268	\$ 26,397
Unrestricted	\$ 23,490	\$ 25,230
Total net position	\$ 146,941	\$ 123,020

By far, the largest portion of Potter County’s net position (56.6%) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, vehicles, and infrastructure), less any related outstanding debt that was used to acquire those assets. Potter County uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although Potter County’s investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of Potter County’s net position (27.41%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$23.49 million is unrestricted and may be used to meet the government’s ongoing obligations to its citizens and creditors.

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

**Potter County Net Position  
September 30, 2021 and 2022**



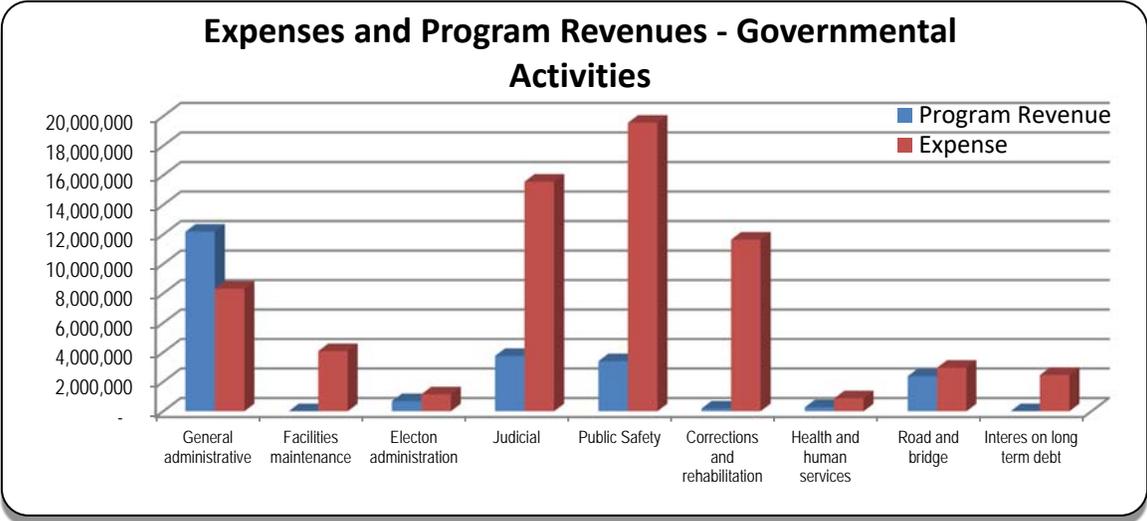
- Governmental Activities.** During the current fiscal year, net position for governmental activities increased \$23.9 million from the prior fiscal year for an ending balance of \$146.9 million. Charges for services increased \$90 thousand, while operating grants decreased \$579.4 thousand. The change in operating grants included the second and final installment of ARPA Funding of \$11.4 million. Operating grants decreased year over year although they are significantly higher than their multiple year average. Total expenditures increased \$24.8 million, of which the capital outlay tied directly to the new District Court construction made up \$18.3 million of the increase. We also realized an increase in Judicial as the County created three new departments, MAC (Managed Assigned Counsel), Public Defenders office and CPS Counsel Department. The MAC and Public Defenders offices are funded 50% from the County and for the first four years 50% from a state grant.

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

	<b>Governmental activities</b>	
	<b>2022</b>	<b>2021</b>
Charges for services	\$ 5,789	\$ 5,699
Operating grants and contributions	16,205	16,785
Capital grants and contributions	862	815
Property taxes	58,699	57,014
Other taxes	5,632	4,543
Other	3,213	2,122
<b>Total revenues</b>	<b>90,400</b>	<b>86,978</b>
General administrative	8,317	7,646
Facilities maintenance	4,076	3,976
Election administration	1,151	638
Judicial	15,542	16,185
Public safety	19,555	19,904
Corrections and rehabilitation	11,647	12,783
Health and human services	874	1,006
Road and bridge	2,955	2,837
Interest on long term debt	2,458	2,478
<b>Total expenses</b>	<b>\$66,574</b>	<b>\$ 67,453</b>
<b>Increase (decrease) in net position</b>	<b>23,826</b>	<b>19,701</b>
<b>Net position – beginning</b>	<b>123,020</b>	<b>103,319</b>
<b>Prior period adjustment</b>	<b>95</b>	<b>-0-</b>

Net position – ending	\$ 146,941	\$ 123,020
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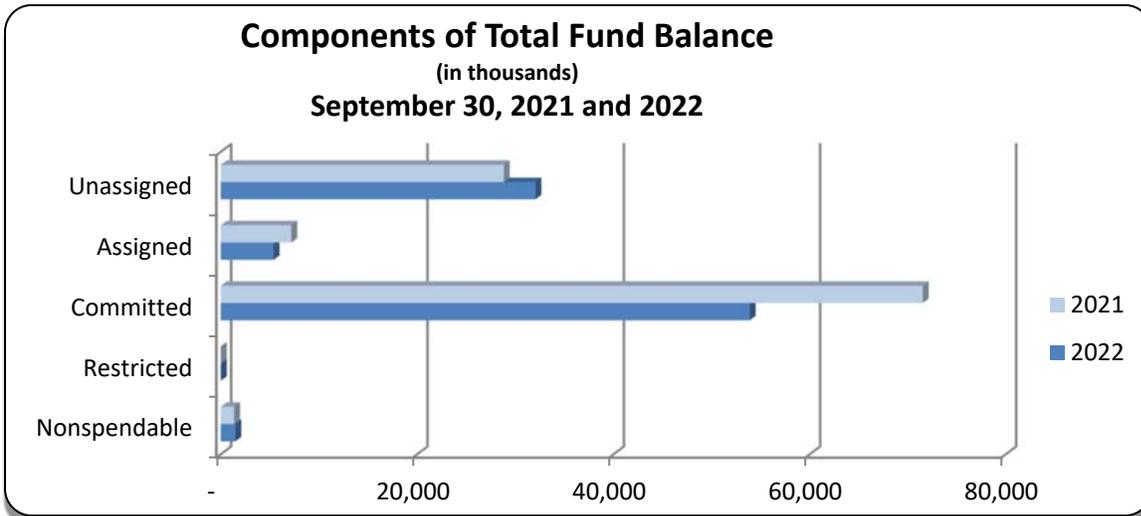
**Financial Analysis of Governmental Funds**



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

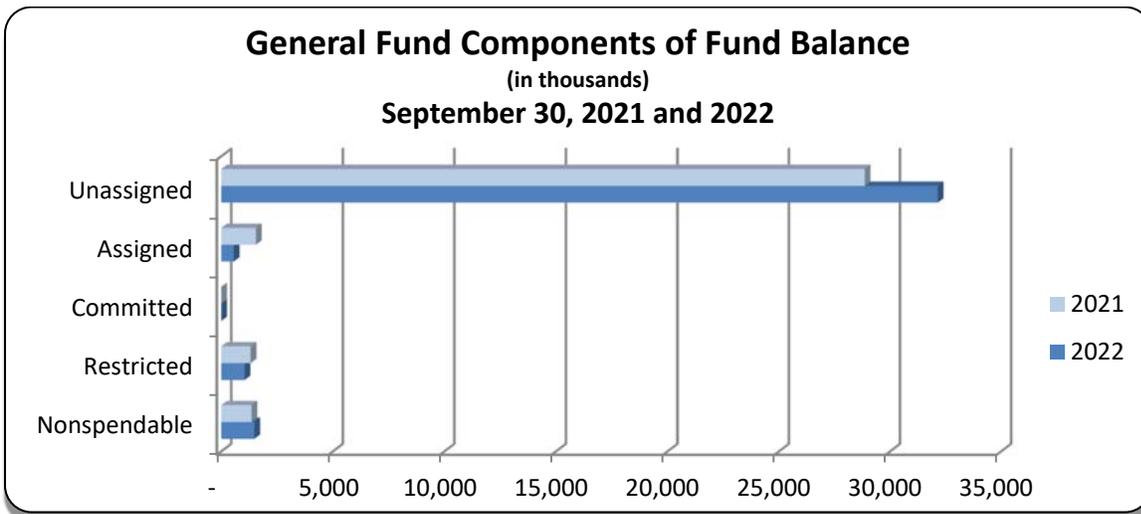
**Governmental Funds.** The focus of Potter County’s *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing Potter County’s financing requirements. In particular, unassigned fund balance may serve as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

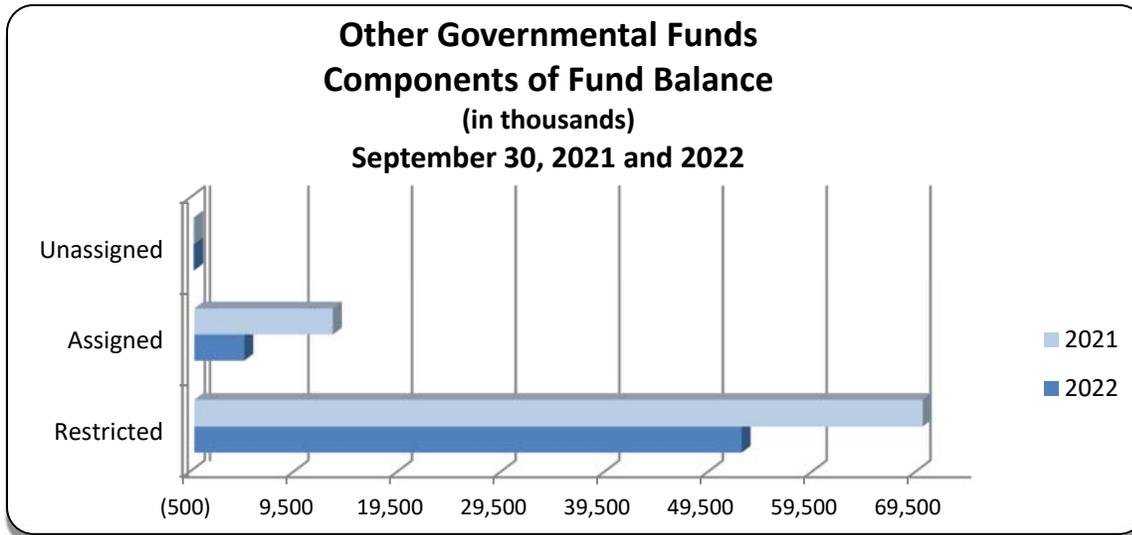
At September 30, 2022, Potter County’s governmental funds reported combined fund balances of \$92.8 million, a decrease of \$16.1 million in comparison with the prior year. Approximately 34.5% of this amount (\$32.1 million) constitutes *unassigned fund balance*, which is available for spending at the government’s discretion. The remainder of the fund balance is either *nonspendable, restricted, committed, or assigned* to indicate that it is 1) not in spendable form (\$1.5 million), 2) restricted for particular purposes (\$53.9 million), 3) committed for particular purposes (\$0), or 4) assigned for particular purposes (\$5.4 million).



The general fund is the chief operating fund of Potter County. At the end of the current fiscal year, unassigned fund balance of the general fund was \$32.15 million, while total fund balance increased to \$35.2 million.

As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Unassigned fund balance represents approximately 54.35% of total general fund expenditures, while total fund balance represents approximately 59.77% of that same amount.





Potter County’s fund balance of the general fund increased by \$2.1 million during the fiscal year. There were two primary sources to the increase, tax revenues increased due to increase in the tax rate of 2.16% and there was a change in the transfer of funds out of the General Fund to Capital projects decreased \$1 million versus prior year.

The District Courts Building fund, a major governmental fund, was established to account for proceeds from the 2019 sale of certificates of obligation issued to construct a new District Courts facility. The fund had expenditures of \$32.94 million during the fiscal year, capital funds transferred in of \$1.25 million, leaving a fund balance of \$13.6 million.

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

Unrestricted net position of the fund at the end of the year was \$3.44 million. The decrease in net position was \$41 thousand.

**General Fund Budgetary Highlights**

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

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

Estimated Revenue source (in thousands)	Budgeted revenues	Actual revenues	Difference
State: Indigent Def formula grant	\$825	\$165	(\$660)
Interest on investments	150	317	167
Mixed beverage tax	580	776	196

The State: Indigent defense formula grant was a reimbursement grant, which took longer to get started than anticipated. We benefited from increases in interest rates that happened faster and were larger than expected. As activities continued to open up from the COVID shut downs we were slow to budget for the mixed beverage tax increase.

A review of actual expenditures compared to the appropriations in the final budget yields significant variances in the following categories: salaries and fringe benefits are below budget by \$3.7 million. The variance is a result of the county budgeting at 100% employment rate, in addition to challenges the County is having hiring qualified associates for certain position and a slower than expected kick off of the Managed Assigned Counsel and Public Defenders programs. The judicial section (court appointed attorneys and visiting judges) was \$89 thousand over budget, which was driven again by the slower than expected ramp up of the MAC and PD programs.

### Capital Assets and Debt Administration

**Capital assets.** Potter County’s investment in capital assets for its governmental and business-type activities as of September 30, 2022, amounts to \$136 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, machinery, equipment, vehicles, roads, and bridges.

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

	Governmental activities	
	2022	2021
Land	\$ 4,912	\$ 4,912
Buildings and improvements	59,757	62,027
Streets and bridges	11,203	11,397
Furniture and equipment	9,554	9,495
Leased equipment	2,728	-0-
Construction in progress	50,928	17,986
Total	\$ 139,082	\$ 105,817

The major capital asset event during the current fiscal year is the work continued on the new District Courts Building total cost through the end of the fiscal year is \$50.9 million with \$32.9 of the cost occurring in FY22. Expectations to occupy the new District Courts building are for late spring to early summer 2023.

Notable activities that challenge the County is having maintain an updated fleet. Larger than expected increase in interest rates impacted the cost to lease; moreover, challenges with the supply chain have created challenges of leasing and buying out right.

Additional information on Potter County’s capital assets can be found in Note 7 on page 40 of this report.

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

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

	Governmental activities	
	2022	2021
2017 Certificates of Obligation	\$ 16,850	\$ 17,805
2018 Tax Notes	\$ 1,885	\$ 2,800
2019 Certificates of Obligation	\$ 48,575	\$ 49,625
Total	\$ 67,310	\$ 70,230

Potter County’s total debt decreased by \$2.92 million during the current fiscal year. Potter County has an “AA-” rating from Standard & Poor’s for general obligation debt.

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

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

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

The following economic factors currently affect Potter County and were considered in developing the 2021-2022 fiscal year budget.

The unemployment rate for Potter County as of Sept 30, 2022 was 3.0%, which is a decrease from a rate of 3.7% a year ago. Potter County continues to remain below the National average of 3.5% and the State average of 3.8%

Growth in the total taxable value of all property used to budget for fiscal year 2022 was \$1,109.6 million or 13.0% compared to fiscal year 2021.

Interest rates increased significantly during fiscal year 2022 and we are expecting that increase to stabilize.

On the expenditure side, we are again expecting increases in health insurance premiums and other employee benefit cost. We underestimated the increased inflation related to fuel cost or the challenges with maintaining a current fleet and will plan for higher fuel cost basis and a stabilizing of inflation. Continuation of the construction of a new District Courts building will be the major project for 2023. Potter County continues to purchase an insurance policy with General Liability, Law Enforcement Liability, and Public Office Liability of \$2 million per occurrence and in aggregate with an additional Automobile Liability of \$2 million per occurrence.

### **Requests for Information**

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

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## **BASIC FINANCIAL STATEMENTS**

**POTTER COUNTY, TEXAS  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2022**

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 99,957,995
Receivables (net of allowances for uncollectible):	
Taxes	658,893
Accounts	2,162,678
Due from other governments	932,644
Prepaid items	<u>1,517,476</u>
Total current assets	<u>105,229,686</u>
Noncurrent assets:	
Net pension asset	<u>10,120,375</u>
Capital assets:	
Land	4,911,954
Roads and bridges	39,686,827
Buildings and improvements	100,737,680
Furniture and equipment	24,775,037
Leased equipment	3,726,070
Construction in progress	<u>50,928,157</u>
Total capital assets	224,765,725
Less accumulated depreciation	<u>(85,683,770)</u>
Total noncurrent assets	<u>149,202,330</u>
Total assets	<u>254,432,016</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension contributions	3,813,503
Pension economic/demographic losses	39,776
Pension assumption changes	6,365,892
OPEB assumption changes	<u>629,395</u>
Total deferred outflows of resources	<u>10,848,566</u>

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

**POTTER COUNTY, TEXAS**  
**STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2022**

Continuation	<b>LIABILITIES</b>	<u>Governmental Activities</u>
Current liabilities:		
Accounts payable		\$ 6,680,301
Accrued payroll		723,666
Unearned revenue		70,125
Due to other governments		103,359
Bonds payable, current		3,060,000
Capital lease payable, current		442,379
Compensated absences, current		214,300
Accrued interest		<u>410,942</u>
Total current liabilities		<u>11,705,072</u>
Noncurrent liabilities:		
Bonds payable and net issuance premiums		67,995,280
Capital lease payable		2,298,621
Compensated absences		1,928,761
Total other post employment benefit liability		<u>2,724,255</u>
Total noncurrent liabilities		<u>74,946,917</u>
Total liabilities		<u>86,651,989</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Pension economic/demographic gains		1,320,633
Pension excess earnings		27,816,853
Pension assumption changes		270,010
OPEB economic/demographic gains		1,312,510
OPEB assumption changes		<u>967,292</u>
Total deferred inflows of resources		<u>31,687,298</u>
<b>NET POSITION</b>		
Net investment in capital assets		83,184,089
Restricted for:		
Debt service		2,926,849
By enabling legislation for:		
Special projects		37,340,721
Unrestricted		<u>23,489,636</u>
Total net position		<u>\$ 146,941,295</u>

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

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**POTTER COUNTY, TEXAS**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Program Revenues</b>			<b>Net (Expense)</b>
		<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>	<b>Revenue and Changes in Net Position</b>
<b>Primary Government:</b>					<b>Primary Governmental Activities</b>
Governmental activities:					
Administrative	\$ 8,316,689	\$ 695,275	\$ 11,486,884	\$ -	\$ 3,865,470
Judicial	15,541,504	1,958,755	1,799,227	-	(11,783,522)
Elections	1,151,352	7,940	6,206	669,462	(467,744)
Public facilities	4,076,037	-	-	-	(4,076,037)
Public safety	19,554,877	960,858	2,437,235	-	(16,156,784)
Corrections and rehabilitation	11,646,587	-	188,416	-	(11,458,171)
Road and bridge	2,954,624	2,165,177	19,033	192,808	(577,606)
Health and human services	874,183	1,350	268,136	-	(604,697)
Interest on long-term debt	2,458,367	-	-	-	(2,458,367)
<b>Total</b>	<b>\$ 66,574,220</b>	<b>\$ 5,789,355</b>	<b>\$ 16,205,137</b>	<b>\$ 862,270</b>	<b>(43,717,458)</b>
General revenues:					
Taxes:					
Property taxes, levied for general purposes					54,096,271
Property taxes, levied for debt service					4,602,971
Payments in lieu of taxes					105,593
Mixed beverage taxes					775,842
Sales tax					4,750,508
Investment earnings					900,475
Miscellaneous					2,312,195
					<b>67,543,855</b>
					<b>23,826,397</b>
					123,020,065
					94,833
					<b>123,114,898</b>
					<b>\$ 146,941,295</b>

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

**POTTER COUNTY, TEXAS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2022**

	<b>General</b>	<b>District Courts Building</b>	<b>American Rescue Fund</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 34,549,126	\$ 17,898,413	\$ 22,571,225
Taxes receivable, net	607,204	-	-
Due from other funds	22,268	-	-
Due from other governments	103,359	-	-
Other receivables	2,151,310	-	-
Prepaid items	1,486,106	-	-
Total assets	<b>\$ 38,919,373</b>	<b>\$ 17,898,413</b>	<b>\$ 22,571,225</b>
<b>LIABILITIES</b>			
Accounts payable	\$ 1,438,354	\$ 4,295,622	\$ 71,466
Due to other funds	12,919	-	-
Due to other governments	103,359	-	-
Accrued payroll	675,553	-	-
Unearned revenue	70,125	-	-
Total liabilities	2,300,310	4,295,622	71,466
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue-property taxes	323,854	-	-
Unavailable revenue-receivables	1,041,537	-	-
Total deferred inflows of resources	1,365,391	-	-
<b>FUND BALANCES</b>			
Nonspendable:			
Prepaid items	1,486,106	-	-
Restricted for:			
Debt service	-	-	-
Capital projects	-	13,602,791	-
Special projects	505,294	-	-
Administrative	-	-	22,499,759
Judicial	-	-	-
Elections	-	-	-
Public safety	-	-	-
Drug court programs	41,929	-	-
Preservation and restoration of county records	283,410	-	-
Law enforcement continuing education	15,635	-	-
Bail bond board	45,095	-	-
Victim assistance contributions	19,714	-	-
State criminal alien assistance program	143,301	-	-
Assigned to:			
Capital projects	561,580	-	-
Unassigned (deficit)	32,151,608	-	-
Total fund balances	35,253,672	13,602,791	22,499,759
Total liabilities, deferred inflows of resources, and fund balances	<b>\$ 38,919,373</b>	<b>\$ 17,898,413</b>	<b>\$ 22,571,225</b>

<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 21,077,967	\$ 96,096,731
51,689	658,893
38,660	60,928
829,285	932,644
8,806	2,160,116
31,370	1,517,476
<u>\$ 22,037,777</u>	<u>\$ 101,426,788</u>
\$ 453,331	\$ 6,258,773
48,009	60,928
-	103,359
48,113	723,666
-	70,125
<u>549,453</u>	<u>7,216,851</u>
27,568	351,422
-	1,041,537
<u>27,568</u>	<u>1,392,959</u>
31,370	1,517,476
2,926,849	2,926,849
-	13,602,791
-	505,294
8,554,858	31,054,617
1,559,742	1,559,742
364,713	364,713
3,307,271	3,307,271
-	41,929
-	283,410
-	15,635
-	45,095
-	19,714
-	143,301
4,815,651	5,377,231
(99,698)	32,051,910
<u>21,460,756</u>	<u>92,816,978</u>
<u>\$ 22,037,777</u>	<u>\$ 101,426,788</u>

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

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**POTTER COUNTY, TEXAS**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL**  
**FUNDS TO THE STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2022**

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

Total fund balance, governmental funds	\$	92,816,978
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		139,081,955
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.		1,392,959
The net pension asset is not a current financial resource and therefore, is not reported in the fund financial statement, but is reported in the governmental activities of the Statement of the Net Position.		10,120,375
Long-term liabilities, including bonds payable, capital lease payable, accrued interest, net pension liability, total other post employment benefit liability, and compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds.		(79,074,538)
Pension and OPEB losses, deficit earnings, and assumption changes are shown as deferred outflows of resources in the government-wide financial statements:		
Pension economic/demographic losses		39,776
Pension assumption changes		6,365,892
OPEB assumption changes		629,395
Pension and OPEB gains and excess earnings are shown as deferred inflows of resources in the government-wide financial statements:		
Pension economic/demographic gains		(1,320,633)
Pension excess earnings		(27,816,853)
Pension assumption changes		(270,010)
OPEB economic/demographic gains		(1,312,510)
OPEB assumption changes		(967,292)
Pension and OPEB contributions paid after the measurement date, December 31, 2021, and before September 30, 2022 are expensed in the governmental funds and shown as deferred outflows of resources in the government-wide financial statements:		
Pension contributions		3,813,503
The internal service fund is used by management to charge the costs of health insurance to individual funds. The assets and liabilities of the internal service fund are included in the governmental activities in the Statement of Net Position.		3,442,298
Net Position of Governmental Activities in the Statement of Net Position	\$	146,941,295

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

**POTTER COUNTY, TEXAS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<u>General</u>	<u>District Courts Building</u>	<u>American Rescue Fund</u>
<b>REVENUES</b>			
Taxes	\$ 54,222,370	\$ -	\$ -
Sales and miscellaneous taxes	881,435	-	-
Licenses and fees	4,364,597	-	-
Fines and forfeitures	624,341	-	-
Intergovernmental	2,426,417	-	11,403,244
Interest	335,505	185,951	146,269
Miscellaneous	1,615,646	-	-
Total revenues	<u>64,470,311</u>	<u>185,951</u>	<u>11,549,513</u>
<b>EXPENDITURES</b>			
Current:			
Administrative	7,344,149	-	458,466
Judicial	16,462,806	-	-
Elections	576,357	-	-
Public facilities	2,678,377	-	-
Public safety	12,414,555	-	-
Corrections and rehabilitation	13,092,451	-	-
Road and bridge	2,499,876	-	-
Health and human services	953,765	-	-
Capital outlay	2,424,684	32,941,989	-
Debt service:			
Principal	493,763	-	-
Interest	35,437	-	-
Total expenditures	<u>58,976,220</u>	<u>32,941,989</u>	<u>458,466</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>5,494,091</u>	<u>(32,756,038)</u>	<u>11,091,047</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Initiation of capital leases	2,353,251	-	-
Transfers in	-	1,250,000	-
Transfers out	(5,702,422)	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(3,349,171)</u>	<u>1,250,000</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	2,144,920	(31,506,038)	11,091,047
<b>FUND BALANCES - BEGINNING</b>	<u>33,108,752</u>	<u>45,108,829</u>	<u>11,408,712</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 35,253,672</u>	<u>\$ 13,602,791</u>	<u>\$ 22,499,759</u>

<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 4,616,004	\$ 58,838,374
4,750,508	5,631,943
815,511	5,180,108
-	624,341
3,044,939	16,874,600
200,736	868,461
712,160	2,327,806
<u>14,139,858</u>	<u>90,345,633</u>
722,742	8,525,357
244,503	16,707,309
575,203	1,151,560
102,817	2,781,194
7,117,580	19,532,135
-	13,092,451
-	2,499,876
-	953,765
2,150,094	37,516,767
2,920,000	3,413,763
2,558,459	2,593,896
<u>16,391,398</u>	<u>108,768,073</u>
<u>(2,251,540)</u>	<u>(18,422,440)</u>
-	2,353,251
5,702,422	6,952,422
<u>(1,250,000)</u>	<u>(6,952,422)</u>
<u>4,452,422</u>	<u>2,353,251</u>
2,200,882	(16,069,189)
19,259,874	108,886,167
<u>\$ 21,460,756</u>	<u>\$ 92,816,978</u>

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

**POTTER COUNTY, TEXAS  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL  
FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

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

Net change in fund balances - total governmental funds	\$	(16,069,189)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		33,061,280
The net effect of other transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net changes in fund balance.		108,486
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		(139,147)
Internal service fund is used to account for the health self-insurance program of the County. The net income of certain activities of internal service funds is reported with governmental activities.		(41,267)
The issuance of long term debt provides current financial resources to governmental funds, while repayment of long term debt principal consumes current financial resources of governmental funds. Governmental funds report the effect of premiums and discounts when debt is first issued; these amounts are deferred and amortized in the statement of activities. This amount is the net effect of the differences in the treatment of long term debt.		1,208,981
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		<u>5,697,253</u>
Change in net position of governmental activities	\$	<u><u>23,826,397</u></u>

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

**POTTER COUNTY, TEXAS  
STATEMENT OF NET POSITION  
PROPRIETARY FUND  
SEPTEMBER 30, 2022**

	<u>Governmental Activities Internal Service Fund</u>
<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 3,861,264
Receivables	<u>2,562</u>
Total current assets /total assets	<u><u>\$ 3,863,826</u></u>
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable - claims	<u>\$ 421,528</u>
Total current liabilities/total liabilities	<u>421,528</u>
<b>NET POSITION</b>	
Unrestricted	<u>3,442,298</u>
Total liabilities and net position	<u><u>\$ 3,863,826</u></u>

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

**POTTER COUNTY, TEXAS  
STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<u>Governmental Activities Internal Service Fund</u>
<b>OPERATING REVENUES</b>	
Healthcare contributions	\$ 7,516,309
Total operating revenues	<u>7,516,309</u>
<b>OPERATING EXPENSES</b>	
Operating expenses	<u>7,589,590</u>
Total operating expenses	<u>7,589,590</u>
<b>NET OPERATING INCOME (LOSS)</b>	(73,281)
<b>NON-OPERATING REVENUES</b>	
Interest	<u>32,014</u>
<b>CHANGE IN NET POSITION</b>	(41,267)
<b>TOTAL NET POSITION - BEGINNING</b>	<u>3,483,565</u>
<b>TOTAL NET POSITION - ENDING</b>	<u><u>\$ 3,442,298</u></u>

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

**POTTER COUNTY, TEXAS  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<u>Governmental Activities Internal Service Fund</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from internal services provided	\$ 7,513,747
Payments for claims	<u>(7,366,391)</u>
Net cash provided by operating activities	<u>146,356</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Changes in interfund receivables/payables	<u>(28)</u>
Net cash used by noncapital financing activities	<u>(28)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest from cash deposits	<u>32,014</u>
Net cash provided by investing activities	<u>32,014</u>
<b>NET INCREASE IN CASH</b>	178,342
<b>CASH, BEGINNING</b>	<u>3,682,922</u>
<b>CASH, ENDING</b>	<u><u>\$ 3,861,264</u></u>
<b>RECONCILIATION OF OPERATING INCOME / (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	
Net operating loss	\$ (73,281)
Adjustments to reconcile net operating income / (loss) to net cash flows from operating activities:	
Changes in assets and liabilities:	
(Increase) decrease in accounts receivable	(2,562)
Increase (decrease) in accounts payable	<u>222,199</u>
Net cash provided by operating activities	<u><u>\$ 146,356</u></u>

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

**POTTER COUNTY, TEXAS**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**SEPTEMBER 30, 2022**

	<b>ASSETS</b>	Custodial Funds
Cash and cash equivalents		\$ 9,450,634
Accounts receivable		<u>55,132</u>
Total assets		<u>9,505,766</u>
	<b>LIABILITIES</b>	
Accounts payable		353,843
Due to other governments		<u>2,537,012</u>
Total liabilities		<u>2,890,855</u>
	<b>NET POSITION</b>	
Restricted for:		
Individuals		<u>6,614,911</u>
Total net position		<u><u>\$ 6,614,911</u></u>

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

**POTTER COUNTY, TEXAS**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<u>Custodial Funds</u>
<b>ADDITIONS</b>	
Tax and fee collections for other governments	\$ 266,123,249
Receipt of amounts held for benefit of others	<u>5,119,134</u>
Total additions	<u>271,242,383</u>
<b>DEDUCTIONS</b>	
Payments of taxes and fees to other governments	266,169,231
Payments of amounts held for benefit of others	<u>3,098,680</u>
Total deductions	<u>269,267,911</u>
<b>NET INCREASE IN FIDUCIARY NET POSITION</b>	1,974,472
<b>NET POSITION - BEGINNING</b>	<u>4,640,439</u>
<b>NET POSITION - ENDING</b>	<u><u>\$ 6,614,911</u></u>

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

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

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

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

**A. Financial Reporting Entity**

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

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

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

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

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

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

Government-wide Statements

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

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

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

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

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

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

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

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

Fund-level Statements

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

All proprietary funds, including internal service and fiduciary funds, including custodial funds, are accounted for using the accrual basis of accounting. Revenues are recognized when earned, and expenses when they are incurred. Claims incurred but not reported are included in payables and expenses. These funds are accounted for using an economic resources measurement focus.

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

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

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

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

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

The County reports the following major governmental funds:

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

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

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

Additionally, the County reports the following governmental fund types:

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

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

Proprietary Fund Types:

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

Fiduciary Fund Types:

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

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

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

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

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

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

**C. Deposits and Investments**

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

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

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

**D. Receivables and Payables**

All trade and property tax receivables are shown net of an allowance for uncollectible. Trade accounts receivable in excess of 180 days comprise the trade accounts receivable allowance for uncollectible. The property tax receivable allowance is equal to 71 percent of outstanding property taxes at September 30, 2022.

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

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

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

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

**E. Prepaid Items**

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

**F. Inter-fund Transactions**

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

**G. Capital Assets**

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

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

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

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

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

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

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

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

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

**I. Compensated Absences**

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

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

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

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

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

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

**J. Long-term Obligations**

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

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs withheld from the actual debt proceeds received are reported as debt service expenditures.

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

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

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

**L. Government-wide Net Position**

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

**Net Investment in Capital Assets** – This amount consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds.

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

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

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

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

**M. Governmental Fund Balances**

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

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

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

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

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

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

**N. Fund Balance Policies**

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

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

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

Continued

**POTTER COUNTY, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2022**

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

**O. Funds Balances Restricted**

Restricted Fund Balances:

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

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

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

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

Bonds and capital lease payable	\$ (73,796,279)
Accrued interest payable	(410,943)
Total other post employment benefit liability	(2,724,255)
Compensated absences	<u>(2,143,061)</u>
 Net adjustment to decrease fund balance - total governmental funds to arrive at net position - governmental activities	 <u>\$ (79,074,538)</u>

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

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

Capital outlay	\$ 37,516,767
Depreciation expense	<u>(4,455,487)</u>
 Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	 <u>\$ 33,061,280</u>

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

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

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

Gain / (Loss) on disposal of assets	\$	(84,322)
Donation of infrastructure assets		<u>192,808</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	\$	<u>108,486</u>

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

Property tax	\$	(139,132)
Fines and fees		15,595
Paving lien assessments		<u>(15,610)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	\$	<u>(139,147)</u>

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

Debt Issued:		
Initiation of capital leases	\$	(2,353,251)
Repayment of principal		3,413,763
Amortization of bonds premium		<u>148,469</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	\$	<u>1,208,981</u>

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

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

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

Change in estimated liability for compensated absences	\$	(79,705)
Change in accrued interest		(12,938)
Change in net pension asset		10,120,375
Change in net pension liability		20,914,432
Change in deferred outflows of resources - pension contributions		85,021
Change in deferred outflows of resources - pension economic/demographic losses		(34,204)
Change in deferred inflows of resources - pension economic/demographic gains		(725,082)
Change in deferred inflows of resources - pension excess earnings		(20,941,148)
Change in deferred outflows of resources - pension assumption changes		(3,270,832)
Change in deferred inflows of resources - pension assumption changes		(270,010)
Change in total other post employment benefit liability		938,272
Change in deferred inflows of resources - OPEB economic/demographic gains		(563,678)
Change in deferred outflows of resources - OPEB assumption changes		(115,335)
Change in deferred inflows of resources - OPEB assumption changes		(347,915)
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	\$	5,697,253

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

**Budgetary Information**

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

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

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

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

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

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

**NOTE 4 – DEPOSITS AND INVESTMENTS**

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

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

Cash on hand - governmental funds	\$ 10,832
Carrying amount of bank deposits - governmental funds	37,121,009
Carrying amount of TexPool deposits - governmental funds	34,748,214
Carrying amount of Texas CLASS deposits - governmental funds	<u>24,216,676</u>
Total governmental funds	<u>96,096,731</u>
Carrying amount of bank deposits - internal service funds	3,827,557
Carrying amount of TexPool deposits - internal service funds	<u>33,707</u>
Total internal service funds	<u>3,861,264</u>
Carrying amount of bank deposits - agency funds	7,718,264
Carrying amount of TexPool deposits - agency funds	<u>1,732,370</u>
Total agency funds	<u>9,450,634</u>
Total	<u><u>\$ 109,408,629</u></u>

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

***Interest Rate Risk***

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

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

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

***Credit Risk***

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

As of September 30, 2022 the County had \$34,748,214 and \$24,216,676 invested with the Texas Treasury Safekeeping Trust Company (TexPool) and the Texas Cooperative Liquid Assets Securities System (Texas CLASS), respectively. The Interlocal Cooperation Act, chapter 791 of the Texas Government Code, and the Public Funds Investment Act, chapter 2256 of the Texas Government Code, provide for the creation of public funds investment pools, such as TexPool and Texas CLASS, through which political subdivisions and other entities may invest public funds.

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

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

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

***Concentrations of Credit Risk***

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

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 5 – OTHER RECEIVABLES**

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

	General	Other Governmental	Internal Service Fund	Total
Receivables:				
Accounts	\$ 1,109,773	\$ 8,806	\$ 2,562	\$ 1,121,141
Fines and fees	42,202,476	-	-	42,202,476
Paving liens	65,604	-	-	65,604
Gross receivables	43,377,853	8,806	2,562	43,389,221
Less: allowance for uncollectible	41,226,543	-	-	41,226,543
Net total accounts receivable, net	<u>\$ 2,151,310</u>	<u>\$ 8,806</u>	<u>\$ 2,562</u>	<u>\$ 2,162,678</u>

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

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

	Inter-fund Transfers In	Inter-fund Transfers Out
General Fund	\$ -	\$ 5,702,422
Special Revenue Funds:		
County Assistance District	50,000	-
Auto Burglary and Theft Prevention	61,580	-
Juvenile Probation	5,090,842	-
Capital Projects Funds:		
Capital Projects Fund	500,000	1,250,000
Justice Courts Building	1,250,000	-
	<u>\$ 6,952,422</u>	<u>\$ 6,952,422</u>

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

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

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

	Inter-fund Receivables	Inter-fund Payables
General Fund	\$ 22,268	\$ 12,919
Special Revenue Funds:		
County Assistance District	2,781	2,781
Law Library	6,539	-
Courthouse Security	7,130	-
Justice Courts Building Security	10	-
County Clerk Records Management	9,304	-
Court Records Management	162	-
District Clerk Records Management	4,560	-
Justice Court Technology	1,132	-
County Clerk / District Clerk Technology	209	-
County Attorney Hot Check	-	72
County Attorney Forfeiture	1,470	1,470
District Attorney Hot Check	-	467
DA Forfeiture Release	-	3,312
Auto Burglary and Theft Prevention	5,363	34,102
CARES Act - HAVA Grant	-	5,805
	\$ 60,928	\$ 60,928

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

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 7 – CAPITAL ASSETS**

Capital asset activity for the year ended September 30, 2022, was as follows:

	Beginning Balance	Increases	Decreases	Transfers/ Reclassifications	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 4,911,954	\$ -	\$ -	\$ -	\$ 4,911,954
Construction in progress	17,986,168	32,941,989	-	-	50,928,157
Total capital assets not being depreciated	<u>22,898,122</u>	<u>32,941,989</u>	<u>-</u>	<u>-</u>	<u>55,840,111</u>
Capital assets, being depreciated:					
Infrastructure (roads and bridges)	39,494,019	192,808	-	-	39,686,827
Buildings and improvements	101,341,742	-	(604,062)	-	100,737,680
Furniture and equipment	24,570,232	2,221,527	(598,579)	(1,418,143)	24,775,037
Leased equipment	-	2,353,251	(45,324)	1,418,143	3,726,070
Total capital assets being depreciated	<u>165,405,993</u>	<u>4,767,586</u>	<u>(1,247,965)</u>	<u>-</u>	<u>168,925,614</u>
Less accumulated depreciation:					
Infrastructure (roads and bridges)	(28,096,939)	(386,536)	-	-	(28,483,475)
Buildings and improvements	(39,314,275)	(2,270,226)	604,062	-	(40,980,439)
Furniture and equipment	(14,980,712)	(1,231,957)	548,644	442,585	(15,221,440)
Leased equipment	-	(566,768)	10,937	(442,585)	(998,416)
Total accumulated depreciation	<u>(82,391,926)</u>	<u>(4,455,487)</u>	<u>1,163,643</u>	<u>-</u>	<u>(85,683,770)</u>
Total capital assets, being depreciated, net	<u>83,014,067</u>	<u>312,099</u>	<u>(84,322)</u>	<u>-</u>	<u>83,241,844</u>
Governmental activities capital assets, net	<u>\$ 105,912,189</u>	<u>\$ 33,254,088</u>	<u>\$ (84,322)</u>	<u>\$ -</u>	<u>\$ 139,081,955</u>

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

Governmental activities:	
Administrative	\$ 368,708
Judicial	134,008
Elections	43,928
Public facilities	1,475,585
Public safety	1,786,243
Road and bridge	647,015
Total depreciation expense - governmental activities	<u>\$ 4,455,487</u>

The County has an active construction project as of September 30, 2022. The project is as follows:

The County has begun the construction of a new District Courts Building. Costs spent to date on this project totaled \$50,928,157.

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 8 – LEASES**

The County has entered into a capital lease with Enterprise Fleet Management for a county-wide commercial fleet. The obligations under capital lease have been recorded in the accompanying financial statements at the present value of future minimum lease payments, discounted at an interest rate of 0%. The lease will terminate on September 30, 2023.

The County has entered into a capital lease with Dell Financial for servers and related equipment. The obligations under capital lease have been recorded in the accompanying financial statements at the present value of future minimum lease payments, discounted at an interest rate of 0%. The leases will terminate on September 30, 2025.

The County has entered into multiple capital leases with South Plains Communications for the use of communication towers. The obligations under capital lease have been recorded in the accompanying financial statements at the present value of future minimum lease payments, discounted at an interest rate of 2.448%. The leases will terminate on December 31, 2047.

The County has entered into multiple capital leases for the use of equipment. The obligations under capital lease have been recorded in the accompanying financial statements at the present value of future minimum lease payments, discounted at interest rates ranging from 0.351% - 1.462%. The leases have various termination dates ranging until November 23, 2026.

Years Ending September 30,	Total	Capital Leases	
		Principal	Interest
2023	\$ 485,375	\$ 442,379	\$ 42,996
2024	402,076	361,519	40,557
2025	345,056	306,981	38,075
2026	227,988	192,440	35,548
2027	149,678	116,689	32,989
2028-2032	505,908	369,529	136,379
2033-2037	375,000	273,290	101,710
2038-2042	375,000	309,344	65,656
2043-2047	375,000	350,155	24,845
2048-2049	18,751	18,674	77
Total	<u>\$ 3,259,832</u>	<u>\$ 2,741,000</u>	<u>\$ 518,832</u>

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

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

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

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

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

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

The annual requirements to amortize all debt outstanding as of September 30, 2022, are as follows:

Years Ending September 30,	Total	Certificates of Obligation Series 2016		Tax Notes Series 2017		Certificates of Obligation Series 2019	
		Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 5,519,337	\$ 985,000	\$ 490,725	\$ 935,000	\$ 27,074	\$ 1,140,000	\$ 1,941,538
2024	5,069,336	1,015,000	460,725	950,000	9,073	750,000	1,884,538
2025	5,081,863	1,045,000	429,825	-	-	1,760,000	1,847,038
2026	4,296,988	1,080,000	397,950	-	-	1,060,000	1,759,038
2027	4,356,138	1,110,000	365,100	-	-	1,175,000	1,706,038
2028-2032	21,826,678	6,070,000	1,297,650	-	-	6,835,000	7,624,028
2033-2037	20,335,963	5,545,000	338,925	-	-	8,335,000	6,117,038
2038-2042	14,457,238	-	-	-	-	10,070,000	4,387,238
2043-2047	14,456,475	-	-	-	-	12,000,000	2,456,475
2048-2049	5,779,200	-	-	-	-	5,450,000	329,200
<b>Total</b>	<b>\$ 101,179,216</b>	<b>\$ 16,850,000</b>	<b>\$ 3,780,900</b>	<b>\$ 1,885,000</b>	<b>\$ 36,147</b>	<b>\$ 48,575,000</b>	<b>\$ 30,052,169</b>

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 10 – LONG TERM DEBT**

Change in long-term debt is summarized below:

	Balance October 1, 2021	Additions	Retirements	Balance September 30, 2022	Due Within One Year
Certificates of Obligation, Series 2016	\$ 17,805,000	\$ -	\$ (955,000)	\$ 16,850,000	\$ 985,000
Tax Notes, Series 2017	2,800,000	-	(915,000)	1,885,000	935,000
Certificates of Obligation, Series 2019	49,625,000	-	(1,050,000)	48,575,000	1,140,000
Deferred issuance premiums	3,893,748	-	(148,468)	3,745,280	
Total bonds payable	74,123,748	-	(3,068,468)	71,055,280	3,060,000
Capital lease obligation	881,512	2,353,251	(493,763)	2,741,000	442,379
Estimated liability for compensated absences	2,063,356	1,387,590	(1,307,885)	2,143,061	214,300
Net pension liability	20,914,432	-	(20,914,432)	-	-
Total other post employment benefit liability	3,662,527	-	(938,272)	2,724,255	-
Total	<u>\$ 101,645,575</u>	<u>\$ 3,740,841</u>	<u>\$ (26,722,820)</u>	<u>\$ 78,663,596</u>	<u>\$ 3,716,679</u>

The County incurred interest expense of \$2,458,367 during the year ended September 30, 2022.

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

**NOTE 11 – COMPENSATED ABSENCES**

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

**NOTE 12 – RISK MANAGEMENT**

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

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 13 – HEALTH INSURANCE**

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

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

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

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

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

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

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

Balance 10/1/2020	Incurred Claims	Claim Payments	Balance 9/30/2021
\$ 541,341	\$ 5,165,434	\$ 5,507,446	\$ 199,329
Balance 10/1/2021	Incurred Claims	Claim Payments	Balance 9/30/2022
\$ 199,329	\$ 5,698,856	\$ 5,476,657	\$ 421,528

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 14 – RETIREMENT PLAN**

*Plan Description*

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

*Benefits Provided*

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

Benefit amounts are determined by the sum of the employee's contributions to the Plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the County within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute. At retirement, death, or disability, the benefit is calculated by converting the sum of the employee's accumulated contributions and the employer-financial monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

*Employees Covered by Benefit Terms*

The following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	410
Inactive employees entitled to but not yet receiving benefits	363
Active employees	563

*Contributions*

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

The County contributed using the actuarially determined rate of 15.53% for calendar year 2022, and 15.45% for calendar year 2021. The contribution rate payable by the employee members is 7.0% for fiscal year 2022 as adopted by the governing body of the County. The employee contribution rate and the employer contribution rate may be changed by the governing body of the County within the options available in the TCDRS Act.

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 14 – RETIREMENT PLAN** – Continuation

*Net Pension Liability*

The County's net pension liability was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability or asset was determined by an actuarial valuation as of that date.

*Actuarial Assumptions*

The total pension liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement.

The demographic assumptions were developed from an actuarial experience investigation of TCDRS over the years 2017 – 2020. They were recommended by Milliman and adopted by the TCDRS Board of Trustees in December of 2021. All economic assumptions were recommended by Milliman and adopted by the TCDRS Board of Trustees in March of 2021. These assumptions, except where required to be different by GASB 68, are used to determine the total pensions liability as of December 31, 2021. The assumptions are reviewed annually for continued compliance with the relevant actuarial standards of practice.

**TCDRS system-wide economic assumptions:**

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

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

The annual salary increase rates assumed for individual members vary by length of service and by entry-age group. The annual rates consist of a general wage inflation component of 3.00% (made up of 2.50% inflation and 0.5% productivity increase assumptions) and a merit, promotion and longevity component that on average approximates 1.7% per year for a career employee.

**Employer-specific economic assumptions:**

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

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

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 14 – RETIREMENT PLAN – Continuation**

The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information are provided by TCDRS' investment consultant, Cliffwater LLC. The numbers shown are based on January 2022 information for a 10-year time horizon.

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

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 14 – RETIREMENT PLAN – Continuation**

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Benchmark	Target Allocation (1)	Geometric Real Rate of Return (Expected Minus Inflation) (2)
US Equities	Dow Jones U.S. Total Stock Market Index	11.50%	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 (3)	4.00%	4.50%
REIT Equities	67% FTSE NAREIT 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 (4)	6.00%	5.10%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index (5)	25.00%	6.80%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Funds of Funds Composite Index	6.00%	1.55%
Cash Equivalents	90-Day U.S. Treasury	2.00%	-1.05%

(1) Target asset allocation adopted at the March 2022 TCDRS Board Meeting.

(2) Geometric real rates of return equal the expected return minus the assumed inflation rate of 2.6%, per Cliffwater's 2022 capital market assumptions.

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

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

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

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 14 – RETIREMENT PLAN – Continuation**

*Discount Rate*

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

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

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

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

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

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

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

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 14 – RETIREMENT PLAN – Continuation**

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

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

	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability / (Asset) (a) - (b)
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Balances as of December 31, 2020	\$ 224,310,166	\$ 203,395,734	\$ 20,914,432
Changes for the year:			
Service cost	4,892,146	-	4,892,146
Interest on total pension liability (1)	16,996,284	-	16,996,284
Effect of plan changes (2)	-	-	-
Effect of economic/demographic gains or losses	(1,300,404)	-	(1,300,404)
Effect of assumptions changes or inputs	(360,013)	-	(360,013)
Refund of contributions	(664,369)	(664,369)	-
Benefit payments	(10,677,293)	(10,677,293)	-
Administrative expenses	-	(131,637)	131,637
Member contributions	-	2,260,243	(2,260,243)
Net investment income	-	44,205,613	(44,205,613)
Employer contributions	-	4,988,543	(4,988,543)
Other (3)	-	(59,942)	59,942
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Balances as of December 31, 2021	<u>\$ 233,196,517</u>	<u>\$ 243,316,892</u>	<u>\$ (10,120,375)</u>

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

(2) No plan changes valued.

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

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 14 – RETIREMENT PLAN – Continuation**

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

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

	1% Decrease 6.60%	Current Discount Rate 7.60%	1% Increase 8.60%
Total pension liability	\$ 264,124,331	\$ 233,196,517	\$ 207,376,014
Fiduciary net position	<u>243,316,892</u>	<u>243,316,892</u>	<u>243,316,892</u>
Net pension liability / (asset)	<u>\$ 20,807,439</u>	<u>\$ (10,120,375)</u>	<u>\$ (35,940,878)</u>

*Pension Plan Fiduciary Net Position*

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

*Pension Expense / (Income)*

	January 1, 2021 to December 31, 2021
Service cost	\$ 4,892,146
Interest on total pension liability (1)	16,996,284
Effect of plan changes	-
Administrative expenses	131,637
Member contributions	(2,260,243)
Expected investment return net of investment expenses	(15,298,248)
Recognition of deferred inflows/outflows of resources	
Recognition of economic/demographic gains or losses	(541,118)
Recognition of assumption changes or inputs	3,180,829
Recognition of investment gains or losses	(7,966,217)
Other (2)	<u>59,942</u>
Pension expense / (income)	<u>\$ (804,988)</u>

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

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

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 14 – RETIREMENT PLAN – Continuation**

*Deferred Inflows / Outflows of Resources*

As of September 30, 2022, the deferred inflows and outflows of resources are as follows:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ 1,320,633	\$ 39,776
Changes of assumptions	270,010	6,365,892
Net difference between projected and actual earnings	27,816,853	-
Contributions made subsequent to measurement date	N/A	3,813,503

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

Year ended December 31:	
2022	\$ (3,495,823)
2023	(6,673,534)
2024	(7,050,998)
2025	(5,781,473)
2026	-
Thereafter	-

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

*Plan Description*

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

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

*Funding Policy*

Each participating employer contributes to the GTLF at a contractually required rate. An annual actuarial valuation is performed and the contractual rate is determined using the unit credit method for providing one-year term life insurance. Potter County, Texas contributions to the GTLF for the year ended September 30, 2022, 2021 and 2020 was \$49,070, \$47,6268 and \$49,638, respectively, which equaled the contractually required contributions.

**POTTER COUNTY, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2022**

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

*Plan Description*

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

*Benefits Provided*

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

*Employees Covered by Benefit Terms*

The following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	12
Inactive employees entitled to but not yet receiving benefits	0
Active employees	473

*Total OPEB Liability*

The County’s total OPEB liability was measured as of September 30, 2022, and was determined by an actuarial valuation as of that date.

Continued

**POTTER COUNTY, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2022**

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

*Actuarial Assumptions*

The total OPEB liability in the September 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement.

Actuarial cost method	Individual Entry-Age Normal
Discount rate	4.40% as of September 30, 2022
Inflation	2.50%
Salary increases	0.40% to 5.25%, not including wage inflation of 3.00%
Demographic Assumptions	Based on the experience study covering the four-year period ending December 31, 2020 as conducted for the Texas County and District Retirement System (TCDRS)
Mortality	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.
Health Care Trend Rates	Initial rate of 7.00% declining to an ultimate rate of 4.15% after 13 years
Participation Rates	15% for eligible retirees

*Discount Rate*

For plans that do not have formal assets, the discount rate should equal the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. For the purpose of this valuation, the municipal bond rate is 4.40% (based on the daily rate closest to but not later than the measurement date of the Fidelity “20-Year Municipal GO AA Index”). The discount rate was 2.19% as of the prior measurement date.

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

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

*Changes in the Total OPEB Liability*

	Changes in Total OPEB Liability
Balances as of September 30, 2021	\$ 3,662,527
Changes for the year:	
Service cost	347,884
Interest on total OPEB liability	82,555
Changes of benefit terms	-
Difference between expected and actual experience	(741,692)
Changes in assumption	(493,365)
Benefit payments	(133,654)
Balances as of September 30, 2022	\$ 2,724,255

Changes of assumptions reflect updated claims, trends, mortality tables, and discount rate from the October 1, 2020 valuation.

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

Regarding the sensitivity of the total OPEB liability to changes in the discount rate, the following presents the plan's total OPEB liability, calculated using a discounted rate of 4.40%, as well as what the plan's total OPEB liability would be if it were calculated using a discount rate that is one percent lower or one percent higher:

	1% Decrease 3.40%	Current Discount Rate 4.40%	1% Increase 5.40%
Total OPEB liability	\$ 2,976,647	\$ 2,724,255	\$ 2,497,107

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

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

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

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

	1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
Total OPEB liability	\$ 2,403,195	\$ 2,724,255	\$ 3,110,383

*OPEB Expense / (Income)*

	October 1, 2021 to September 30, 2022
Service cost	\$ 347,884
Interest on total OPEB liability	82,555
Current period benefit changes	-
OPEB Plan administrative expense	-
Recognition of Deferred Inflows/Outflows of Resources	
Recognition of economic/demographic gains or losses	(127,865)
Recognition of assumption changes or inputs	(80,264)
OPEB expense / (income)	\$ 222,310

*Deferred Inflows / Outflows of Resources*

As of September 30, 2022, the deferred inflows and outflows of resources are as follows:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ 1,312,510	\$ -
Changes of assumptions	967,292	629,395

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

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

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

Year ended September 30:	
2023	\$ (208,129)
2024	(208,129)
2025	(205,189)
2026	(178,708)
2027	(178,708)
Thereafter	(671,544)

**NOTE 17 – TAX ABATEMENT AGREEMENTS**

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

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

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

The County has entered into a tax abatement agreement which is authorized and governed by the Property Redevelopment and Tax Abatement Act, Chapter 312, Texas Tax Code with Bovina Burger, LLC. The Company is to construct a “qualified facility” on an approximate 17 acre parcel of land within the Reinvestment Zone No. 10 as established by the City of Amarillo, Texas. The County will abate 100% of the ad valorem taxes on this development for a period of ten years beginning on January 1, 2021.

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

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

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

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

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

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

Chapter 312 of the Texas Tax Code allows for the designation of tax reinvestment zones and the negotiation of tax abatement agreements with applicants. These abatement agreements authorize the Potter-Randall County Appraisal District to reduce the assessed value of the taxpayer's property by a percentage specified in the agreement, and the taxpayer will pay taxes on the lower assessed value during the term of the agreement. Property taxes abated by Potter County under this program, in accordance with the above agreements, were \$992,058 for the year ended September 30, 2022.

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

The County is the defendant in a number of lawsuits arising principally in the normal course of operations. In the opinion of the management of the County the outcome of these lawsuits will not have a material adverse effect on the accompanying basic financial statements and accordingly, no provision for losses has been recorded. The County participates in numerous state and federal grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the County has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at September 30, 2022, may be impaired. In the opinion of the County, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying combined financial statements for such contingencies.

**NOTE 19 – PRIOR PERIOD RESTATEMENT**

The prior period net assets were increased due to the implementation of GASB Statement 87 – *Leases*. The statement requires the recording of long-term right to use assets, "leased equipment" and the corresponding long-term obligation of the leases on the Statement of Net Position.

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**REQUIRED SUPPLEMENTARY INFORMATION  
(UNAUDITED)**

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**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 54,361,824	\$ 54,361,824	\$ 54,222,370	\$ (139,454)
Sales and miscellaneous taxes	683,080	683,080	881,435	198,355
Licenses and fees	4,046,730	4,046,730	4,364,597	317,867
Fines and forfeitures	842,000	842,000	624,341	(217,659)
Intergovernmental	3,196,360	3,209,746	2,426,417	(783,329)
Interest	150,000	150,000	335,505	185,505
Miscellaneous	1,167,800	1,168,300	1,615,646	447,346
	<u>64,447,794</u>	<u>64,461,680</u>	<u>64,470,311</u>	<u>8,631</u>
<b>EXPENDITURES</b>				
Current:				
Administrative	8,839,618	8,661,997	7,344,149	1,317,848
Judicial	19,048,435	19,173,797	16,462,806	2,710,991
Elections	678,436	678,436	576,357	102,079
Public facilities	3,063,070	3,063,070	2,678,377	384,693
Public safety	12,910,477	12,984,491	12,414,555	569,936
Corrections and rehabilitation	14,075,234	14,119,767	13,092,451	1,027,316
Road and bridge	2,754,590	2,745,910	2,499,876	246,034
Health and human services	1,066,757	1,066,757	953,765	112,992
Capital outlay	511,517	560,636	2,424,684	(1,864,048)
Debt service:				
Principal	377,095	377,095	493,763	(116,668)
Interest	-	-	35,437	(35,437)
	<u>63,325,229</u>	<u>63,431,956</u>	<u>58,976,220</u>	<u>4,455,736</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>1,122,565</u>	<u>1,029,724</u>	<u>5,494,091</u>	<u>4,464,367</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Initiation of capital leases	-	-	2,353,251	2,353,251
Transfers out	(5,090,842)	(5,090,842)	(5,702,422)	(611,580)
	<u>(5,090,842)</u>	<u>(5,090,842)</u>	<u>(3,349,171)</u>	<u>1,741,671</u>
<b>NET CHANGE IN FUND BALANCES</b>	(3,968,277)	(4,061,118)	2,144,920	6,206,038
<b>FUND BALANCES - BEGINNING</b>	<u>33,108,752</u>	<u>33,108,752</u>	<u>33,108,752</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 29,140,475</u>	<u>\$ 29,047,634</u>	<u>\$ 35,253,672</u>	<u>\$ 6,206,038</u>

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

	Year Ended December 31,			
	2021	2020	2019	2018
<b>Total Pension Liability:</b>				
Service cost	\$ 4,892,146	\$ 4,388,580	\$ 4,184,777	\$ 4,231,120
Interest on total pension liability	16,996,284	16,261,798	15,436,690	14,703,036
Effect of plan changes	-	-	-	-
Effect of assumption changes or inputs	(360,013)	12,731,786	-	-
Effect of economic/demographic (gains) or losses	(1,300,404)	(380,448)	99,437	(775,543)
Benefit payments/refunds of contributions	(11,341,663)	(9,938,331)	(9,545,684)	(8,582,682)
Net change in total pension liability	8,886,350	23,063,385	10,175,220	9,575,931
Total pension liability, beginning	224,310,166	201,246,781	191,071,561	181,495,630
Total pension liability, ending (a)	<u>\$ 233,196,516</u>	<u>\$ 224,310,166</u>	<u>\$ 201,246,781</u>	<u>\$ 191,071,561</u>
<b>Fiduciary Net Position:</b>				
Employer contributions	\$ 4,988,543	\$ 5,093,373	\$ 4,826,681	\$ 4,625,757
Member contributions	2,260,243	2,298,439	2,286,269	2,190,217
Investment income net of investment expenses	44,205,613	19,297,680	26,729,739	(3,146,419)
Benefit payments/refunds of contributions	(11,341,663)	(9,938,332)	(9,545,684)	(8,582,682)
Administrative expenses	(131,637)	(148,828)	(142,387)	(130,724)
Other	(59,942)	(56,837)	(57,261)	(35,776)
Net change in fiduciary net position	39,921,157	16,545,495	24,097,357	(5,079,627)
Fiduciary net position, beginning	203,395,734	186,850,239	162,752,882	167,832,509
Fiduciary net position, ending (b)	<u>\$ 243,316,891</u>	<u>\$ 203,395,734</u>	<u>\$ 186,850,239</u>	<u>\$ 162,752,882</u>
Net pension liability / (asset), ending = (a) - (b)	<u>\$ (10,120,375)</u>	<u>\$ 20,914,432</u>	<u>\$ 14,396,542</u>	<u>\$ 28,318,679</u>
Fiduciary net position as a % of total pension liability	104.34%	90.68%	92.85%	85.18%
Pensionable covered payroll	\$ 32,289,189	\$ 32,608,141	\$ 32,634,836	\$ 31,288,811
Net pension liability as a % of covered payroll	-31.34%	64.14%	44.11%	90.51%

Year Ended December 31,

2017	2016	2015	2014	2013	2012
\$ 4,273,814	\$ 4,352,352	\$ 4,127,523	\$ 4,108,621	\$ N/A	\$ N/A
13,871,195	13,037,017	12,402,512	11,669,923	N/A	N/A
-	-	(728,256.00)	-	N/A	N/A
439,421	-	1,583,826	-	N/A	N/A
71,577	(1,265,495)	(1,704,163)	(268,856)	N/A	N/A
(8,113,787)	(7,822,670)	(7,265,790)	(6,536,622)	N/A	N/A
10,542,220	8,301,204	8,415,652	8,973,066	N/A	N/A
170,953,410	162,652,206	154,236,554	145,263,488	N/A	N/A
<u>\$ 181,495,630</u>	<u>\$ 170,953,410</u>	<u>\$ 162,652,206</u>	<u>\$ 154,236,554</u>	<u>\$ N/A</u>	<u>\$ N/A</u>
\$ 4,318,705	\$ 4,074,113	\$ 3,944,278	\$ 3,899,238	\$ N/A	\$ N/A
2,109,629	2,068,086	2,009,470	1,984,119	N/A	N/A
21,585,568	10,342,613	(641,974)	9,074,869	N/A	N/A
(8,113,787)	(7,822,670)	(7,265,790)	(6,536,622)	N/A	N/A
(111,613)	(112,476)	(101,332)	(106,048)	N/A	N/A
(23,400)	(361,045)	143,195	29,017	N/A	N/A
19,765,102	8,188,621	(1,912,153)	8,344,573	N/A	N/A
148,067,407	139,878,786	141,790,759	133,446,186	N/A	N/A
<u>\$ 167,832,509</u>	<u>\$ 148,067,407</u>	<u>\$ 139,878,606</u>	<u>\$ 141,790,759</u>	<u>\$ N/A</u>	<u>\$ N/A</u>
<u>\$ 13,663,121</u>	<u>\$ 22,886,003</u>	<u>\$ 22,773,600</u>	<u>\$ 12,445,795</u>	<u>\$ N/A</u>	<u>\$ N/A</u>
92.47%	86.61%	86.00%	91.93%	N/A	N/A
\$ 30,137,563	\$ 29,544,082	\$ 28,706,709	\$ 28,296,592	\$ N/A	\$ N/A
45.34%	77.46%	79.33%	43.98%	N/A	N/A

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

Year Ending September 30:	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll	Actual Contribution as a % of Covered Payroll
2015	\$ 3,899,238	\$ 3,899,238	\$ -	\$ 28,296,592	13.8%
2016	3,944,278	3,944,278	-	28,706,709	13.7%
2017	4,074,113	4,074,113	-	29,544,082	13.8%
2018	4,318,705	4,318,705	-	30,137,563	14.3%
2019	4,813,538	4,813,538	-	32,551,378	14.8%
2020	5,030,180	5,030,180	-	32,638,696	15.4%
2021	5,003,406	5,003,406	-	32,294,692	15.5%
2022	5,073,805	5,073,805	-	32,713,010	15.5%

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

**Notes to Schedule:**

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

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age (level percentage of pay)
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	18.9 years (based on contribution rate calculated in 12/31/2021 valuation)
Asset Valuation Method	5-year smoothed market
Inflation	2.50%
Salary increases	Varies by age and service. 4.7% average over career including inflation.
Investment rate of return	7.50%, net of administrative and investment expenses, including inflation.
Retirement age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	135% of the Pub-2010 General Retirees Tables for males and 120% of the Pub-2010 General Retirees Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Changes in Assumptions and Methods Reflected in the Schedule of Employer Contributions	2015: New inflation, mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected. 2019: New inflation, mortality and other assumptions were reflected.
Changes in Plan Provisions Reflected in the Schedule of Employer Contributions	2015: No changes in plan provisions were reflected in the Schedule. 2016: No changes in plan provisions were reflected in the Schedule. 2017: New Annuity Purchase Rates were reflected for benefits earned after 2017. 2018: No changes in plan provisions were reflected in the Schedule. 2019: No changes in plan provisions were reflected in the Schedule. 2020: No changes in plan provisions were reflected in the Schedule. 2021: No changes in plan provisions were reflected in the Schedule.

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

	Year Ended September 30,			
	2022	2021	2020	2019
<b>Total OPEB Liability:</b>				
Service cost	\$ 347,884	\$ 250,533	\$ 318,294	\$ 181,073
Interest on total OPEB liability	82,555	83,149	119,444	148,114
Changes in benefit terms	-	-	-	-
Difference between expected and actual experience of the total OPEB liability	(741,692)	(16,986)	(710,159)	(249,198)
Changes in assumptions	(493,365)	71,704	(634,535)	1,004,351
Benefit payments	(133,654)	(101,549)	(97,183)	(132,327)
Net change in total OPEB liability	(938,272)	286,851	(1,004,139)	952,013
Total OPEB liability, beginning	3,662,527	3,375,676	4,379,815	3,427,802
Total OPEB liability, ending	<u>\$ 2,724,255</u>	<u>\$ 3,662,527</u>	<u>\$ 3,375,676</u>	<u>\$ 4,379,815</u>
Covered employee payroll	\$ 30,023,917	\$ 29,400,554	\$ 29,348,897	\$ 24,802,020
Total OPEB liability as a % of covered employee payroll	9.07%	12.46%	11.50%	17.66%

**Notes to Schedule:**

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

September 30, 2022	4.40 %
September 30, 2021	2.19 %
September 30, 2020	2.41 %
September 30, 2019	2.66 %
September 30, 2018	3.31 %

**Plan Assets:**

There are no plan assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Year Ended September 30,

2018	2017	2016	2015	2014	2013
\$ 196,351	\$ N/A				
129,989	N/A	N/A	N/A	N/A	N/A
-	N/A	N/A	N/A	N/A	N/A
-	N/A	N/A	N/A	N/A	N/A
(232,428)	N/A	N/A	N/A	N/A	N/A
(81,049)	N/A	N/A	N/A	N/A	N/A
12,863	N/A	N/A	N/A	N/A	N/A
3,414,939	N/A	N/A	N/A	N/A	N/A
<u>\$ 3,427,802</u>	<u>\$ N/A</u>				
\$ 25,795,275	\$ N/A				
13.29%	N/A	N/A	N/A	N/A	N/A

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**OTHER SUPPLEMENTARY INFORMATION**

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 54,361,824	\$ 54,361,824	\$ 54,222,370	\$ (139,454)
Miscellaneous taxes	683,080	683,080	881,435	198,355
Licenses and fees	4,046,730	4,046,730	4,364,597	317,867
Fines and forfeitures	842,000	842,000	624,341	(217,659)
Intergovernmental	3,196,360	3,209,746	2,426,417	(783,329)
Interest	150,000	150,000	335,505	185,505
Miscellaneous	1,167,800	1,168,300	1,615,646	447,346
	<u>64,447,794</u>	<u>64,461,680</u>	<u>64,470,311</u>	<u>8,631</u>
<b>EXPENDITURES</b>				
<b>ADMINISTRATIVE</b>				
County Judge				
Salaries and fringe benefits	257,791	257,791	256,475	1,316
Travel and uniforms	3,000	3,000	329	2,671
General operations	5,900	5,900	3,418	2,482
Equipment/vehicle maintenance	1,000	1,000	570	430
	<u>267,691</u>	<u>267,691</u>	<u>260,792</u>	<u>6,899</u>
Commissioners' Court				
Salaries and fringe benefits	264,389	264,389	230,878	33,511
Travel and uniforms	12,000	12,000	2,085	9,915
General operations	4,700	4,700	2,533	2,167
	<u>281,089</u>	<u>281,089</u>	<u>235,496</u>	<u>45,593</u>
Human resources				
Salaries and fringe benefits	377,015	377,015	332,715	44,300
Travel and uniforms	3,000	3,000	672	2,328
Contract services	15,000	15,000	13,994	1,006
General operations	4,560	4,560	4,024	536
Equipment/vehicle maintenance	3,500	3,500	2,131	1,369
	<u>403,075</u>	<u>403,075</u>	<u>353,536</u>	<u>49,539</u>

Continued

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

Continuation	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>ADMINISTRATIVE</b>				
Information technology				
Contract services	\$ 1,603,113	\$ 1,603,113	\$ 1,364,978	\$ 238,135
General operations	380,651	393,288	317,148	76,140
Total Information technology	1,983,764	1,996,401	1,682,125	314,276
Information and records management				
Salaries and fringe benefits	491,206	491,206	464,016	27,190
Travel and uniforms	3,750	3,750	118	3,632
Contract services	6,000	6,015	6,013	2
General operations	14,480	14,465	4,871	9,594
Equipment/vehicle maintenance	2,000	2,000	312	1,688
Total Information and records management	517,436	517,436	475,330	42,106
General administrative				
Salaries and fringe benefits	10,000	25,000	24,583	417
Contract services	774,270	735,570	647,149	88,421
General operations	1,271,363	1,121,826	767,586	354,240
Equipment/vehicle maintenance	205,000	184,864	159,308	25,556
Total General administrative	2,260,633	2,067,260	1,598,626	468,634
County Auditor				
Salaries and fringe benefits	607,454	607,454	578,992	28,462
Travel and uniforms	10,000	10,000	5,143	4,857
Contract services	146,527	156,277	147,804	8,473
General operations	7,500	7,500	4,622	2,878
Equipment/vehicle maintenance	1,800	1,800	1,704	96
Total County Auditor	773,281	783,031	738,265	44,766

Continued

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

Continuation	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>ADMINISTRATIVE</b>				
County Treasurer				
Salaries and fringe benefits	\$ 251,119	\$ 251,119	\$ 249,741	\$ 1,378
Travel and uniforms	5,000	5,000	4,194	806
General operations	9,250	9,250	8,049	1,201
Equipment/vehicle maintenance	2,200	2,200	1,567	633
Total County Treasurer	267,569	267,569	263,551	4,018
Purchasing Agent				
Salaries and fringe benefits	482,740	472,990	344,896	128,094
Travel and uniforms	15,000	15,000	7,229	7,771
Contract services	10,000	10,000	7,500	2,500
General operations	13,300	13,300	6,551	6,749
Equipment/vehicle maintenance	4,500	4,500	2,460	2,040
Total Purchasing Agent	525,540	515,790	368,636	147,154
Collections				
Salaries and fringe benefits	-	3,115	2,789	326
Total Collections	-	3,115	2,789	326
Tax Assessor/Collector				
Salaries and fringe benefits	1,395,040	1,395,040	1,289,428	105,612
Travel and uniforms	8,000	8,000	2,851	5,149
Contract services	66,200	66,200	4,970	61,230
General operations	86,300	86,300	64,198	22,102
Equipment/vehicle maintenance	4,000	4,000	3,556	444
Total Tax Assessor/Collector	1,559,540	1,559,540	1,365,003	194,537
Total Administrative	8,839,618	8,661,997	7,344,149	1,317,848

Continued

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

Continuation	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>JUDICIAL</b>				
County Clerk				
Salaries and fringe benefits	\$ 989,602	\$ 989,602	\$ 945,202	\$ 44,400
Travel and uniforms	6,000	6,000	3,557	2,443
Contract services	220,500	239,250	239,175	75
General operations	37,474	37,474	26,033	11,441
Equipment/vehicle maintenance	5,500	5,500	4,081	1,419
Total County Clerk	1,259,076	1,277,826	1,218,048	59,778
District Clerk				
Salaries and fringe benefits	1,312,752	1,312,752	1,181,993	130,759
Travel and uniforms	10,000	10,000	1,611	8,389
Contract services	236,525	236,525	93,333	143,192
General operations	53,900	53,900	36,220	17,680
Equipment/vehicle maintenance	12,000	12,000	985	11,015
Total District Clerk	1,625,177	1,625,177	1,314,142	311,035
Court of appeals				
Salaries and fringe benefits	10,342	10,342	9,690	652
Total Court of appeals	10,342	10,342	9,690	652
Specialty court				
Salaries and fringe benefits	40,120	40,120	34,712	5,408
Travel and uniforms	1,200	1,200	-	1,200
Contract services	6,240	6,240	6,240	-
General operations	500	500	-	500
Total Specialty court	48,060	48,060	40,952	7,108
47th District Court				
Salaries and fringe benefits	374,748	374,748	361,220	13,528
Travel and uniforms	11,250	7,050	5,381	1,669
General operations	11,200	16,256	16,230	26
Equipment/vehicle maintenance	1,500	1,200	321	879
Total 47th District Court	398,698	399,254	383,152	16,102

Continued

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

Continuation	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>JUDICIAL</b>				
108th District Court				
Salaries and fringe benefits	\$ 374,748	\$ 374,748	\$ 359,488	\$ 15,260
Travel and uniforms	11,250	7,750	3,293	4,457
General operations	11,200	15,256	13,783	1,473
Equipment/vehicle maintenance	1,500	1,500	1,165	335
Total 108th District Court	398,698	399,254	377,729	21,525
181st District Court				
Salaries and fringe benefits	374,741	374,741	357,754	16,987
Travel and uniforms	11,250	9,050	3,995	5,055
General operations	11,200	13,956	10,365	3,591
Equipment/vehicle maintenance	1,500	1,500	377	1,123
Total 181st District Court	398,691	399,247	372,491	26,756
251st District Court				
Salaries and fringe benefits	374,748	374,748	365,471	9,277
Travel and uniforms	11,250	8,250	2,981	5,269
General operations	11,200	14,827	12,378	2,449
Equipment/vehicle maintenance	1,500	1,500	408	1,092
Total 251st District Court	398,698	399,325	381,238	18,087
320th District Court				
Salaries and fringe benefits	376,591	376,591	357,357	19,234
Travel and uniforms	8,850	8,850	3,995	4,855
General operations	5,350	10,156	10,127	29
Equipment/vehicle maintenance	1,200	1,150	398	752
Total 320th District Court	391,991	396,747	371,877	24,870
Associate judge - Child support				
General operations	1,500	1,866	871	995
Total Associate judge - Child support	1,500	1,866	871	995

Continued

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

Continuation	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>JUDICIAL</b>				
Associate judge - Child abuse				
Salaries and fringe benefits	\$ 12,470	\$ 33,870	\$ 33,834	\$ 36
General operations	2,000	3,100	3,082	18
Total Associate judge - Child abuse	14,470	36,970	36,916	54
County Court-at-Law #1				
Salaries and fringe benefits	569,796	569,796	551,939	17,857
Travel and uniforms	9,650	8,350	3,836	4,514
General operations	7,500	9,329	9,293	36
Equipment/vehicle maintenance	600	600	474	126
Total County Court-at-Law #1	587,546	588,075	565,542	22,533
County Court-at-Law #2				
Salaries and fringe benefits	569,796	569,796	557,863	11,933
Travel and uniforms	11,150	11,150	8,045	3,105
General operations	7,500	7,862	6,359	1,503
Equipment/vehicle maintenance	600	800	799	1
Total County Court-at-Law #2	589,046	589,608	573,066	16,542
Justice of the Peace, Precinct #1				
Salaries and fringe benefits	299,297	299,297	285,694	13,603
Travel and uniforms	3,500	1,000	672	328
Contract services	17,000	17,000	8,322	8,678
General operations	11,760	14,260	13,315	945
Equipment/vehicle maintenance	1,400	1,400	1,314	86
Total Justice of the Peace Precinct #1	332,957	332,957	309,317	23,640

Continued

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

Continuation	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>JUDICIAL</b>				
Veterans' Treatment Court				
Salaries and fringe benefits	\$ 45,384	\$ 45,384	\$ 36,182	\$ 9,202
Travel and uniforms	2,000	2,000	-	2,000
Contract services	22,385	22,385	-	22,385
General operations	1,350	3,950	962	2,988
	<u>71,119</u>	<u>73,719</u>	<u>37,144</u>	<u>36,575</u>
Total Veterans' Treatment Court				
Mental Health Specialty Court				
Salaries and fringe benefits	45,384	45,384	36,182	9,202
Travel and uniforms	2,000	2,000	-	2,000
Contract services	20,000	20,000	-	20,000
General operations	7,685	5,085	916	4,169
	<u>75,069</u>	<u>72,469</u>	<u>37,098</u>	<u>35,371</u>
Total Mental Health Specialty Court				
Justice of the Peace, Precinct #2				
Salaries and fringe benefits	240,441	240,441	208,547	31,894
Travel and uniforms	3,500	3,500	1,472	2,028
Contract services	17,000	17,000	8,322	8,678
General operations	9,510	9,510	6,846	2,664
Equipment/vehicle maintenance	1,300	1,300	737	563
	<u>271,751</u>	<u>271,751</u>	<u>225,924</u>	<u>45,827</u>
Total Justice of the Peace Precinct #2				
Justice of the Peace, Precinct #3				
Salaries and fringe benefits	304,362	304,362	289,979	14,383
Travel and uniforms	3,500	3,500	2,112	1,388
Contract services	17,000	17,000	8,322	8,678
General operations	13,230	13,230	9,716	3,514
Equipment/vehicle maintenance	2,500	2,500	979	1,521
	<u>340,592</u>	<u>340,592</u>	<u>311,108</u>	<u>29,484</u>
Total Justice of the Peace Precinct #3				

Continued

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

Continuation	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>JUDICIAL</b>				
Justice of the Peace, Precinct #4				
Salaries and fringe benefits	\$ 240,443	\$ 240,443	\$ 226,652	\$ 13,791
Travel and uniforms	3,500	3,500	3,136	364
Contract services	17,000	15,930	8,322	7,608
General operations	8,730	9,480	9,461	19
Equipment/vehicle maintenance	1,300	1,620	1,607	13
Total Justice of the Peace Precinct #4	<u>270,973</u>	<u>270,973</u>	<u>249,178</u>	<u>21,795</u>
Jury				
Salaries and fringe benefits	208,491	208,491	182,923	25,568
Travel and uniforms	3,000	3,000	-	3,000
Contract services	117,050	117,050	104,836	12,214
General operations	50,000	48,850	40,429	8,421
Equipment/vehicle maintenance	4,000	5,150	136	5,014
Total Jury	<u>382,541</u>	<u>382,541</u>	<u>328,324</u>	<u>54,217</u>
County Attorney				
Salaries and fringe benefits	2,660,886	2,660,886	2,315,705	345,181
Travel and uniforms	22,600	22,821	15,377	7,444
Contract services	25,500	25,500	21,193	4,307
General operations	38,880	41,180	41,112	68
Equipment/vehicle maintenance	11,500	13,600	13,562	38
Total County Attorney	<u>2,759,366</u>	<u>2,763,987</u>	<u>2,406,949</u>	<u>357,038</u>
District Attorney				
Salaries and fringe benefits	3,715,342	3,715,342	3,272,612	442,730
Travel and uniforms	32,000	39,011	38,973	38
Contract services	62,000	60,800	57,280	3,520
General operations	135,420	128,420	95,562	32,858
Equipment/vehicle maintenance	14,500	16,500	8,134	8,366
Total District Attorney	<u>3,959,262</u>	<u>3,960,073</u>	<u>3,472,561</u>	<u>487,512</u>

Continued

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

Continuation	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>JUDICIAL</b>				
Bail Bond Board Administration				
Travel and uniforms	\$ 1,500	\$ 2,900	\$ 2,851	\$ 49
General operations	500	500	100	400
Total Bail Bond Board Administration	2,000	3,400	2,951	449
General judicial				
Contract services	764,000	2,814,000	2,812,855	1,145
General operations	627,706	177,706	135,693	42,013
Total General judicial	1,391,706	2,991,706	2,948,548	43,158
Managed Assigned Counsel				
Salaries and fringe benefits	559,112	559,112	151,464	407,648
Travel and uniforms	5,000	5,000	3,418	1,582
Contract services	1,617,300	17,300	(27,505)	44,805
General operations	9,300	9,300	6,551	2,749
Equipment/vehicle maintenance	28,900	28,900	22,726	6,174
Total Managed Assigned Counsel	2,219,612	619,612	156,654	462,958
Public Defender				
Salaries and fringe benefits	661,542	661,542	187,847	473,695
Travel and uniforms	10,000	10,000	4,321	5,679
Contract services	23,300	23,300	340	22,960
General operations	9,300	9,300	6,855	2,445
Equipment/vehicle maintenance	29,240	29,240	26,947	2,293
Total Public Defender	733,382	733,382	226,310	507,072

Continued

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

Continuation	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>JUDICIAL</b>				
CPS Counsel				
Salaries and fringe benefits	\$ 111,812	\$ 180,584	\$ 101,840	\$ 78,744
Travel and uniforms	2,000	2,900	2,852	48
General operations	2,000	1,065	-	1,065
Equipment/vehicle maintenance	300	335	334	1
Total CPS Counsel	116,112	184,884	105,026	79,858
Total Judicial	19,048,435	19,173,797	16,462,806	2,710,991
<b>ELECTIONS</b>				
Election administration				
Salaries and fringe benefits	453,286	453,286	402,021	51,265
Travel and uniforms	4,000	4,100	4,089	11
Contract services	84,000	83,900	74,143	9,757
General operations	130,750	130,750	95,531	35,219
Equipment/vehicle maintenance	6,400	6,400	573	5,827
Total Elections administration	678,436	678,436	576,357	102,079
Total Elections	678,436	678,436	576,357	102,079
<b>PUBLIC FACILITIES</b>				
Facilities maintenance				
Salaries and fringe benefits	1,638,141	1,638,141	1,496,004	142,137
Travel and uniforms	16,500	16,500	2,048	14,452
General operations	73,120	73,120	55,703	17,417
Equipment/vehicle maintenance	20,880	20,880	109,661	(88,781)
Total Facilities maintenance	1,748,641	1,748,641	1,663,416	85,225
Courthouse				
General operations	248,888	248,888	181,119	67,769
Total Courthouse	248,888	248,888	181,119	67,769

Continued

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

Continuation	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>PUBLIC FACILITIES</b>				
Courts building				
General operations	\$ 278,822	\$ 255,322	\$ 212,243	\$ 43,079
Total Courts building	278,822	255,322	212,243	43,079
Library building				
General operations	10,100	10,100	6,950	3,150
Total Library building	10,100	10,100	6,950	3,150
Extension service building				
General operations	16,950	16,950	10,301	6,649
Total Extension service building	16,950	16,950	10,301	6,649
Santa Fe building				
General operations	516,255	516,255	360,625	155,630
Total Santa Fe building	516,255	516,255	360,625	155,630
Baseball stadium				
General operations	6,000	6,000	1,315	4,685
Total Baseball stadium	6,000	6,000	1,315	4,685
JP #3 office				
General operations	14,700	14,700	10,117	4,583
Total JP #3 office	14,700	14,700	10,117	4,583
Bowie Annex				
General operations	28,000	28,000	20,310	7,690
Total Bowie Annex	28,000	28,000	20,310	7,690

Continued

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

Continuation	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>PUBLIC FACILITIES</b>				
West 6th Street Annex				
General operations	\$ -	\$ -	\$ (42)	\$ 42
Total West 6th Street Annex	-	-	(42)	42
Law Enforcement Center				
General operations	131,414	140,614	140,583	31
Total Law Enforcement Center	131,414	140,614	140,583	31
Vehicle maintenance garage				
General operations	29,000	43,300	43,260	40
Total Vehicle maintenance garage	29,000	43,300	43,260	40
Fire Station #3				
General operations	34,300	34,300	28,180	6,120
Total Fire Station #3	34,300	34,300	28,180	6,120
Total Public Facilities	3,063,070	3,063,070	2,678,377	384,693
<b>PUBLIC SAFETY</b>				
Forensic science lab				
Contract services	509,500	559,500	558,775	725
Total Forensic science lab	509,500	559,500	558,775	725
Constable, Precinct #1				
Salaries and fringe benefits	83,610	83,610	83,166	444
Travel and uniforms	4,000	5,889	1,145	4,744
Contract services	1,250	1,250	1,199	51
General operations	3,580	3,580	2,425	1,155
Equipment/vehicle maintenance	4,250	5,250	5,195	55
Total Constable, Precinct #1	96,690	99,579	93,130	6,449

Continued

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

Continuation	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>PUBLIC SAFETY</b>				
Constable, Precinct #2				
Salaries and fringe benefits	\$ 83,610	\$ 83,610	\$ 82,883	\$ 727
Travel and uniforms	4,000	5,786	2,751	3,035
Contract services	1,250	1,250	1,199	51
General operations	4,380	4,380	2,934	1,446
Equipment/vehicle maintenance	4,000	4,000	2,709	1,291
Total Constable, Precinct #2	97,240	99,026	92,476	6,550
Constable, Precinct #3				
Salaries and fringe benefits	83,610	83,610	83,087	523
Travel and uniforms	4,000	6,826	4,238	2,588
Contract services	1,250	1,250	1,199	51
General operations	7,630	5,815	3,512	2,303
Equipment/vehicle maintenance	5,000	6,815	6,761	54
Total Constable, Precinct #3	101,490	104,316	98,797	5,519
Constable, Precinct #4				
Salaries and fringe benefits	83,610	83,610	83,103	507
Travel and uniforms	4,000	5,752	2,955	2,797
Contract services	1,250	1,250	1,199	51
General operations	5,580	5,580	3,118	2,462
Equipment/vehicle maintenance	4,000	4,000	3,103	897
Total Constable, Precinct #4	98,440	100,192	93,478	6,714
Sheriff				
Salaries and fringe benefits	8,604,914	8,529,914	8,321,882	208,032
Travel and uniforms	141,800	154,168	127,082	27,086
Contract services	274,000	274,000	246,598	27,402
General operations	204,032	212,768	175,983	36,785
Equipment/vehicle maintenance	334,000	398,000	381,981	16,019
Total Sheriff	9,558,746	9,568,850	9,253,526	315,324

Continued

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

Continuation	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>PUBLIC SAFETY</b>				
Public services				
General operations	\$ 1,368,320	\$ 1,368,320	\$ 1,239,159	\$ 129,161
Total Public services	1,368,320	1,368,320	1,239,159	129,161
Fire / rescue department				
Salaries and fringe benefits	434,661	434,661	425,998	8,663
Travel and uniforms	70,000	70,000	61,570	8,430
Contract services	38,500	38,500	27,439	11,061
General operations	157,880	152,537	122,977	29,560
Equipment/vehicle maintenance	316,750	326,750	293,130	33,620
Building maintenance	62,260	62,260	54,100	8,160
Total Fire / rescue department	1,080,051	1,084,708	985,214	99,494
Total Public Safety	12,910,477	12,984,491	12,414,555	569,936
<b>CORRECTIONS AND REHABILITATION</b>				
Detention center				
Salaries and fringe benefits	11,386,729	11,397,608	10,493,110	904,498
Contract services	45,250	49,371	36,145	13,226
General operations	1,804,167	1,774,576	1,729,764	44,812
Equipment/vehicle maintenance	42,500	38,500	9,473	29,027
Building maintenance	600,950	651,674	647,418	4,256
Total Detention center	13,879,596	13,915,429	12,919,561	995,868
Community Supervision and Corrections				
General operations	13,000	13,000	139	12,861
Equipment/vehicle maintenance	15,000	15,000	296	14,704
Total Community Supervision and Corrections	28,000	28,000	435	27,565

Continued

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

Continuation	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>CORRECTIONS AND REHABILITATION</b>				
Court Supervised Release Program				
Salaries and fringe benefits	\$ 156,638	\$ 160,638	\$ 160,604	\$ 34
Travel and uniforms	4,000	4,000	3,038	962
General operations	4,000	8,700	7,881	819
Equipment/vehicle maintenance	3,000	3,000	932	2,068
Total Court Supervised Release Program	<u>167,638</u>	<u>176,338</u>	<u>172,455</u>	<u>3,883</u>
Total Corrections and Rehabilitation	<u>14,075,234</u>	<u>14,119,767</u>	<u>13,092,451</u>	<u>1,027,316</u>
<b>ROAD AND BRIDGE</b>				
Road and Bridge				
Salaries and fringe benefits	1,664,226	1,664,226	1,511,338	152,888
Travel and uniforms	15,700	17,200	17,168	32
Contract services	27,557	29,907	29,868	39
General operations	662,366	649,836	578,322	71,514
Equipment/vehicle maintenance	301,560	301,560	288,457	13,103
Building maintenance	83,181	83,181	74,723	8,458
Total Road and Bridge	<u>2,754,590</u>	<u>2,745,910</u>	<u>2,499,876</u>	<u>246,034</u>
Total Road and Bridge	<u>2,754,590</u>	<u>2,745,910</u>	<u>2,499,876</u>	<u>246,034</u>
<b>HEALTH AND HUMAN SERVICES</b>				
Mental health - community service				
Salaries and fringe benefits	81,390	81,390	79,463	1,927
Travel and uniforms	2,000	2,000	-	2,000
Contract services	8,000	8,000	4,401	3,599
General operations	750	750	-	750
Total Mental health - community service	<u>92,140</u>	<u>92,140</u>	<u>83,864</u>	<u>8,276</u>

Continued

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

Continuation	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>HEALTH AND HUMAN SERVICES</b>				
County extension services				
Salaries and fringe benefits	\$ 231,602	\$ 231,602	\$ 216,273	\$ 15,329
Travel and uniforms	10,500	10,500	8,833	1,667
Contract services	-	-	-	-
General operations	16,390	16,890	14,901	1,989
Equipment/vehicle maintenance	19,000	18,500	8,737	9,763
Total County extension services	<u>277,492</u>	<u>277,492</u>	<u>248,744</u>	<u>28,748</u>
Family crime unit				
Salaries and fringe benefits	379,275	379,275	338,386	40,889
Travel and uniforms	600	600	-	600
General operations	4,800	4,800	3,765	1,035
Total Family crime unit	<u>384,675</u>	<u>384,675</u>	<u>342,151</u>	<u>42,524</u>
Victim Assistance - VOCA				
Salaries and fringe benefits	233,515	233,515	207,356	26,159
Travel and uniforms	4,000	4,000	-	4,000
Contract services	2,607	2,807	2,766	41
General operations	1,440	1,240	975	265
Total VOCA	<u>241,562</u>	<u>241,562</u>	<u>211,097</u>	<u>30,465</u>
Victim Assistance - VLCG				
Salaries and fringe benefits	70,888	70,888	67,909	2,979
Travel and uniforms	-	-	-	-
Total VLCG	<u>70,888</u>	<u>70,888</u>	<u>67,909</u>	<u>2,979</u>
Total Health and Human Services	<u>1,066,757</u>	<u>1,066,757</u>	<u>953,765</u>	<u>112,992</u>
<b>CAPITAL OUTLAY</b>	<u>511,517</u>	<u>560,636</u>	<u>2,424,684</u>	<u>(1,864,048)</u>

Continued

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

Continuation	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>DEBT SERVICE</b>				
Principal	\$ 377,095	\$ 377,095	\$ 493,763	\$ (116,668)
Interest	-	-	35,437	(35,437)
Total Debt service	<u>377,095</u>	<u>377,095</u>	<u>529,200</u>	<u>(152,105)</u>
Total expenditures	<u>63,325,229</u>	<u>63,431,956</u>	<u>58,976,220</u>	<u>4,455,736</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>1,122,565</u>	<u>1,029,724</u>	<u>5,494,091</u>	<u>4,464,367</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Initiation of capital leases	-	-	2,353,251	2,353,251
Transfers out	<u>(5,090,842)</u>	<u>(5,090,842)</u>	<u>(5,702,422)</u>	<u>(611,580)</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(5,090,842)</u>	<u>(5,090,842)</u>	<u>(3,349,171)</u>	<u>1,741,671</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>(3,968,277)</u>	<u>(4,061,118)</u>	<u>2,144,920</u>	<u>6,206,038</u>
<b>FUND BALANCES - BEGINNING</b>	<u>33,108,752</u>	<u>33,108,752</u>	<u>33,108,752</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 29,140,475</u>	<u>\$ 29,047,634</u>	<u>\$ 35,253,672</u>	<u>\$ 6,206,038</u>

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**DISTRICT COURTS BUILDING**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Interest	\$ 40,000	\$ 40,000	\$ 185,951	\$ 145,951
Total revenues	40,000	40,000	185,951	145,951
<b>EXPENDITURES</b>				
Current:				
Judicial	600,000	600,000	-	600,000
Capital outlay	37,675,000	37,675,000	32,941,989	4,733,011
Total expenditures	38,275,000	38,275,000	32,941,989	5,333,011
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(38,235,000)	(38,235,000)	(32,756,038)	5,478,962
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	1,250,000	1,250,000
<b>TOTAL OTHER FINANCING SOURCES / (USES)</b>	-	-	1,250,000	1,250,000
<b>NET CHANGE IN FUND BALANCES</b>	(38,235,000)	(38,235,000)	(31,506,038)	6,728,962
<b>FUND BALANCES - BEGINNING</b>	45,108,829	45,108,829	45,108,829	-
<b>FUND BALANCES - ENDING</b>	\$ 6,873,829	\$ 6,873,829	\$ 13,602,791	\$ 6,728,962

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**BUDGET TO ACTUAL**  
**PROPRIETARY - INTERNAL SERVICE FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>OPERATING REVENUES</b>				
Healthcare contributions	\$ 7,750,000	\$ 7,750,000	\$ 7,516,309	\$ (233,691)
Total operating revenues	<u>7,750,000</u>	<u>7,750,000</u>	<u>7,516,309</u>	<u>(233,691)</u>
<b>OPERATING EXPENSES</b>				
Operating expenses	<u>7,227,000</u>	<u>7,230,333</u>	<u>7,589,590</u>	<u>(359,257)</u>
<b>NET OPERATING INCOME / (LOSS)</b>	523,000	519,667	(73,281)	(592,948)
<b>NON-OPERATING REVENUES</b>				
Interest	<u>-</u>	<u>-</u>	<u>32,014</u>	<u>32,014</u>
<b>CHANGE IN NET POSITION</b>	523,000	519,667	(41,267)	(560,934)
<b>TOTAL NET POSITION - BEGINNING</b>	<u>3,483,565</u>	<u>3,483,565</u>	<u>3,483,565</u>	<u>-</u>
<b>TOTAL NET POSITION - ENDING</b>	<u><u>\$ 4,006,565</u></u>	<u><u>\$ 4,003,232</u></u>	<u><u>\$ 3,442,298</u></u>	<u><u>\$ (560,934)</u></u>

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

## NONMAJOR GOVERNMENTAL FUNDS

### SPECIAL REVENUE FUNDS

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

**County Assistance District** – The County Assistance District Fund accounts for the 2% sales and use tax collected from the unincorporated areas of Potter County. The revenue is restricted to be used to providing firefighting, fire prevention, and rescue operations in the same unincorporated areas of the County as well as the construction, maintenance, or improvements of roads or highways, the provision of law enforcement detention services, the maintenance or improvement of libraries, museums, parks, or other recreational facilities, the provision of services that benefit the public health or welfare, and the promotion of economic development and tourism.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

### **CAPITAL PROJECTS FUNDS**

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

### **DEBT SERVICE FUNDS**

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

**POTTER COUNTY, TEXAS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2022**

	<b>Special Revenue</b>							
	<b>County Assistance District</b>	<b>Vehicle Inventory Tax Interest</b>	<b>Law Library</b>	<b>Courthouse Security</b>	<b>Justice Courts Building Security</b>	<b>County Clerk Records Management</b>	<b>Election</b>	<b>Voter Registration</b>
<b>ASSETS</b>								
Cash and cash equivalents	\$ 7,223,645	\$ 133,392	\$ 237,528	\$ 177,616	\$ 48,361	\$ 362,641	\$ 352,437	\$ 12,251
Taxes receivable, net	-	-	-	-	-	-	-	-
Due from other funds	2,781	-	6,539	7,130	10	9,304	-	-
Due from other governments	829,285	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 8,055,711</b>	<b>\$ 133,392</b>	<b>\$ 244,067</b>	<b>\$ 184,746</b>	<b>\$ 48,371</b>	<b>\$ 371,945</b>	<b>\$ 352,437</b>	<b>\$ 12,251</b>
<b>LIABILITIES</b>								
Accounts payable	\$ 277,321	\$ -	\$ 1,403	\$ -	\$ -	\$ 1,500	\$ -	\$ -
Due to other funds	2,781	-	-	-	-	-	-	-
Accrued payroll	2,781	-	-	-	-	-	(25)	-
<b>Total liabilities</b>	<b>282,883</b>	<b>-</b>	<b>1,403</b>	<b>-</b>	<b>-</b>	<b>1,500</b>	<b>(25)</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable revenue - property taxes	-	-	-	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>								
Non-spendable:								
Prepaid items	-	-	-	-	-	-	-	-
Restricted for:								
Debt service	-	-	-	-	-	-	-	-
Administrative	7,772,828	133,392	-	-	-	370,445	-	-
Judicial	-	-	242,664	-	-	-	-	-
Elections	-	-	-	-	-	-	352,462	12,251
Public safety	-	-	-	184,746	48,371	-	-	-
Assigned to:								
Capital projects	-	-	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-	-	-	-
<b>Total fund balances</b>	<b>7,772,828</b>	<b>133,392</b>	<b>242,664</b>	<b>184,746</b>	<b>48,371</b>	<b>370,445</b>	<b>352,462</b>	<b>12,251</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 8,055,711</b>	<b>\$ 133,392</b>	<b>\$ 244,067</b>	<b>\$ 184,746</b>	<b>\$ 48,371</b>	<b>\$ 371,945</b>	<b>\$ 352,437</b>	<b>\$ 12,251</b>

Continued

**POTTER COUNTY, TEXAS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2022**

Continuation

	<b>Special Revenue</b>							
	<b>Court Records Management</b>	<b>District Clerk Records Management</b>	<b>Justice Court Technology</b>	<b>County Clerk / District Clerk Technology</b>	<b>County Attorney Hot Check</b>	<b>County Attorney Forfeiture</b>	<b>County Attorney Federal Forfeiture</b>	<b>County Attorney Pretrial Diversion Fund</b>
<b>ASSETS</b>								
Cash and cash equivalents	\$ 50,052	\$ 223,419	\$ 179,468	\$ 54,951	\$ 5,179	\$ 146,737	\$ 82,406	\$ 53,112
Taxes receivable, net	-	-	-	-	-	-	-	-
Due from other funds	162	4,560	1,132	209	-	1,470	-	-
Due from other governments	-	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-	250
Prepaid items	-	-	-	-	-	-	-	-
<b>Total assets</b>	<b><u>\$ 50,214</u></b>	<b><u>\$ 227,979</u></b>	<b><u>\$ 180,600</u></b>	<b><u>\$ 55,160</u></b>	<b><u>\$ 5,179</u></b>	<b><u>\$ 148,207</u></b>	<b><u>\$ 82,406</u></b>	<b><u>\$ 53,362</u></b>
<b>LIABILITIES</b>								
Accounts payable	\$ -	\$ -	\$ 116	\$ -	\$ -	\$ 561	-	\$ -
Due to other funds	-	-	-	-	72	1,470	-	-
Accrued payroll	-	-	-	-	-	1,470	-	780
<b>Total liabilities</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>116</u></b>	<b><u>-</u></b>	<b><u>72</u></b>	<b><u>3,501</u></b>	<b><u>-</u></b>	<b><u>780</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable revenue - property taxes	-	-	-	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>FUND BALANCES</b>								
Non-spendable:								
Prepaid items	-	-	-	-	-	-	-	-
Restricted for:								
Debt service	-	-	-	-	-	-	-	-
Administrative	50,214	227,979	-	-	-	-	-	-
Judicial	-	-	180,484	55,160	5,107	144,706	82,406	52,582
Elections	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Assigned to:								
Capital projects	-	-	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-	-	-	-
<b>Total fund balances</b>	<b><u>50,214</u></b>	<b><u>227,979</u></b>	<b><u>180,484</u></b>	<b><u>55,160</u></b>	<b><u>5,107</u></b>	<b><u>144,706</u></b>	<b><u>82,406</u></b>	<b><u>52,582</u></b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b><u>\$ 50,214</u></b>	<b><u>\$ 227,979</u></b>	<b><u>\$ 180,600</u></b>	<b><u>\$ 55,160</u></b>	<b><u>\$ 5,179</u></b>	<b><u>\$ 148,207</u></b>	<b><u>\$ 82,406</u></b>	<b><u>\$ 53,362</u></b>

Continued

**POTTER COUNTY, TEXAS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2022**

Continuation

	<b>Special Revenue</b>							
	<b>District Attorney Hot Check</b>	<b>District Attorney Payroll</b>	<b>DA Forfeiture Release</b>	<b>District Attorney Crime Victim</b>	<b>DA Federal Forfeiture</b>	<b>Auto Burglary and Theft Prevention</b>	<b>Sheriff Federal Forfeiture</b>	<b>Law Enforcement Grants</b>
<b>ASSETS</b>								
Cash and cash equivalents	\$ 112,606	\$ 3,479	\$ 591,252	\$ 41,706	\$ 46,842	\$ -	\$ 674,370	\$ 8,046
Taxes receivable, net	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	5,363	-	-
Due from other governments	-	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	1,584	1,076	-
Prepaid items	-	-	-	-	-	31,370	-	-
<b>Total assets</b>	<b>\$ 112,606</b>	<b>\$ 3,479</b>	<b>\$ 591,252</b>	<b>\$ 41,706</b>	<b>\$ 46,842</b>	<b>\$ 38,317</b>	<b>\$ 675,446</b>	<b>\$ 8,046</b>
<b>LIABILITIES</b>								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43,118	\$ 4,501	\$ 654
Due to other funds	467	-	3,312	-	-	34,102	-	-
Accrued payroll	-	460	1,156	-	-	5,363	-	-
<b>Total liabilities</b>	<b>467</b>	<b>460</b>	<b>4,468</b>	<b>-</b>	<b>-</b>	<b>82,583</b>	<b>4,501</b>	<b>654</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable revenue - property taxes	-	-	-	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>								
Non-spendable:								
Prepaid items	-	-	-	-	-	31,370	-	-
Restricted for:								
Debt service	-	-	-	-	-	-	-	-
Administrative	-	-	-	-	-	-	-	-
Judicial	112,139	3,019	586,784	41,706	46,842	-	-	-
Elections	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	670,945	7,392
Assigned to:								
Capital projects	-	-	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-	(75,636)	-	-
<b>Total fund balances</b>	<b>112,139</b>	<b>3,019</b>	<b>586,784</b>	<b>41,706</b>	<b>46,842</b>	<b>(44,266)</b>	<b>670,945</b>	<b>7,392</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 112,606</b>	<b>\$ 3,479</b>	<b>\$ 591,252</b>	<b>\$ 41,706</b>	<b>\$ 46,842</b>	<b>\$ 38,317</b>	<b>\$ 675,446</b>	<b>\$ 8,046</b>

Continued

**POTTER COUNTY, TEXAS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2022**

Continuation

	<b>Special Revenue</b>							
	<b>Sheriff Office Forfeiture</b>	<b>Sheriff Office Commissary</b>	<b>Drug Court</b>	<b>DA Pretrial Diversion Fund</b>	<b>Juvenile Probation</b>	<b>CARES Act - HAVA Grant</b>	<b>CARES Act - Sheriff Grants</b>	<b>Total</b>
<b>ASSETS</b>								
Cash and cash equivalents	\$ 104,257	\$ 499,377	\$ -	\$ 6,143	\$ 1,934,211	\$ -	\$ -	\$ 13,365,484
Taxes receivable, net	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	38,660
Due from other governments	-	-	-	-	-	-	-	829,285
Other receivables	-	-	-	-	-	-	-	2,910
Prepaid items	-	-	-	-	-	-	-	31,370
<b>Total assets</b>	<b>\$ 104,257</b>	<b>\$ 499,377</b>	<b>\$ -</b>	<b>\$ 6,143</b>	<b>\$ 1,934,211</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 14,267,709</b>
<b>LIABILITIES</b>								
Accounts payable	\$ -	\$ -	\$ 22,888	\$ -	\$ 99,144	\$ 2,125	\$ -	\$ 453,331
Due to other funds	-	-	-	-	-	5,805	-	48,009
Accrued payroll	-	-	1,174	-	34,954	-	-	48,113
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>24,062</b>	<b>-</b>	<b>134,098</b>	<b>7,930</b>	<b>-</b>	<b>549,453</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable revenue - property taxes	-	-	-	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>								
Non-spendable:								
Prepaid items	-	-	-	-	-	-	-	31,370
Restricted for:								
Debt service	-	-	-	-	-	-	-	-
Administrative	-	-	-	-	-	-	-	8,554,858
Judicial	-	-	-	6,143	-	-	-	1,559,742
Elections	-	-	-	-	-	-	-	364,713
Public safety	104,257	499,377	-	-	1,800,113	(7,930)	-	3,307,271
Assigned to:								
Capital projects	-	-	-	-	-	-	-	-
Unassigned (deficit)	-	-	(24,062)	-	-	-	-	(99,698)
<b>Total fund balances</b>	<b>104,257</b>	<b>499,377</b>	<b>(24,062)</b>	<b>6,143</b>	<b>1,800,113</b>	<b>(7,930)</b>	<b>-</b>	<b>13,718,256</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 104,257</b>	<b>\$ 499,377</b>	<b>\$ -</b>	<b>\$ 6,143</b>	<b>\$ 1,934,211</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 14,267,709</b>

Continued

Continued

**POTTER COUNTY, TEXAS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2022**

Continuation	<b>Capital Projects</b>	<b>Debt Service</b>				<b>Total Non-major Governmental Funds</b>
	<b>Capital Projects Fund</b>	<b>Series 2016 Certificates of Obligation</b>	<b>Series 2017 Tax Notes</b>	<b>Series 2019 Certificates of Obligation</b>	<b>Total</b>	
<b>ASSETS</b>						
Cash and cash equivalents	\$ 4,815,651	\$ 1,760,653	\$ 350,836	\$ 785,343	\$ 2,896,832	\$ 21,077,967
Taxes receivable, net	-	7,248	10,655	33,786	51,689	51,689
Due from other funds	-	-	-	-	-	38,660
Due from other governments	-	-	-	-	-	829,285
Other receivables	-	827	1,215	3,854	5,896	8,806
Prepaid items	-	-	-	-	-	31,370
<b>Total assets</b>	<b>\$ 4,815,651</b>	<b>\$ 1,768,728</b>	<b>\$ 362,706</b>	<b>\$ 822,983</b>	<b>\$ 2,954,417</b>	<b>\$ 22,037,777</b>
<b>LIABILITIES</b>						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 453,331
Due to other funds	-	-	-	-	-	48,009
Accrued payroll	-	-	-	-	-	48,113
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>549,453</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue - property taxes	-	3,865	5,683	18,020	27,568	27,568
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>3,865</b>	<b>5,683</b>	<b>18,020</b>	<b>27,568</b>	<b>27,568</b>
<b>FUND BALANCES</b>						
Non-spendable:						
Prepaid items	-	-	-	-	-	31,370
Restricted for:						
Debt service	-	1,764,863	357,023	804,963	2,926,849	2,926,849
Administrative	-	-	-	-	-	8,554,858
Judicial	-	-	-	-	-	1,559,742
Elections	-	-	-	-	-	364,713
Public safety	-	-	-	-	-	3,307,271
Assigned to:						
Capital projects	4,815,651	-	-	-	-	4,815,651
Unassigned (deficit)	-	-	-	-	-	(99,698)
<b>Total fund balances</b>	<b>4,815,651</b>	<b>1,764,863</b>	<b>357,023</b>	<b>804,963</b>	<b>2,926,849</b>	<b>21,460,756</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 4,815,651</b>	<b>\$ 1,768,728</b>	<b>\$ 362,706</b>	<b>\$ 822,983</b>	<b>\$ 2,954,417</b>	<b>\$ 22,037,777</b>

**POTTER COUNTY, TEXAS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

**Special Revenue**

	<b>County Assistance District</b>	<b>Vehicle Inventory Tax Interest</b>	<b>Law Library</b>	<b>Courthouse Security</b>	<b>Justice Courts Building Security</b>	<b>County Clerk Records Management</b>	<b>Election</b>	<b>Voter Registration</b>
<b>REVENUES</b>								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales tax	4,750,508	-	-	-	-	-	-	-
Licenses and fees	-	-	61,798	69,918	135	114,970	7,940	-
Intergovernmental	-	-	-	-	-	-	669,462	6,206
Interest	62,313	955	3,168	2,280	676	3,095	5,062	83
Miscellaneous	-	-	-	-	-	14	131,872	-
Total revenues	<u>4,812,821</u>	<u>955</u>	<u>64,966</u>	<u>72,198</u>	<u>811</u>	<u>118,079</u>	<u>814,336</u>	<u>6,289</u>
<b>EXPENDITURES</b>								
Current:								
Administrative	622,289	24,207	-	-	-	75,446	-	-
Judicial	-	-	16,914	-	-	-	-	-
Elections	-	-	-	-	-	-	535,290	1,399
Public facilities	-	-	-	-	-	-	-	-
Public safety	-	-	-	27,373	-	-	-	-
Capital outlay	1,811,939	-	-	-	-	-	219,600	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	<u>2,434,228</u>	<u>24,207</u>	<u>16,914</u>	<u>27,373</u>	<u>-</u>	<u>75,446</u>	<u>754,890</u>	<u>1,399</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>2,378,593</u>	<u>(23,252)</u>	<u>48,052</u>	<u>44,825</u>	<u>811</u>	<u>42,633</u>	<u>59,446</u>	<u>4,890</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	50,000	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES / (USES)</b>	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	2,428,593	(23,252)	48,052	44,825	811	42,633	59,446	4,890
<b>FUND BALANCES - BEGINNING (DEFICIT)</b>	5,344,235	156,644	194,612	139,921	47,560	327,812	293,016	7,361
<b>FUND BALANCES - ENDING (DEFICIT)</b>	<u>\$ 7,772,828</u>	<u>\$ 133,392</u>	<u>\$ 242,664</u>	<u>\$ 184,746</u>	<u>\$ 48,371</u>	<u>\$ 370,445</u>	<u>\$ 352,462</u>	<u>\$ 12,251</u>

Continued

**POTTER COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

Continuation

	<b>Special Revenue</b>							
	<b>Court Records Management</b>	<b>District Clerk Records Management</b>	<b>Justice Court Technology</b>	<b>County Clerk / District Clerk Technology</b>	<b>County Attorney Hot Check</b>	<b>County Attorney Forfeiture</b>	<b>County Attorney Federal Forfeiture</b>	<b>County Attorney Pretrial Diversion Fund</b>
<b>REVENUES</b>								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales and miscellaneous taxes	-	-	-	-	-	-	-	-
Licenses and fees	5,821	44,789	10,829	2,883	2,406	-	-	26,501
Intergovernmental	-	-	-	-	-	-	7,580	-
Interest	691	1,674	2,484	762	-	2,266	748	778
Miscellaneous	-	848	-	-	-	-	-	-
Total revenues	<u>6,512</u>	<u>47,311</u>	<u>13,313</u>	<u>3,645</u>	<u>2,406</u>	<u>2,266</u>	<u>8,328</u>	<u>27,279</u>
<b>EXPENDITURES</b>								
Current:								
Administrative	-	-	-	-	-	-	-	-
Judicial	-	32,370	1,785	-	27,834	52,564	2,000	30,417
Elections	-	-	-	-	-	-	-	-
Public facilities	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	8,500	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>32,370</u>	<u>1,785</u>	<u>-</u>	<u>27,834</u>	<u>52,564</u>	<u>10,500</u>	<u>30,417</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>6,512</u>	<u>14,941</u>	<u>11,528</u>	<u>3,645</u>	<u>(25,428)</u>	<u>(50,298)</u>	<u>(2,172)</u>	<u>(3,138)</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES / (USES)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	6,512	14,941	11,528	3,645	(25,428)	(50,298)	(2,172)	(3,138)
<b>FUND BALANCES - BEGINNING (DEFICIT)</b>	43,702	213,038	168,956	51,515	30,535	195,004	84,578	55,720
<b>FUND BALANCES - ENDING (DEFICIT)</b>	<u>\$ 50,214</u>	<u>\$ 227,979</u>	<u>\$ 180,484</u>	<u>\$ 55,160</u>	<u>\$ 5,107</u>	<u>\$ 144,706</u>	<u>\$ 82,406</u>	<u>\$ 52,582</u>

Continued

**POTTER COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

Continuation

	<b>Special Revenue</b>							
	<b>District Attorney Hot Check</b>	<b>District Attorney Payroll</b>	<b>DA Forfeiture Release</b>	<b>District Attorney Crime Victim</b>	<b>DA Federal Forfeiture</b>	<b>Auto Burglary and Theft Prevention</b>	<b>Sheriff Federal Forfeiture</b>	<b>Law Enforcement Grants</b>
<b>REVENUES</b>								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales and miscellaneous taxes	-	-	-	-	-	-	-	-
Licenses and fees	290	-	-	-	-	30,690	-	-
Intergovernmental	-	22,500	-	-	-	369,341	12,124	59,880
Interest	-	-	3,376	373	382	-	4,856	280
Miscellaneous	-	-	9,982	468	4,107	12,000	511,679	-
Total revenues	<u>290</u>	<u>22,500</u>	<u>13,358</u>	<u>841</u>	<u>4,489</u>	<u>412,031</u>	<u>528,659</u>	<u>60,160</u>
<b>EXPENDITURES</b>								
Current:								
Administrative	-	-	-	-	-	-	-	-
Judicial	2,503	19,495	50,227	3,651	4,743	-	-	-
Elections	-	-	-	-	-	-	-	-
Public facilities	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	447,651	34,590	65,070
Capital outlay	-	-	-	-	-	-	39,626	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	<u>2,503</u>	<u>19,495</u>	<u>50,227</u>	<u>3,651</u>	<u>4,743</u>	<u>447,651</u>	<u>74,216</u>	<u>65,070</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(2,213)</u>	<u>3,005</u>	<u>(36,869)</u>	<u>(2,810)</u>	<u>(254)</u>	<u>(35,620)</u>	<u>454,443</u>	<u>(4,910)</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	-	-	-	-	-	61,580	-	-
Transfers out	-	-	-	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES / (USES)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>61,580</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>(2,213)</u>	<u>3,005</u>	<u>(36,869)</u>	<u>(2,810)</u>	<u>(254)</u>	<u>25,960</u>	<u>454,443</u>	<u>(4,910)</u>
<b>FUND BALANCES - BEGINNING (DEFICIT)</b>	<u>114,352</u>	<u>14</u>	<u>623,653</u>	<u>44,516</u>	<u>47,096</u>	<u>(70,226)</u>	<u>216,502</u>	<u>12,302</u>
<b>FUND BALANCES - ENDING (DEFICIT)</b>	<u>\$ 112,139</u>	<u>\$ 3,019</u>	<u>\$ 586,784</u>	<u>\$ 41,706</u>	<u>\$ 46,842</u>	<u>\$ (44,266)</u>	<u>\$ 670,945</u>	<u>\$ 7,392</u>

Continued

**POTTER COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

Continuation

**Special Revenue**

	<b>Sheriff Office Forfeiture</b>	<b>Sheriff Office Commissary</b>	<b>Drug Court</b>	<b>DA Pretrial Diversion Fund</b>	<b>Juvenile Probation</b>	<b>CARES Act - HAVA Grant</b>	<b>CARES Act - Sheriff Grants</b>	<b>Total</b>
<b>REVENUES</b>								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales and miscellaneous taxes	-	-	-	-	-	-	-	4,750,508
Licenses and fees	-	436,201	-	250	90	-	-	815,511
Intergovernmental	-	-	68,096	-	1,789,674	-	40,076	3,044,939
Interest	1,023	3,954	-	84	20,163	77	-	121,603
Miscellaneous	-	342	-	-	-	-	-	671,312
Total revenues	<u>1,023</u>	<u>440,497</u>	<u>68,096</u>	<u>334</u>	<u>1,809,927</u>	<u>77</u>	<u>40,076</u>	<u>9,403,873</u>
<b>EXPENDITURES</b>								
Current:								
Administrative	-	-	-	-	-	-	-	721,942
Judicial	-	-	-	-	-	-	-	244,503
Elections	-	-	-	-	-	38,514	-	575,203
Public facilities	-	-	-	-	-	-	-	-
Public safety	40,114	169,880	84,465	-	6,246,379	-	2,058	7,117,580
Capital outlay	-	-	-	-	58,629	11,800	-	2,150,094
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	<u>40,114</u>	<u>169,880</u>	<u>84,465</u>	<u>-</u>	<u>6,305,008</u>	<u>50,314</u>	<u>2,058</u>	<u>10,809,322</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(39,091)</u>	<u>270,617</u>	<u>(16,369)</u>	<u>334</u>	<u>(4,495,081)</u>	<u>(50,237)</u>	<u>38,018</u>	<u>(1,405,449)</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	-	-	-	-	5,090,842	-	-	5,202,422
Transfers out	-	-	-	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES / (USES)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,090,842</u>	<u>-</u>	<u>-</u>	<u>5,202,422</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>(39,091)</u>	<u>270,617</u>	<u>(16,369)</u>	<u>334</u>	<u>595,761</u>	<u>(50,237)</u>	<u>38,018</u>	<u>3,796,973</u>
<b>FUND BALANCES - BEGINNING (DEFICIT)</b>	<u>143,348</u>	<u>228,760</u>	<u>(7,693)</u>	<u>5,809</u>	<u>1,204,352</u>	<u>42,307</u>	<u>(38,018)</u>	<u>9,921,283</u>
<b>FUND BALANCES - ENDING (DEFICIT)</b>	<u>\$ 104,257</u>	<u>\$ 499,377</u>	<u>\$ (24,062)</u>	<u>\$ 6,143</u>	<u>\$ 1,800,113</u>	<u>\$ (7,930)</u>	<u>\$ -</u>	<u>\$ 13,718,256</u>

Continued

**POTTER COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

Continuation	Capital Projects	Debt Service			Total Non-major Governmental Funds	
	Capital Projects Fund	Series 2016 Certificates of Obligation	Series 2017 Tax Notes	Series 2019 Certificates of Obligation	Total	
<b>REVENUES</b>						
Taxes	\$ -	\$ 647,536	\$ 952,130	\$ 3,016,338	\$ 4,616,004	\$ 4,616,004
Sales and miscellaneous taxes	-	-	-	-	-	4,750,508
Licenses and fees	-	-	-	-	-	815,511
Intergovernmental	-	-	-	-	-	3,044,939
Interest	45,840	33,293	-	-	33,293	200,736
Miscellaneous	-	5,894	7,476	27,478	40,848	712,160
Total revenues	<u>45,840</u>	<u>686,723</u>	<u>959,606</u>	<u>3,043,816</u>	<u>4,690,145</u>	<u>14,139,858</u>
<b>EXPENDITURES</b>						
Current:						
Administrative	-	400	-	400	800	722,742
Judicial	-	-	-	-	-	244,503
Elections	-	-	-	-	-	575,203
Public facilities	102,817	-	-	-	-	102,817
Public safety	-	-	-	-	-	7,117,580
Capital outlay	-	-	-	-	-	2,150,094
Debt service:						
Principal	-	955,000	915,000	1,050,000	2,920,000	2,920,000
Interest	-	519,825	44,596	1,994,038	2,558,459	2,558,459
Total expenditures	<u>102,817</u>	<u>1,475,225</u>	<u>959,596</u>	<u>3,044,438</u>	<u>5,479,259</u>	<u>16,391,398</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(56,977)</u>	<u>(788,502)</u>	<u>10</u>	<u>(622)</u>	<u>(789,114)</u>	<u>(2,251,540)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	500,000	-	-	-	-	5,702,422
Transfers out	(1,250,000)	-	-	-	-	(1,250,000)
<b>TOTAL OTHER FINANCING SOURCES / (USES)</b>	<u>(750,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,452,422</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>(806,977)</u>	<u>(788,502)</u>	<u>10</u>	<u>(622)</u>	<u>(789,114)</u>	<u>2,200,882</u>
<b>FUND BALANCES - BEGINNING (DEFICIT)</b>	<u>5,622,628</u>	<u>2,553,365</u>	<u>357,013</u>	<u>805,585</u>	<u>3,715,963</u>	<u>19,259,874</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 4,815,651</u>	<u>\$ 1,764,863</u>	<u>\$ 357,023</u>	<u>\$ 804,963</u>	<u>\$ 2,926,849</u>	<u>\$ 21,460,756</u>

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**COUNTY ASSISTANCE DISTRICT**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Sales tax	\$ 3,600,000	\$ 3,600,000	\$ 4,750,508	\$ 1,150,508
Interest	5,000	5,000	62,313	57,313
Total revenues	<u>3,605,000</u>	<u>3,605,000</u>	<u>4,812,821</u>	<u>1,207,821</u>
<b>EXPENDITURES</b>				
Current:				
Administrative	733,272	733,272	622,289	110,983
Capital outlay	<u>4,367,976</u>	<u>6,603,575</u>	<u>1,811,939</u>	<u>4,791,636</u>
Total expenditures	<u>5,101,248</u>	<u>7,336,847</u>	<u>2,434,228</u>	<u>4,902,619</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(1,496,248)</u>	<u>(3,731,847)</u>	<u>2,378,593</u>	<u>6,110,440</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>50,000</u>
<b>TOTAL OTHER FINANCING SOURCES / (USES)</b>	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>50,000</u>
<b>NET CHANGE IN FUND BALANCES</b>	(1,496,248)	(3,731,847)	2,428,593	6,160,440
<b>FUND BALANCES - BEGINNING</b>	<u>5,344,235</u>	<u>5,344,235</u>	<u>5,344,235</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u><u>\$ 3,847,987</u></u>	<u><u>\$ 1,612,388</u></u>	<u><u>\$ 7,772,828</u></u>	<u><u>\$ 6,160,440</u></u>

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**LAW LIBRARY**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Licenses and fees	\$ 55,500	\$ 55,500	\$ 61,798	\$ 6,298
Interest	500	500	3,168	2,668
Total revenues	<u>56,000</u>	<u>56,000</u>	<u>64,966</u>	<u>8,966</u>
<b>EXPENDITURES</b>				
Current:				
Judicial	<u>51,000</u>	<u>51,000</u>	<u>16,914</u>	<u>34,086</u>
Total expenditures	<u>51,000</u>	<u>51,000</u>	<u>16,914</u>	<u>34,086</u>
<b>NET CHANGE IN FUND BALANCES</b>	5,000	5,000	48,052	43,052
<b>FUND BALANCES - BEGINNING</b>	<u>194,612</u>	<u>194,612</u>	<u>194,612</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u><u>\$ 199,612</u></u>	<u><u>\$ 199,612</u></u>	<u><u>\$ 242,664</u></u>	<u><u>\$ 43,052</u></u>

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**COURTHOUSE SECURITY**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Licenses and fees	\$ 45,000	\$ 45,000	\$ 69,918	\$ 24,918
Interest	200	200	2,280	2,080
Total revenues	<u>45,200</u>	<u>45,200</u>	<u>72,198</u>	<u>26,998</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	<u>35,000</u>	<u>59,000</u>	<u>27,373</u>	<u>31,627</u>
Total expenditures	<u>35,000</u>	<u>59,000</u>	<u>27,373</u>	<u>31,627</u>
<b>NET CHANGE IN FUND BALANCES</b>	10,200	(13,800)	44,825	58,625
<b>FUND BALANCES - BEGINNING</b>	<u>139,921</u>	<u>139,921</u>	<u>139,921</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u><u>\$ 150,121</u></u>	<u><u>\$ 126,121</u></u>	<u><u>\$ 184,746</u></u>	<u><u>\$ 58,625</u></u>

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**JUSTICE COURTS BUILDING SECURITY**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Licenses and fees	\$ 250	\$ 250	\$ 135	\$ (115)
Interest	100	100	676	576
Total revenues	<u>350</u>	<u>350</u>	<u>811</u>	<u>461</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	10,000	10,000	-	10,000
Capital outlay	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Total expenditures	<u>15,000</u>	<u>15,000</u>	<u>-</u>	<u>15,000</u>
<b>NET CHANGE IN FUND BALANCES</b>	(14,650)	(14,650)	811	15,461
<b>FUND BALANCES - BEGINNING</b>	<u>47,560</u>	<u>47,560</u>	<u>47,560</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u><u>\$ 32,910</u></u>	<u><u>\$ 32,910</u></u>	<u><u>\$ 48,371</u></u>	<u><u>\$ 15,461</u></u>

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**COUNTY CLERK RECORDS MANAGEMENT**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Licenses and fees	\$ 105,000	\$ 105,000	\$ 114,970	\$ 9,970
Interest	600	600	3,095	2,495
Miscellaneous	10,000	10,000	14	(9,986)
Total revenues	<u>115,600</u>	<u>115,600</u>	<u>118,079</u>	<u>2,479</u>
<b>EXPENDITURES</b>				
Current:				
Administrative	<u>102,800</u>	<u>102,800</u>	<u>75,446</u>	<u>27,354</u>
Total expenditures	<u>102,800</u>	<u>102,800</u>	<u>75,446</u>	<u>27,354</u>
<b>NET CHANGE IN FUND BALANCES</b>	12,800	12,800	42,633	29,833
<b>FUND BALANCES - BEGINNING</b>	<u>327,812</u>	<u>327,812</u>	<u>327,812</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u><u>\$ 340,612</u></u>	<u><u>\$ 340,612</u></u>	<u><u>\$ 370,445</u></u>	<u><u>\$ 29,833</u></u>

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**COURT RECORDS MANAGEMENT**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Licenses and fees	\$ 20,000	\$ 20,000	\$ 5,821	\$ (14,179)
Interest	75	75	691	616
Total revenues	<u>20,075</u>	<u>20,075</u>	<u>6,512</u>	<u>(13,563)</u>
<b>EXPENDITURES</b>				
Current:				
Administrative	10,000	10,000	-	10,000
Capital outlay	10,000	10,000	-	10,000
Total expenditures	<u>20,000</u>	<u>20,000</u>	<u>-</u>	<u>20,000</u>
<b>NET CHANGE IN FUND BALANCES</b>	75	75	6,512	6,437
<b>FUND BALANCES - BEGINNING</b>	<u>43,702</u>	<u>43,702</u>	<u>43,702</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u><u>\$ 43,777</u></u>	<u><u>\$ 43,777</u></u>	<u><u>\$ 50,214</u></u>	<u><u>\$ 6,437</u></u>

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**DISTRICT CLERK RECORDS MANAGEMENT**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Licenses and fees	\$ 32,000	\$ 32,000	\$ 44,789	\$ 12,789
Interest	400	400	1,674	1,274
Miscellaneous	-	-	848	848
	<u>32,400</u>	<u>32,400</u>	<u>47,311</u>	<u>14,911</u>
Total revenues				
<b>EXPENDITURES</b>				
Current:				
Judicial	<u>58,000</u>	<u>58,000</u>	<u>32,370</u>	<u>25,630</u>
	<u>58,000</u>	<u>58,000</u>	<u>32,370</u>	<u>25,630</u>
Total expenditures				
<b>NET CHANGE IN FUND BALANCES</b>	(25,600)	(25,600)	14,941	40,541
<b>FUND BALANCES - BEGINNING</b>	<u>213,038</u>	<u>213,038</u>	<u>213,038</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u><u>\$ 187,438</u></u>	<u><u>\$ 187,438</u></u>	<u><u>\$ 227,979</u></u>	<u><u>\$ 40,541</u></u>

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**JUSTICE COURT TECHNOLOGY**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Licenses and fees	\$ 10,000	\$ 10,000	\$ 10,829	\$ 829
Interest	400	400	2,484	2,084
Total revenues	<u>10,400</u>	<u>10,400</u>	<u>13,313</u>	<u>2,913</u>
<b>EXPENDITURES</b>				
Current:				
Judicial	<u>57,000</u>	<u>57,000</u>	<u>1,785</u>	<u>55,215</u>
Total expenditures	<u>57,000</u>	<u>57,000</u>	<u>1,785</u>	<u>55,215</u>
<b>NET CHANGE IN FUND BALANCES</b>	(46,600)	(46,600)	11,528	58,128
<b>FUND BALANCES - BEGINNING</b>	<u>168,956</u>	<u>168,956</u>	<u>168,956</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u><u>\$ 122,356</u></u>	<u><u>\$ 122,356</u></u>	<u><u>\$ 180,484</u></u>	<u><u>\$ 58,128</u></u>

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**COUNTY CLERK / DISTRICT CLERK TECHNOLOGY**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Licenses and fees	\$ 2,700	\$ 2,700	\$ 2,883	\$ 183
Interest	100	100	762	662
Total revenues	<u>2,800</u>	<u>2,800</u>	<u>3,645</u>	<u>845</u>
<b>EXPENDITURES</b>				
Current:				
Judicial	<u>7,500</u>	<u>7,500</u>	<u>-</u>	<u>7,500</u>
Total expenditures	<u>7,500</u>	<u>7,500</u>	<u>-</u>	<u>7,500</u>
<b>NET CHANGE IN FUND BALANCES</b>	(4,700)	(4,700)	3,645	8,345
<b>FUND BALANCES - BEGINNING</b>	<u>51,515</u>	<u>51,515</u>	<u>51,515</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u><u>\$ 46,815</u></u>	<u><u>\$ 46,815</u></u>	<u><u>\$ 55,160</u></u>	<u><u>\$ 8,345</u></u>

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**COUNTY ATTORNEY FORFEITURE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Interest	\$ 500	\$ 500	\$ 2,266	\$ 1,766
Total revenues	500	500	2,266	1,766
<b>EXPENDITURES</b>				
Current:				
Judicial	70,887	70,887	52,564	18,323
Total expenditures	70,887	70,887	52,564	18,323
<b>NET CHANGE IN FUND BALANCES</b>	(70,387)	(70,387)	(50,298)	20,089
<b>FUND BALANCES - BEGINNING</b>	195,004	195,004	195,004	-
<b>FUND BALANCES - ENDING</b>	<u>\$ 124,617</u>	<u>\$ 124,617</u>	<u>\$ 144,706</u>	<u>\$ 20,089</u>

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**COUNTY ATTORNEY FEDERAL FORFEITURE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ -	\$ 7,580	\$ 7,580
Interest	200	200	748	548
	<u>200</u>	<u>200</u>	<u>8,328</u>	<u>8,128</u>
Total revenues	<u>200</u>	<u>200</u>	<u>8,328</u>	<u>8,128</u>
<b>EXPENDITURES</b>				
Current:				
Judicial	30,000	30,000	2,000	28,000
Capital outlay	25,000	25,000	8,500	16,500
	<u>55,000</u>	<u>55,000</u>	<u>10,500</u>	<u>44,500</u>
Total expenditures	<u>55,000</u>	<u>55,000</u>	<u>10,500</u>	<u>44,500</u>
<b>NET CHANGE IN FUND BALANCES</b>	(54,800)	(54,800)	(2,172)	52,628
<b>FUND BALANCES - BEGINNING</b>	<u>84,578</u>	<u>84,578</u>	<u>84,578</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u><u>\$ 29,778</u></u>	<u><u>\$ 29,778</u></u>	<u><u>\$ 82,406</u></u>	<u><u>\$ 52,628</u></u>

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**AUTO BURGLARY AND THEFT PREVENTION**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Licenses and fees	\$ 15,000	\$ 15,000	\$ 30,690	\$ 15,690
Intergovernmental	483,494	483,494	369,341	(114,153)
Miscellaneous	12,000	12,000	12,000	-
Total revenues	<u>510,494</u>	<u>510,494</u>	<u>412,031</u>	<u>(98,463)</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	<u>478,984</u>	<u>478,984</u>	<u>447,651</u>	<u>31,333</u>
Total expenditures	<u>478,984</u>	<u>478,984</u>	<u>447,651</u>	<u>31,333</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>31,510</u>	<u>31,510</u>	<u>(35,620)</u>	<u>(67,130)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	<u>-</u>	<u>-</u>	<u>61,580</u>	<u>61,580</u>
<b>TOTAL OTHER FINANCING SOURCES / (USES)</b>	<u>-</u>	<u>-</u>	<u>61,580</u>	<u>61,580</u>
<b>NET CHANGE IN FUND BALANCES</b>	31,510	31,510	25,960	(5,550)
<b>FUND BALANCES - BEGINNING (DEFICIT)</b>	<u>(70,226)</u>	<u>(70,226)</u>	<u>(70,226)</u>	<u>-</u>
<b>FUND BALANCES - ENDING (DEFICIT)</b>	<u><u>\$ (38,716)</u></u>	<u><u>\$ (38,716)</u></u>	<u><u>\$ (44,266)</u></u>	<u><u>\$ (5,550)</u></u>

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**DRUG COURT**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 100,478	\$ 85,406	\$ 68,096	\$ (17,310)
Total revenues	<u>100,478</u>	<u>85,406</u>	<u>68,096</u>	<u>(17,310)</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	100,478	85,406	84,465	941
Total expenditures	<u>100,478</u>	<u>85,406</u>	<u>84,465</u>	<u>941</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	-	(16,369)	(16,369)
<b>FUND BALANCES - BEGINNING (DEFICIT)</b>	<u>(7,693)</u>	<u>(7,693)</u>	<u>(7,693)</u>	<u>-</u>
<b>FUND BALANCES - ENDING (DEFICIT)</b>	<u>\$ (7,693)</u>	<u>\$ (7,693)</u>	<u>\$ (24,062)</u>	<u>\$ (16,369)</u>

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**JUVENILE PROBATION**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Licenses and fees	\$ -	\$ -	\$ 90	\$ 90
Intergovernmental	1,061,454	1,061,454	1,789,674	728,220
Interest	-	-	20,163	20,163
<b>Total revenues</b>	<b>1,061,454</b>	<b>1,061,454</b>	<b>1,809,927</b>	<b>748,473</b>
<b>EXPENDITURES</b>				
Current:				
Public safety	6,093,667	6,093,667	6,246,379	(152,712)
Capital outlay	58,629	58,629	58,629	-
<b>Total expenditures</b>	<b>6,152,296</b>	<b>6,152,296</b>	<b>6,305,008</b>	<b>(152,712)</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(5,090,842)</b>	<b>(5,090,842)</b>	<b>(4,495,081)</b>	<b>595,761</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	5,090,842	5,090,842	5,090,842	-
<b>TOTAL OTHER FINANCING SOURCES / (USES)</b>	<b>5,090,842</b>	<b>5,090,842</b>	<b>5,090,842</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>-</b>	<b>-</b>	<b>595,761</b>	<b>595,761</b>
<b>FUND BALANCES - BEGINNING</b>	<b>1,204,352</b>	<b>1,204,352</b>	<b>1,204,352</b>	<b>-</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 1,204,352</b>	<b>\$ 1,204,352</b>	<b>\$ 1,800,113</b>	<b>\$ 595,761</b>

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**CAPITAL PROJECTS FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Interest	\$ 11,000	\$ 11,000	\$ 45,839	\$ 34,839
Total revenues	<u>11,000</u>	<u>11,000</u>	<u>45,839</u>	<u>34,839</u>
<b>EXPENDITURES</b>				
Current:				
Public facilities	500,000	500,000	102,817	397,183
Capital outlay	<u>500,000</u>	<u>500,000</u>	<u>-</u>	<u>500,000</u>
Total expenditures	<u>1,000,000</u>	<u>1,000,000</u>	<u>102,817</u>	<u>897,183</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(989,000)</u>	<u>(989,000)</u>	<u>(56,978)</u>	<u>932,022</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	500,000	500,000
Transfers out	<u>-</u>	<u>-</u>	<u>(1,250,000)</u>	<u>(1,250,000)</u>
<b>TOTAL OTHER FINANCING SOURCES / (USES)</b>	<u>-</u>	<u>-</u>	<u>(750,000)</u>	<u>(750,000)</u>
<b>NET CHANGE IN FUND BALANCES</b>	(989,000)	(989,000)	(806,978)	182,022
<b>FUND BALANCES - BEGINNING</b>	<u>5,622,628</u>	<u>5,622,628</u>	<u>5,622,628</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u><u>\$ 4,633,628</u></u>	<u><u>\$ 4,633,628</u></u>	<u><u>\$ 4,815,650</u></u>	<u><u>\$ 182,022</u></u>

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**SERIES 2016 CERTIFICATES OF OBLIGATION**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 595,762	\$ 595,762	\$ 647,536	\$ 51,774
Interest	8,000	8,000	33,293	25,293
Miscellaneous	-	-	5,894	5,894
	<u>603,762</u>	<u>603,762</u>	<u>686,723</u>	<u>82,961</u>
Total revenues				
<b>EXPENDITURES</b>				
Current:				
Administrative	400	400	400	-
Debt service:				
Principal	955,000	955,000	955,000	-
Interest	519,825	519,825	519,825	-
	<u>1,475,225</u>	<u>1,475,225</u>	<u>1,475,225</u>	<u>-</u>
Total expenditures				
<b>NET CHANGE IN FUND BALANCES</b>	(871,463)	(871,463)	(788,502)	82,961
<b>FUND BALANCES - BEGINNING</b>	<u>2,553,365</u>	<u>2,553,365</u>	<u>2,553,365</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 1,681,902</u>	<u>\$ 1,681,902</u>	<u>\$ 1,764,863</u>	<u>\$ 82,961</u>

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**SERIES 2017 TAX NOTES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 875,869	\$ 875,869	\$ 952,130	\$ 76,261
Miscellaneous	-	-	7,476	7,476
	<u>875,869</u>	<u>875,869</u>	<u>959,606</u>	<u>83,737</u>
Total revenues				
<b>EXPENDITURES</b>				
Current:				
Administrative	400	400	-	400
Debt service:				
Principal	915,000	915,000	915,000	-
Interest	44,742	44,742	44,596	146
	<u>960,142</u>	<u>960,142</u>	<u>959,596</u>	<u>546</u>
Total expenditures				
<b>NET CHANGE IN FUND BALANCES</b>	(84,273)	(84,273)	10	84,283
<b>FUND BALANCES - BEGINNING</b>	<u>357,013</u>	<u>357,013</u>	<u>357,013</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u><u>\$ 272,740</u></u>	<u><u>\$ 272,740</u></u>	<u><u>\$ 357,023</u></u>	<u><u>\$ 84,283</u></u>

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**SERIES 2019 CERTIFICATES OF OBLIGATION**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 2,777,292	\$ 2,777,292	\$ 3,016,338	\$ 239,046
Miscellaneous	-	-	27,478	27,478
	<u>2,777,292</u>	<u>2,777,292</u>	<u>3,043,816</u>	<u>266,524</u>
Total revenues				
	<u>2,777,292</u>	<u>2,777,292</u>	<u>3,043,816</u>	<u>266,524</u>
<b>EXPENDITURES</b>				
Current:				
Administrative	400	400	400	-
Debt service:				
Principal	1,050,000	1,050,000	1,050,000	-
Interest	1,994,038	1,994,038	1,994,038	-
	<u>3,044,438</u>	<u>3,044,438</u>	<u>3,044,438</u>	<u>-</u>
Total expenditures				
	<u>3,044,438</u>	<u>3,044,438</u>	<u>3,044,438</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(267,146)	(267,146)	(622)	266,524
<b>FUND BALANCES - BEGINNING</b>	<u>805,585</u>	<u>805,585</u>	<u>805,585</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 538,439</u>	<u>\$ 538,439</u>	<u>\$ 804,963</u>	<u>\$ 266,524</u>

## **FIDUCIARY FUNDS**

### **CUSTODIAL FUNDS**

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

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

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

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

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

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

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

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

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

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

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

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

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

**POTTER COUNTY, TEXAS**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**CUSTODIAL FUNDS**  
**SEPTEMBER 30, 2022**

	<u>State and County Collections</u>	<u>Tax Assessor/ Collector</u>	<u>Bail Security Fund</u>	<u>State Court Costs</u>	<u>District Registry Fund</u>	<u>County Registry Fund</u>
<b>ASSETS</b>						
Cash and cash equivalents	\$ 294,287	\$ 2,249,934	\$ 59,740	\$ 121,572	\$ 5,733,552	\$ 348,202
Accounts receivable	<u>447</u>	<u>225</u>	<u>-</u>	<u>54,460</u>	<u>-</u>	<u>-</u>
Total assets	<u>294,734</u>	<u>2,250,159</u>	<u>59,740</u>	<u>176,032</u>	<u>5,733,552</u>	<u>348,202</u>
<b>LIABILITIES</b>						
Accounts payable	18,522	-	-	165,391	-	-
Due to other governments	<u>276,212</u>	<u>2,250,159</u>	<u>-</u>	<u>10,641</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>294,734</u>	<u>2,250,159</u>	<u>-</u>	<u>176,032</u>	<u>-</u>	<u>-</u>
<b>NET POSITION</b>						
Restricted for:						
Individuals	<u>-</u>	<u>-</u>	<u>59,740</u>	<u>-</u>	<u>5,733,552</u>	<u>348,202</u>
Total net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 59,740</u>	<u>\$ -</u>	<u>\$ 5,733,552</u>	<u>\$ 348,202</u>

<u>County Attorney Restitution</u>	<u>District Attorney Restitution</u>	<u>District Attorney Seizure</u>	<u>Detention Center Trust Fund</u>	<u>Detention Center Bond Fund</u>	<u>Unclaimed Property</u>	<u>Total</u>
\$ 5,386	\$ 11,162	\$ 169,930	\$ 116,686	\$ 73,500	\$ 266,683	\$ 9,450,634
-	-	-	-	-	-	55,132
<u>5,386</u>	<u>11,162</u>	<u>169,930</u>	<u>116,686</u>	<u>73,500</u>	<u>266,683</u>	<u>9,505,766</u>
-	-	169,930	-	-	-	353,843
-	-	-	-	-	-	2,537,012
-	-	<u>169,930</u>	-	-	-	<u>2,890,855</u>
<u>5,386</u>	<u>11,162</u>	<u>-</u>	<u>116,686</u>	<u>73,500</u>	<u>266,683</u>	<u>6,614,911</u>
<u>\$ 5,386</u>	<u>\$ 11,162</u>	<u>\$ -</u>	<u>\$ 116,686</u>	<u>\$ 73,500</u>	<u>\$ 266,683</u>	<u>\$ 6,614,911</u>

**POTTER COUNTY, TEXAS**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FOR ALL CUSTODIAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
<b>STATE &amp; COUNTY COLLECTIONS</b>				
Assets				
Cash and cash equivalents	\$ 319,624	\$ 3,502,248	3,527,585	\$ 294,287
Accounts receivable	2,923	5,121	7,597	447
Total assets	<u>322,547</u>	<u>3,507,369</u>	<u>3,535,182</u>	<u>294,734</u>
Liabilities				
Accounts payable	23,814	3,721,489	3,726,781	18,522
Due to other governments	298,733	276,212	298,733	276,212
Total liabilities	<u>\$ 322,547</u>	<u>\$ 3,997,701</u>	<u>\$ 4,025,514</u>	<u>\$ 294,734</u>
<b>TAX ASSESSOR/COLLECTOR</b>				
Assets				
Cash and cash equivalents	\$ 2,284,724	\$ 264,489,863	264,524,653	\$ 2,249,934
Accounts receivable	225	-	-	225
Total assets	<u>2,284,949</u>	<u>264,489,863</u>	<u>264,524,653</u>	<u>2,250,159</u>
Liabilities				
Due to other governments	2,284,949	264,489,863	264,524,653	2,250,159
Total liabilities	<u>\$ 2,284,949</u>	<u>\$ 264,489,863</u>	<u>\$ 264,524,653</u>	<u>\$ 2,250,159</u>
<b>BAIL SECURITY FUND</b>				
Assets				
Cash and cash equivalents	\$ 59,740	\$ -	\$ -	\$ 59,740
Total assets	<u>59,740</u>	<u>-</u>	<u>-</u>	<u>59,740</u>
Net Position				
Restricted for:				
Individuals	59,740	-	-	59,740
Total net position	<u>\$ 59,740</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 59,740</u>

Continued

**POTTER COUNTY, TEXAS**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FOR ALL CUSTODIAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
<b>Continuation</b>				
<b>STATE COURT COSTS</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 155,675	\$ 681,713	715,816	\$ 121,572
Accounts receivable	65,547	54,460	65,547	54,460
Total assets	<u>221,222</u>	<u>736,173</u>	<u>781,363</u>	<u>176,032</u>
<b>Liabilities</b>				
Accounts payable	206,081	834,949	875,639	165,391
Due to other governments	15,141	885,936	890,436	10,641
Total liabilities	<u>\$ 221,222</u>	<u>\$ 1,720,885</u>	<u>\$ 1,766,075</u>	<u>\$ 176,032</u>
<b>DISTRICT REGISTRY FUND</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 3,847,798	\$ 3,403,164	\$ 1,517,410	\$ 5,733,552
Total assets	<u>3,847,798</u>	<u>3,403,164</u>	<u>1,517,410</u>	<u>5,733,552</u>
<b>Net Position</b>				
Restricted for:				
Individuals	<u>3,847,798</u>	<u>3,403,164</u>	<u>1,517,410</u>	<u>5,733,552</u>
Total net position	<u>\$ 3,847,798</u>	<u>\$ 3,403,164</u>	<u>\$ 1,517,410</u>	<u>\$ 5,733,552</u>
<b>COUNTY REGISTRY FUND</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 210,048	\$ 603,187	\$ 465,033	\$ 348,202
Total assets	<u>210,048</u>	<u>603,187</u>	<u>465,033</u>	<u>348,202</u>
<b>Net Position</b>				
Restricted for:				
Individuals	<u>210,048</u>	<u>603,187</u>	<u>465,033</u>	<u>348,202</u>
Total net position	<u>\$ 210,048</u>	<u>\$ 603,187</u>	<u>\$ 465,033</u>	<u>\$ 348,202</u>

Continued

**POTTER COUNTY, TEXAS**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FOR ALL CUSTODIAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
<b>Continuation</b>				
<b>COUNTY ATTORNEY</b>				
<b>RESTITUTION</b>				
Assets				
Cash and cash equivalents	\$ 14,034	\$ 27,047	\$ 35,695	\$ 5,386
Total assets	14,034	27,047	35,695	5,386
Net Position				
Restricted for:				
Individuals	14,034	27,047	35,695	5,386
Total net position	\$ 14,034	\$ 27,047	\$ 35,695	\$ 5,386
<b>DISTRICT ATTORNEY</b>				
<b>RESTITUTION</b>				
Assets				
Cash and cash equivalents	\$ 13,067	\$ 2,848	\$ 4,753	\$ 11,162
Total assets	13,067	2,848	4,753	11,162
Net Position				
Restricted for:				
Individuals	13,067	2,848	4,753	11,162
Total net position	\$ 13,067	\$ 2,848	\$ 4,753	\$ 11,162
<b>DISTRICT ATTORNEY SEIZURE</b>				
Assets				
Cash and cash equivalents	\$ 135,959	\$ 63,689	\$ 29,718	\$ 169,930
Accounts receivable	-	19,287	19,287	-
Total assets	135,959	82,976	49,005	169,930
Liabilities				
Accounts payable	135,959	82,976	49,005	169,930
Total liabilities	\$ 135,959	\$ 82,976	\$ 49,005	\$ 169,930

Continued

**POTTER COUNTY, TEXAS**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FOR ALL CUSTODIAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
<b>Continuation</b>				
<b>DETENTION CENTER</b>				
<b>TRUST FUND</b>				
Assets				
Cash and cash equivalents	\$ 205,762	\$ 1,204,011	\$ 1,293,087	\$ 116,686
Total assets	205,762	1,204,011	1,293,087	116,686
Net Position				
Restricted for:				
Individuals	205,762	1,204,011	1,293,087	116,686
Total net position	\$ 205,762	\$ 1,204,011	\$ 1,293,087	\$ 116,686
<b>DETENTION CENTER</b>				
<b>BOND FUND</b>				
Assets				
Cash and cash equivalents	\$ 26,500	\$ 165,252	\$ 118,252	\$ 73,500
Total assets	26,500	165,252	118,252	73,500
Net Position				
Restricted for:				
Individuals	26,500	165,252	118,252	73,500
Total net position	\$ 26,500	\$ 165,252	\$ 118,252	\$ 73,500
<b>UNCLAIMED PROPERTY</b>				
Assets				
Cash and cash equivalents	\$ 263,490	\$ 3,779	\$ 586	\$ 266,683
Total assets	263,490	3,779	586	266,683
Net Position				
Restricted for:				
Individuals	263,490	3,779	586	266,683
Total net position	\$ 263,490	\$ 3,779	\$ 586	\$ 266,683

Continued

**POTTER COUNTY, TEXAS**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FOR ALL CUSTODIAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
Continuation				
<b>TOTALS - ALL CUSTODIAL FUNDS</b>				
Assets				
Cash and cash equivalents	\$ 7,536,421	\$ 274,146,801	\$ 272,232,588	\$ 9,450,634
Accounts receivable	68,695	78,868	92,431	55,132
Total assets	<u>7,605,116</u>	<u>274,225,669</u>	<u>272,325,019</u>	<u>9,505,766</u>
Liabilities				
Accounts payable	365,854	4,639,414	4,651,425	353,843
Due to other governments	2,598,823	265,652,011	265,713,822	2,537,012
Total liabilities	<u>2,964,677</u>	<u>270,291,425</u>	<u>270,365,247</u>	<u>2,890,855</u>
Net Position				
Restricted for:				
Individuals	<u>4,640,439</u>	<u>5,409,288</u>	<u>3,434,816</u>	<u>6,614,911</u>
Total net position	<u>\$ 4,640,439</u>	<u>\$ 5,409,288</u>	<u>\$ 3,434,816</u>	<u>\$ 6,614,911</u>

**STATISTICAL SECTION  
(UNAUDITED)**

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**POTTER COUNTY, TEXAS  
STATISTICAL SECTION  
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

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

<b>Contents</b>	<b>Page</b>
<b>Financial Trends</b> <i>These tables contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.</i>	<b>117-120</b>
<b>Revenue Capacity</b> <i>These tables contain information to help the reader assess the County's most significant local revenue source, the property tax.</i>	<b>121-124</b>
<b>Debt Capacity</b> <i>These tables present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.</i>	<b>125-128</b>
<b>Demographic and Economic Information</b> <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</i>	<b>129-130</b>
<b>Operating Information</b> <i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</i>	<b>131-133</b>

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

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

Table 1

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Governmental activities										
Net investment in capital assets	\$ 61,999	\$ 65,492	\$ 66,473	\$ 68,307	\$ 67,559	\$ 64,693	\$ 63,816	\$ 67,199	\$ 71,488	\$ 83,184
Restricted	2,759	3,226	4,038	3,915	3,906	5,739	13,307	12,538	26,397	40,267
Unrestricted	<u>25,101</u>	<u>27,409</u>	<u>19,228</u>	<u>19,494</u>	<u>20,180</u>	<u>19,791</u>	<u>20,119</u>	<u>23,582</u>	<u>25,230</u>	<u>23,490</u>
Total governmental activities net position	<u>\$ 89,859</u>	<u>\$ 96,127</u>	<u>\$ 89,739</u>	<u>\$ 91,716</u>	<u>\$ 91,645</u>	<u>\$ 90,223</u>	<u>\$ 97,242</u>	<u>\$ 103,319</u>	<u>\$ 123,115</u>	<u>\$ 146,941</u>

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

Table 2

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Expenses</b>										
Governmental activities:										
Administrative	\$ 5,843	\$ 6,966	\$ 6,666	\$ 7,264	\$ 7,885	\$ 7,344	\$ 7,947	\$ 8,681	\$ 7,646	\$ 8,317
Judicial	13,432	14,145	14,607	15,209	16,951	16,512	17,325	15,781	16,185	15,542
Elections	343	400	445	486	685	823	523	644	638	1,151
Public facilities	3,891	3,941	3,743	4,580	4,298	4,086	4,141	3,920	3,976	4,076
Public safety	8,675	9,130	8,806	11,528	10,816	16,500	19,598	19,894	19,904	19,555
Corrections and rehabilitation	12,971	13,994	13,765	15,061	15,739	15,693	13,102	12,688	12,783	11,646
Road and bridge	3,413	3,876	3,303	2,570	2,531	2,753	2,867	2,905	2,837	2,955
Health and human services	746	799	758	636	661	735	1,019	1,049	1,006	874
Interest on long-term debt	139	86	58	570	470	652	1,184	2,988	2,478	2,458
Total governmental activities expenses	<u>49,453</u>	<u>53,337</u>	<u>52,151</u>	<u>57,904</u>	<u>60,036</u>	<u>65,098</u>	<u>67,706</u>	<u>68,550</u>	<u>67,453</u>	<u>66,574</u>
<b>Program Revenues</b>										
Governmental activities:										
Charges for services										
Administrative	1,014	1,677	1,028	2,091	1,519	899	646	537	802	695
Judicial	3,734	3,785	3,623	3,585	3,255	3,165	2,373	1,930	1,978	1,959
Elections	-	1	-	-	1	-	9	4	13	8
Public safety	814	793	810	721	726	926	968	810	851	961
Corrections and rehabilitation	75	109	432	356	256	403	-	-	-	-
Road and bridge	1,990	2,094	2,110	2,111	2,050	2,035	2,043	2,043	2,049	2,165
Health and human services	18	14	21	21	21	57	6	5	6	1
Operating grants and contributions	1,458	1,848	1,662	3,094	2,307	3,141	4,496	5,003	16,785	16,205
Capital grants and contributions	581	5,539	10	231	62	-	1,673	580	815	862
Total governmental activities program revenues	<u>9,684</u>	<u>15,860</u>	<u>9,696</u>	<u>12,210</u>	<u>10,197</u>	<u>10,626</u>	<u>12,214</u>	<u>10,912</u>	<u>23,299</u>	<u>22,856</u>
Net (expense) revenue	(39,769)	(37,477)	(42,455)	(45,694)	(49,839)	(54,472)	(55,492)	(57,638)	(44,154)	(43,718)
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Taxes										
Property taxes, levied for general purposes	38,770	40,524	41,868	44,378	45,341	46,490	49,799	52,426	52,287	54,096
Property taxes, levied for debt service	2,199	2,091	2,166	2,163	2,906	4,542	2,725	4,041	4,727	4,603
Payments in lieu of taxes	-	-	-	-	-	-	99	102	103	106
Mixed beverage taxes	436	556	594	611	598	656	688	488	617	776
Sales and other taxes	240	236	228	236	270	184	2,978	3,339	3,823	4,751
Investment earnings	89	76	91	283	653	1,046	2,290	1,440	203	900
Gain on disposal of assets	90	28	-	-	-	-	-	-	176	-
Miscellaneous	368	235	60	-	-	-	2,089	1,879	1,919	2,312
Total governmental activities	<u>42,192</u>	<u>43,746</u>	<u>45,007</u>	<u>47,671</u>	<u>49,768</u>	<u>52,918</u>	<u>60,668</u>	<u>63,715</u>	<u>63,855</u>	<u>67,544</u>
<b>Change in Net Position</b>										
Governmental activities	<u>\$ 2,423</u>	<u>\$ 6,269</u>	<u>\$ 2,552</u>	<u>\$ 1,977</u>	<u>\$ (71)</u>	<u>\$ (1,554)</u>	<u>\$ 5,176</u>	<u>\$ 6,077</u>	<u>\$ 19,701</u>	<u>\$ 23,826</u>

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

Table 3

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
General Fund										
Non-spendable	\$ 53	\$ 23	\$ 17	\$ 521	\$ 1,030	\$ 1,014	\$ 1,078	\$ 1,011	\$ 1,357	\$ 1,486
Restricted	353	656	864	813	578	1,335	1,405	1,380	1,254	1,055
Committed	2,700	3,000	3,000	2,098	2,098	1,548	-	-	-	-
Assigned	-	-	-	-	-	-	1,548	1,562	1,562	561
Unassigned	14,496	14,102	13,237	16,397	17,999	20,831	23,633	27,298	28,936	32,152
Total General Fund	<u>17,602</u>	<u>17,781</u>	<u>17,118</u>	<u>19,829</u>	<u>21,705</u>	<u>24,728</u>	<u>27,664</u>	<u>31,251</u>	<u>33,109</u>	<u>35,254</u>
All other governmental funds										
Non-spendable										
Prepays	-	-	-	-	-	-	-	-	-	31
Restricted										
Debt Service Fund	1,284	1,518	1,753	2,014	2,123	2,464	2,891	4,170	3,716	2,927
Special Revenue Funds	206	382	518	415	543	1,846	9,011	6,988	21,446	36,286
Capital Projects Funds	-	-	-	19,544	9,757	2,418	56,324	51,946	45,109	13,603
Assigned										
Special Revenue Funds	3,352	3,522	3,351	3,735	3,409	3,459	-	-	-	-
Capital Projects Funds	5,060	7,680	9,223	7,854	9,544	9,101	10,560	11,993	5,623	4,816
Unassigned	(3)	-	(34)	(207)	(24)	(13)	(116)	(107)	(116)	(100)
Total all other governmental funds	<u>\$ 9,899</u>	<u>\$ 13,102</u>	<u>\$ 14,811</u>	<u>\$ 33,355</u>	<u>\$ 25,352</u>	<u>\$ 19,275</u>	<u>\$ 78,670</u>	<u>\$ 74,990</u>	<u>\$ 75,778</u>	<u>\$ 57,563</u>

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

Table 4

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Revenues</b>										
Taxes	\$ 41,540	\$ 43,249	\$ 44,666	\$ 47,172	\$ 48,854	\$ 53,043	\$ 52,803	\$ 56,568	\$ 56,952	\$ 58,838
Licenses and fees	5,145	5,278	5,350	5,094	4,773	5,080	4,997	4,674	4,888	5,180
Fines and forfeitures	1,232	1,217	1,211	1,142	1,005	1,008	984	742	666	624
Intergovernmental	2,292	2,117	2,022	3,315	2,752	3,350	4,496	5,002	17,082	16,875
Interest	87	74	88	277	643	1,029	2,268	1,419	197	869
Sales and miscellaneous taxes	-	-	-	-	-	-	3,766	3,928	4,543	5,632
Miscellaneous	1,624	2,185	1,399	2,848	1,903	1,487	1,949	1,911	1,947	2,328
<b>Total revenues</b>	<b>51,920</b>	<b>54,120</b>	<b>54,736</b>	<b>59,848</b>	<b>59,930</b>	<b>64,997</b>	<b>71,263</b>	<b>74,244</b>	<b>86,275</b>	<b>90,346</b>
<b>Expenditures</b>										
Administrative	5,470	6,468	6,224	6,575	6,555	6,553	7,439	8,753	7,467	8,526
Judicial	13,307	13,882	14,556	14,645	15,696	15,888	15,971	15,250	15,903	16,707
Elections	342	388	449	474	544	492	483	620	761	1,151
Public facilities	2,593	2,387	2,463	3,241	2,722	2,609	2,424	2,461	2,564	2,781
Public safety	8,005	8,317	8,365	10,365	9,531	11,736	18,162	19,068	19,053	19,532
Corrections and rehabilitation	12,735	13,628	13,678	14,620	14,671	15,252	12,474	12,588	12,951	13,092
Road and Bridge	1,966	1,974	1,968	2,020	1,990	2,216	2,322	2,315	2,266	2,500
Health and human services	744	788	765	621	615	675	982	1,048	1,038	954
Capital outlay	1,052	1,038	3,253	5,595	16,487	8,852	1,886	7,353	16,354	37,517
Debt Service										
Principal	1,710	1,705	1,820	1,860	1,900	2,150	1,864	2,031	2,977	3,414
Interest	245	162	115	78	970	731	673	3,352	2,639	2,594
Bond issuance cost	-	-	-	375	-	-	221	-	-	-
<b>Total expenditures</b>	<b>48,169</b>	<b>50,737</b>	<b>53,656</b>	<b>60,469</b>	<b>71,681</b>	<b>67,154</b>	<b>64,901</b>	<b>74,839</b>	<b>83,973</b>	<b>108,768</b>
Excess of revenues over (under) expenditures	3,751	3,383	1,080	(621)	(11,751)	(2,157)	6,362	(595)	2,302	(18,422)
<b>Other financing sources (uses)</b>										
Transfers in	2,456	5,251	3,600	2,494	2,098	2,139	7,383	7,873	6,761	6,952
Transfers out	(2,456)	(5,251)	(3,600)	(2,494)	(2,098)	(2,389)	(7,383)	(7,873)	(6,761)	(6,952)
Proceeds from sale of assets	-	-	-	-	-	-	33	95	220	-
Issuance of debt	-	-	-	21,875	5,625	-	50,375	408	123	2,353
Bond premiums	-	-	-	-	-	-	3,846	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>21,875</b>	<b>5,625</b>	<b>(250)</b>	<b>54,254</b>	<b>503</b>	<b>343</b>	<b>2,353</b>
<b>Net change in fund balances</b>	<b>\$ 3,751</b>	<b>\$ 3,383</b>	<b>\$ 1,080</b>	<b>\$ 21,254</b>	<b>\$ (6,126)</b>	<b>\$ (2,407)</b>	<b>\$ 60,616</b>	<b>\$ (92)</b>	<b>\$ 2,645</b>	<b>\$ (16,069)</b>
Debt Service as a percentage of noncapital expenditures	4.15%	3.76%	3.84%	3.53%	5.20%	4.94%	4.03%	7.98%	8.31%	8.43%

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

Table 5

Fiscal Year	Roll Year	Operations Rate Potter County	Debt Rate Potter County	Total Direct Rate Potter County	City of Amarillo	Amarillo Independent School District	Amarillo Junior College District
<b>TAX RATES/\$100 ASSESSED VALUATION</b>							
2013	2012	0.59327	0.03380	0.62707	0.32009	1.17000	0.18938
2014	2013	0.60272	0.03130	0.63402	0.34009	1.18900	0.19950
2015	2014	0.60270	0.03132	0.63402	0.34509	1.18900	0.20750
2016	2015	0.63306	0.03096	0.66402	0.35072	1.18900	0.20750
2017	2016	0.62393	0.04009	0.66402	0.35072	1.18900	0.20750
2018	2017	0.62773	0.04227	0.67000	0.36364	1.18900	0.20750
2019	2018	0.64998	0.03502	0.68500	0.36838	1.23900	0.20750
2020	2019	0.65099	0.05001	0.70100	0.38851	1.16900	0.22790
2021	2020	0.63303	0.05712	0.69015	0.39681	1.15540	0.22790
2022	2021	0.65057	0.05538	0.70595	0.44334	1.14960	0.21129

Source: Potter County Tax Office, Potter Randall Appraisal District

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

Fiscal Year	Roll Year	Bushland Independent School District	Highland Park Independent School District	River Road Independent School District	Village of Bishop Hills	Underground Water Preservation Districts
<b>TAX RATES/\$100 ASSESSED VALUATION</b>						
2013	2012	1.26960	1.16744	1.35000	0.08000	0.01641
2014	2013	1.29440	1.16750	1.35000	0.08000	0.01658
2015	2014	1.29000	1.16190	1.35000	0.08000	0.01604
2016	2015	1.26804	1.16190	1.35000	0.08000	0.01593
2017	2016	1.25433	1.16190	1.35000	0.08000	0.01652
2018	2017	1.23777	1.16190	1.35000	0.08000	0.01595
2019	2018	1.23371	1.18590	1.35000	0.08000	0.01576
2020	2019	1.16371	1.10330	1.27650	0.08000	0.01590
2021	2020	1.16010	1.09740	1.26280	0.08000	0.01020
2022	2021	1.15665	1.08480	1.23967	0.08000	0.01020

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

Table 6

Fiscal Year	Roll Year	Real Property Value		Personal Property Value		Total Value		Total Direct Tax Rate	Ratio of Total Assessed Value to Total Estimated Actual Value
		Assessed	Estimated Actual	Assessed	Estimated Actual	Assessed	Estimated Actual		
2013	2012	\$ 6,647,265	\$ 6,893,284	\$ 1,687,907	\$ 1,687,907	\$ 8,335,172	\$ 8,581,191	0.62707	97.13%
2014	2013	6,690,462	6,935,556	1,631,586	1,631,586	8,322,048	8,567,142	0.63402	97.14%
2015	2014	6,921,060	7,172,364	1,727,791	1,727,791	8,648,851	8,900,155	0.63402	97.18%
2016	2015	7,107,807	7,357,630	1,752,275	1,752,275	8,860,082	9,109,905	0.66402	97.26%
2017	2016	7,192,330	7,449,131	1,848,664	1,848,664	9,040,994	9,297,795	0.66402	97.24%
2018	2017	7,564,639	7,841,179	1,917,145	1,917,145	9,481,784	9,758,324	0.67000	97.17%
2019	2018	7,863,970	8,126,646	1,943,631	1,943,631	9,807,601	10,070,277	0.68500	97.39%
2020	2019	8,279,646	8,608,172	1,986,271	1,986,271	10,265,917	10,594,443	0.70100	96.90%
2021	2020	7,841,714	8,102,421	2,654,122	2,654,122	10,495,836	10,756,543	0.69015	97.58%
2022	2021	7,718,851	7,937,606	2,966,105	2,966,105	10,684,956	10,903,711	0.70595	97.99%

Source: Potter Randall Appraisal District

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

**POTTER COUNTY, TEXAS  
PRINCIPAL TAXPAYERS  
CURRENT AND NINE YEARS AGO  
SEPTEMBER 30, 2022**

Table 7

Taxpayer	Type of Business	2021 Assessed Valuation	Rank	Percentage of Total Assessed Valuation	2012 Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Southwestern Public Service (Xcel)	Electric Utility	\$ 556,490,890	1	7.10%	\$ 276,921,870	1	3.89%
Bell Helicopter Textron	Osprey Production	170,752,981	2	2.18%			
BNSF Railway Company	Railroad	167,764,319	3	2.14%	106,173,788	2	1.49%
BSA Hospital LLC	Healthcare	131,009,411	4	1.67%	96,358,178	3	1.35%
Tyson Fresh Meats Inc.	Meat Packing	103,503,533	5	1.32%	88,751,310	5	1.25%
Atmos Energy/Wes-Tex Division	Utility	75,593,980	6	0.96%			
Scout Energy Management (BPP)		64,210,700	7	0.82%			
Northwest Texas Healthcare (UHS)	Healthcare	59,349,982	8	0.76%	88,858,955	4	1.25%
Bell Textron Inc	Osprey Production	51,879,204	9	0.66%			
Asarco LLC	Copper Refinery	49,443,646	10	0.63%	85,078,202	6	1.19%
Amarillo Mall, LLC	Retailer				60,680,565	7	0.85%
Linde Gas North America	Helium				53,395,426	8	0.75%
Pioneer Natural Resources (USA)	Natural Gas Utility				47,860,840	9	0.67%
Wal Mart Real Estate	Retailer				46,084,482	10	0.65%
		<u>\$ 1,429,998,646</u>		<u>18.24%</u>	<u>\$ 950,163,616</u>		<u>13.34%</u>

Source: Potter Randall Appraisal District

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

Table 8

Fiscal Year	Roll Year	Original Tax Levy	Adjustments	Adjusted Tax Levy	Collected in the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
					Collected Amount	Percent of Original Levy Collected		Total Collections	Percent of Adjusted Levy Collected
2013	2012	\$ 40,409,642	-	\$ 40,409,642	\$ 39,698,578	98.24%	\$ 646,005	\$ 40,344,583	99.84%
2014	2013	42,066,200	-	42,066,200	41,545,818	98.76%	448,947	41,994,765	99.83%
2015	2014	43,446,569	-	43,446,569	42,961,582	98.88%	412,633	43,374,215	99.83%
2016	2015	46,009,549	-	46,009,549	45,445,342	98.77%	485,598	45,930,940	99.83%
2017	2016	47,820,877	-	47,820,877	47,232,286	98.77%	501,656	47,733,942	99.82%
2018	2017	50,535,016	-	50,535,016	49,853,961	98.65%	564,534	50,418,495	99.77%
2019	2018	53,148,726	-	53,148,726	52,523,561	98.82%	476,129	52,999,690	99.72%
2020	2019	56,460,173	-	56,460,173	55,452,872	98.22%	530,994	55,983,866	99.16%
2021	2020	57,083,843	-	57,083,843	56,384,956	98.78%	421,779	56,806,735	99.51%
2022	2021	59,058,954	-	59,058,954	58,424,388	98.93%	-	58,424,388	98.93%

Source: Potter County Tax Office

**POTTER COUNTY, TEXAS  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST 10 FISCAL YEARS  
SEPTEMBER 30, 2022**

Table 9

	GOVERNMENTAL ACTIVITIES				Total Primary Government	Percentage of Property Value (1)	Percentage of Personal Income (2)	\$ Per Capita (2)
	General Obligation Bonds	Certificates of Obligation	Tax Notes	Capital Leases				
2013	\$ 8,616,985	\$ -	\$ -	\$ -	\$ 8,616,985	0.10%	0.20%	71
2014	6,845,324	-	-	-	6,845,324	0.08%	0.14%	56
2015	4,970,254	-	-	-	4,970,254	0.06%	0.10%	41
2016	3,030,221	21,887,782	-	-	24,918,003	0.27%	0.47%	204
2017	1,100,211	21,840,412	5,625,000	-	28,565,623	0.31%	0.55%	237
2018	-	20,922,350	5,450,000	-	26,372,350	0.27%	0.50%	220
2019	-	74,225,686	4,585,000	601,063	79,411,749	0.79%	1.47%	676
2020	-	73,157,217	3,700,000	1,151,004	78,008,221	0.74%	1.33%	658
2021	-	71,323,748	2,800,000	881,512	75,005,260	0.70%	1.25%	636
2022	-	69,170,279	1,885,000	2,741,000	73,796,279	0.68%	1.14%	639

Note:

(1) Property values are found in Table 6

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

**POTTER COUNTY, TEXAS  
LEGAL DEBT MARGIN INFORMATION  
SEPTEMBER 30, 2022**

Table 10

Taxable assessed value	\$ 8,550,254,926
Debt limit (5% of taxable assessed value)	\$ 427,512,746
Debt applicable to limit:	
Total bonded debt	71,055,279
Less: amount set aside for repayment of debt	(2,896,832)
Net Indebtedness subject to debt limit	68,158,447
Net debt contracting margin	\$ 359,354,299
Percentage of net debt contraction margin available	84.06 %
Percentage of net debt contracting power exhausted	15.94 %

Last Ten Years

Fiscal Year	Constitutional Debt Limit	Net Outstanding Indebtedness September 30	Percentage of Net Debt Contracting Margin Available
2013	\$ 324,502,416	\$ 7,076,480	97.82%
2014	334,013,008	5,152,339	98.46%
2015	344,960,488	3,081,511	99.11%
2016	350,204,733	22,431,045	93.59%
2017	364,014,349	26,141,654	92.82%
2018	382,306,235	23,612,723	93.82%
2019	394,422,001	76,007,756	80.73%
2020	410,395,226	76,857,217	81.27%
2021	421,629,963	74,123,748	82.42%
2022	427,512,746	71,055,279	83.38%

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

Table 11

Fiscal Year	Roll Year	Population	Assessed Value (in Thousands)	Gross Bonded Debt	Less Debt Service Funds	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
2013	2012	122,146	\$ 8,581,191	\$ 8,616,985	\$ 1,283,520	\$ 7,333,465	0.855%	\$ 60
2014	2013	121,627	8,567,142	6,845,324	1,517,693	5,327,631	0.622%	44
2015	2014	121,857	8,900,155	4,970,254	1,753,489	3,216,765	0.361%	26
2016	2015	122,082	9,109,905	24,918,003	2,013,955	22,904,048	2.514%	188
2017	2016	120,346	9,297,795	28,565,623	2,122,859	26,442,764	2.844%	220
2018	2017	119,648	9,758,324	26,372,350	2,464,218	23,908,132	2.450%	200
2019	2018	117,415	10,070,277	78,810,686	2,802,930	76,007,756	7.548%	647
2020	2019	118,525	10,594,443	76,857,217	4,170,306	72,686,911	6.861%	613
2021	2020	117,875	10,756,543	74,123,748	3,722,468	70,401,280	6.545%	597
2022	2021	115,440	10,903,711	71,055,279	2,918,173	68,137,106	6.249%	590

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

**POTTER COUNTY, TEXAS  
COMPUTATION OF DIRECT AND OVERLAPPING DEBT  
SEPTEMBER 30, 2022**

Table 12

Governmental Unit	Gross Debt	Estimated Percent Applicable	Potter County Share of Debt
Direct:			
Potter County, Texas	\$ 73,796,279	100.00%	<u>\$ 73,796,279</u>
Overlapping:			
Amarillo Independent School District	225,314,410	51.69%	116,465,019
Amarillo College District	60,287,601	45.80%	27,611,721
River Road Independent School District	7,920,097	100.00%	7,920,097
Highland Park Independent School District	16,270,000	100.00%	16,270,000
Bushland Independent School District	6,843,022	86.51%	5,919,898
City of Amarillo	227,431,003	45.61%	<u>103,731,280</u>
			<u>277,918,015</u>
Total Direct and Overlapping Debt			<u><u>\$ 351,714,294</u></u>

Source: Potter County Auditor's Office

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

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

Table 13

Fiscal Year	Population	Personal Income (In Thousands)	Per Capita Income	Unemployment Rate
2013	122,146	\$ 4,344,796	\$ 35,712	5.00%
2014	121,627	4,950,949	40,706	4.10%
2015	121,857	5,158,694	42,334	3.20%
2016	122,082	5,341,958	43,749	3.30%
2017	120,346	5,220,203	43,249	2.90%
2018	119,648	5,257,978	43,945	2.70%
2019	117,415	5,411,245	46,086	2.70%
2020	118,525	5,866,750	49,498	5.00%
2021	117,875	* 6,022,234 *	51,090	3.20%
2022	115,440	* 6,499,175 *	56,299	3.00%

Source: Texas Workforce Commission Tracer

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

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

Table 14

Employer	2022			Employer	2013		
	Employees	Rank	Percentage of County Employment		Employees	Rank	Percentage of County Employment
Amarillo ISD	4,500	1	3.90%	Amarillo ISD	4,298	1	3.23%
Tyson Foods	4,300	2	3.73%	Tyson Foods	3,750	2	2.82%
CNS Pantex	3,844	3	3.33%	BWXT Pantex	3,233	3	2.43%
Baptist St. Anthony's Health Care System	3,100	4	2.69%	Baptist St. Anthony's Health Care System	3,150	4	2.37%
Northwest Texas Healthcare System	2,150	5	1.86%	City of Amarillo	2,045	5	1.54%
City of Amarillo	1,953	6	1.69%	Northwest Texas Healthcare System	1,393	6	1.05%
Xcel Energy/Southwestern Public Service Co.	1,431	7	1.24%	Bell Helicopter Textron Inc.	1,270	7	0.96%
Affiliated Foods/TriState Baking/Plains Dairy	1,250	8	1.08%	Texas Department of Criminal Justice	1,246	8	0.94%
Amarillo VA Health Care System	984	9	0.85%	Western National Life Insurance Company	1,002	9	0.75%
Bell Helicopter Textron Inc.	900	10	0.78%	Xcel Energy	1,002	10	0.75%
	<u>24,412</u>		<u>21.15%</u>		<u>22,389</u>		<u>16.84%</u>

Source: Amarillo Chamber of Commerce

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

Table 15

Activity	Full-time Equivalent Employees as of September 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>GENERAL FUND</b>										
General Administrative	63.8	64.3	66.8	67.8	69.0	68.0	67.0	59.0	59.0	54.5
Facilities Maintenance	27.0	27.0	27.0	28.0	28.0	29.0	28.0	25.0	25.0	24.0
Elections Administration	4.5	4.5	4.5	4.5	4.5	5.0	5.0	5.0	5.0	4.5
Judicial	145.5	143.5	147.0	150.5	149.5	151.5	149.0	148.0	146.0	154.0
Public Safety	87.0	89.0	89.0	89.0	89.0	100.0	104.0	104.0	109.0	110.0
Corrections and Rehabilitation	125.0	128.0	131.0	130.0	130.0	138.0	139.0	145.0	146.0	146.0
Health and Human Services	11.0	12.0	11.0	11.0	11.0	14.0	15.0	15.0	15.0	14.0
Road & Bridge	26.0	26.0	26.0	26.0	26.0	25.0	25.0	25.0	25.0	24.0
<b>TOTAL GENERAL FUND</b>	<b>489.8</b>	<b>494.3</b>	<b>502.3</b>	<b>506.8</b>	<b>507.0</b>	<b>530.5</b>	<b>532.0</b>	<b>526.0</b>	<b>530.0</b>	<b>531.0</b>
<b>OTHER GOVERNMENTAL FUNDS</b>										
Judicial	10.5	7.5	10.0	8.0	4.0	4.0	2.0	1.0	1.0	1.0
Public Safety	5.0	6.0	6.0	10.0	10.0	3.0	3.0	5.0	5.0	5.0
Corrections and Rehabilitation	22.0	22.0	22.0	22.0	23.5	24.0	24.0	24.0	24.0	24.0
<b>TOTAL OTHER GOVERNMENTAL FUNDS</b>	<b>37.5</b>	<b>35.5</b>	<b>38.0</b>	<b>40.0</b>	<b>37.5</b>	<b>31.0</b>	<b>29.0</b>	<b>30.0</b>	<b>30.0</b>	<b>30.0</b>
<b>TOTAL GOVERNMENTAL FUNDS</b>	<b>527.3</b>	<b>529.8</b>	<b>540.3</b>	<b>546.8</b>	<b>544.5</b>	<b>561.5</b>	<b>561.0</b>	<b>556.0</b>	<b>560.0</b>	<b>561.0</b>

Source: Potter County employee records

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

Table 16

<u>Activity</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<b>General Government</b>										
<b>Tax Office</b>										
Auto titles issued	32,260	31,956	31,122	31,307	29,818	29,912	29,255	28,904	29,668	29,513
Auto registrations	103,780	104,742	108,774	102,417	104,397	105,106	104,311	102,311	105,412	105,069
<b>County Clerk</b>										
Marriage license applications	1,476	1,529	1,540	1,501	1,429	1,273	1,174	1,034	1,131	1,188
Real property documents filed	21,359	19,822	18,617	19,517	22,300	19,092	17,643	17,063	20,072	18,972
<b>Elections Administration</b>										
Registered voters	51,003	52,747	54,120	54,999	54,024	53,219	55,640	55,085	55,296	58,048
<b>Administration of Justice</b>										
<b>District Court Level</b>										
Civil cases filed	3,426	3,472	3,981	3,212	3,953	3,825	2,328	2,480	2,901	2,592
Civil case dispositions	3,259	3,477	3,229	3,420	2,971	4,154	2,393	2,484	3,209	2,915
Criminal cases filed	2,202	2,385	2,019	2,165	2,243	1,808	2,162	3,252	2,357	2,304
Criminal case dispositions	2,151	2,449	2,212	1,987	2,161	1,996	2,178	3,005	1,283	1,836
<b>County Court Level</b>										
Civil cases filed	922	1,065	977	805	834	981	1,063	881	793	735
Civil case dispositions	876	1,080	870	776	722	875	1,071	769	743	980
Criminal cases filed	3,011	2,342	2,816	2,556	2,231	2,201	1,470	1,889	1,955	1,886
Criminal case dispositions	3,200	3,189	2,597	2,793	1,991	2,069	1,926	833	1,009	1,393
<b>Justice of the Peace court level</b>										
Civil cases filed	2,117	2,032	2,291	2,517	2,386	2,526	2,592	2,235	2,097	3,103
Civil case dispositions	2,058	1,962	2,063	1,842	2,045	2,341	2,023	2,815	2,863	3,175
Criminal cases filed	8,038	9,209	6,954	5,716	4,588	5,379	5,347	5,916	3,771	4,938
Criminal case dispositions	8,374	7,680	9,617	5,249	7,244	4,874	4,902	5,216	3,220	4,714
<b>Public Safety &amp; Correctional</b>										
<b>Sheriff</b>										
Average Daily Jail Population	491	501	477	495	527	555	518	504	446	506
Average Daily Prisoner Cost	\$ 52.55	\$ 57.05	\$ 60.32	\$ 60.15	\$ 57.69	\$ 58.56	\$ 66.70	\$ 69.99	\$ 71.91	\$ 70.42

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

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

Table 17

<u>Activity</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
General Government										
Office Buildings / Courthouses	7	7	7	7	7	7	7	7	7	7
Public Safety & Correctional										
Constables										
Patrol vehicles	4	4	4	4	4	4	4	4	4	4
Sheriff										
Enforcement vehicles	43	43	46	46	46	48	48	48	48	55
Corrections vehicles	10	10	8	8	8	8	8	8	8	13
Fire / Rescue										
Fire Stations	7	7	7	7	7	7	7	7	7	6
Transportation										
County Roads (miles)	287.86	291.56	291.56	291.37	291.37	291.37	301.46	301.46	301.46	304.90
Bridges	2	2	2	2	2	2	2	2	2	2

Source: Various County departments and County fixed asset reports

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## **COMPLIANCE**



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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Potter County, Texas (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, and have issued our report thereon dated March 20, 2023.

**Report on Internal Control Over Financial Reporting**

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

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

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

**Report on Compliance and Other Matters**

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

## Purpose of this Report

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

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

DOSHIER, PICKENS & FRANCIS, LLC

Amarillo, Texas

March 20, 2023