

*WILSON COUNTY, TEXAS*  
*ANNUAL FINANCIAL REPORT*  
*FISCAL YEAR ENDED*  
*SEPTEMBER 30, 2021*



DEPARTMENT ISSUING REPORT

Wilson County Auditor's Office  
Brenda Trevino, County Auditor



WILSON COUNTY, TEXAS  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED SEPTEMBER 30, 2021

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WILSON COUNTY, TEXAS  
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PRINCIPAL OFFICIALS

COUNTY JUDGE ..... RICHARD JACKSON  
COMMISSIONER, PRECINCT 1..... GARY MARTIN  
COMMISSIONER, PRECINCT 2..... PAUL PFEIL  
COMMISSIONER, PRECINCT 3.....JEFFERY PEIRDOLLA  
COMMISSIONER, PRECINCT 4..... LARRY WILEY  
COUNTY AUDITOR..... BRENDA TREVINO  
COUNTY TREASURER..... CHRISTINA MUTZ  
ASSESSOR-COLLECTOR OF TAXES ..... DAWN BARNETT  
COUNTY CLERK..... EVA MARTINEZ  
DISTRICT CLERK .....DEBORAH BRYAN  
SHERIFF..... JIM STEWART  
COUNTY ATTORNEY..... TOM CALDWELL

OFFICIAL ISSUING REPORT

COUNTY AUDITOR





Armstrong, Vaughan & Associates, P. C.

Certified Public Accountants

## INDEPENDENT AUDITOR'S REPORT

The Honorable Judge and  
Members of the Commissioners' Court  
Wilson County, Texas

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

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

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

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

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

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

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

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

### ***Opinions***

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

### ***Emphasis of Matter***

As discussed in Note A20 to the financial statements, in October 2020, the County adopted new accounting guidance from Governmental Accounting Standards Board Statement No. 84 related to accounting for fiduciary funds. This resulted in a restatement of prior year balances. Our opinion is not modified with respect to this matter.

### ***Other Matters***

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

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

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Wilson County's basic financial statements. The comparative statements and combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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



## **Report on Other Legal Regulatory Requirements**

In accordance with *Government Auditing Standards*, we have also issued our report dated September 12, 2022 on our consideration of Wilson County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 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 Wilson County's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Armstrong, Vaughan & Associates, P.C.".

Armstrong, Vaughan & Associates, P.C.

September 12, 2022

## MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Wilson County, Texas (the County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended September 30, 2021. We encourage readers to consider the information presented here in conjunction with the accompanying basic financial statements and the accompanying notes to those financial statements.

### FINANCIAL HIGHLIGHTS

#### **Highlights for Government-wide Financial Statements**

The government-wide financial statements report financial information about the County as a whole using the economic resources measurement focus and accrual basis of accounting.

- The total government-wide assets and deferred outflows of resources of the County exceeded the liabilities and deferred inflows of resources at September 30, 2021 by \$20.8 million (net position), an increase from the previous year of 7.8%.
- During the year, the County's expenses were \$23.0 million, which was \$1.5 million less than the \$24.5 million generated in taxes and other revenues for governmental activities.
- Total revenue from all sources was \$24.5 million. The primary revenue sources for governmental activities were property (ad valorem) taxes (\$17.7 million), charges for services (\$4.3 million), and operating grants and contributions (\$426 thousand). These three revenue sources accounted for 72.4%, 17.6%, and 1.7% or 91.8% of total governmental activities revenues.
- Total expenditures for governmental activities were \$23.0 million. The largest functional expenses were public safety (\$7.8 million), Public Transportation (\$4.7 million), General Administration (4.2 million), and Administration of Justice (3.8 million).

#### **Highlights for Fund Financial Statements**

The fund financial statements report financial information about the County's major, or most significant funds, using the current financial resources measurement focus and modified accrual basis of accounting.

#### **Fund Balance**

- The County's General Fund reported a fund balance of \$10.2 million, an increase of \$1.2 million from September 30, 2020.
- Of the total fund balance for General Fund of \$10.2 million, the unassigned fund balance of \$10.1 million equals 63.3% of the fiscal year 2021 total general fund actual expenditures.

#### **Highlights on Revenue**

#### **Charges for Service**

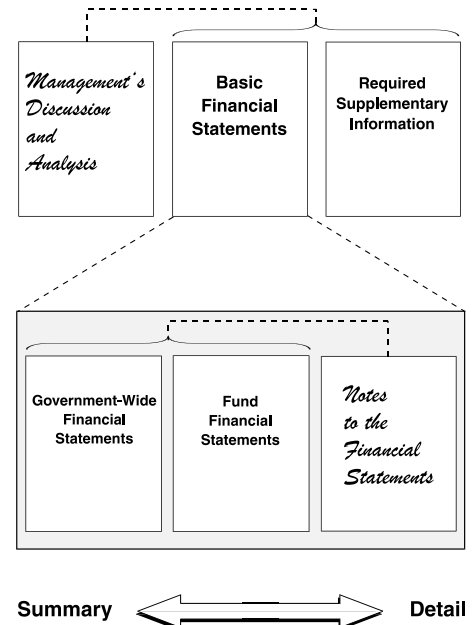
- Charges for Services for the fiscal year were \$4.3 million, which were 2.6% higher than the previous year.

### OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts—management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the County:

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the County’s overall financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the government, reporting the County’s operations in more detail than the government-wide statements.
- *The governmental funds* statements tell how *general government* services were financed in the *short term* as well as what remains for future spending.
- *Proprietary fund* statements offer *short-* and *long-term* financial information about the activities the government operates *like businesses*, such as self-funded employee medical insurance.

**Figure A-1, Required Components of the County’s Annual Financial Report**



*Fiduciary fund* statements provide information about the financial relationships in which the County acts solely as a *trustee or agent* for the benefit of others, to whom the resources in question belong

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and related to one another.

**Government-wide Statements**

The *government-wide financial statements* are designed to provide readers with a broad overview of the County’s finances, in a manner similar to a private-sector business. They present the financial picture of the County from an economic resource measurement focus using the accrual basis of accounting. These statements include all assets of the County and all liabilities. Additionally, certain adjustments have occurred to eliminate interfund transactions.

The statement of net assets includes all of the government’s assets and liabilities. All of the current year’s revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the County’s net position and how they have changed. Net assets—the difference between the County’s assets and liabilities—is one way to measure the County’s financial health or *position*.

- Over time, increases or decreases in the County’s net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the County, one needs to consider additional nonfinancial factors such as changes in the County’s tax base.

The government-wide financial statements of the County include the *Governmental activities*. Most of the County’s basic services are included here, such as general government, judicial, public safety, infrastructure, etc. Property taxes and charges for services finance most of these activities.

## **Fund Financial Statements**

The fund financial statements provide more detailed information about the County's most significant *funds*—not the County as a whole. Funds are accounting devices that the County uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law and by bond covenants.
- The County establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The County has the following kinds of funds:

- *Governmental funds*—Most of the County's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explain the relationship (or differences) between them.
- *Fiduciary funds*—The County is the trustee, or *fiduciary*, for certain funds. It is also responsible for other assets that—because of a trust arrangement—can be used only for the trust beneficiaries. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the County's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. We exclude these activities from the County's government-wide financial statements because the County cannot use these assets to finance its operations.

## **FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE**

### **Statement of Net Position**

The County's net position was \$20.8 million at September 30, 2021. (See Table A-1).

**Table A-1**  
Wilson County's Net Position

	Governmental Activities	
	2021	2020
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 20,562,855	\$ 11,671,777
Receivables (Net)	1,241,225	1,352,758
Court Fees and fines Receivables, net	1,327,515	1,367,265
Other Receivables	360	1,822,635
Prepaid Items	46,326	-
Capital Assets	12,350,760	13,602,866
<b>TOTAL ASSETS</b>	<b>35,529,041</b>	<b>29,817,301</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred Outflows - Pension/OPEB Related	1,935,931	745,621
<b>LIABILITIES</b>		
Withdrawals in Excess of Deposits	72,975	-
Accounts Payable	695,561	780,033
Wages, Salaries & Benefits Payable	494,268	514,232
Accrued Interest	37,867	39,667
Due to Others	10,167	10,182
Unearned Revenue	4,959,875	-
Compensated Absences	128,766	139,985
Net Pension Liability	2,005,996	1,079,888
Other Post Employment Benefit Liability	592,590	510,855
Due Within One Year	607,036	648,165
Due in More Than One Year	6,132,831	6,793,154
<b>TOTAL LIABILITIES</b>	<b>15,737,932</b>	<b>10,516,161</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred Inflows - Pension/OPEB Related	978,867	764,195
<b>NET POSITION:</b>		
Investment in Capital Assets	5,610,893	6,161,547
Restricted Net Position	3,113,405	2,431,912
Unrestricted Net Position	12,023,875	10,689,107
<b>TOTAL NET POSITION</b>	<b>\$ 20,748,173</b>	<b>\$ 19,282,566</b>

The County's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$20.8 million at the close of the current fiscal year. Of this amount, \$5.6 million represents the portion the County has invested in capital assets (e.g. land, buildings, machinery, and equipment), net of accumulated depreciation less any outstanding debt used to construct or acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these funds are not available for future spending.

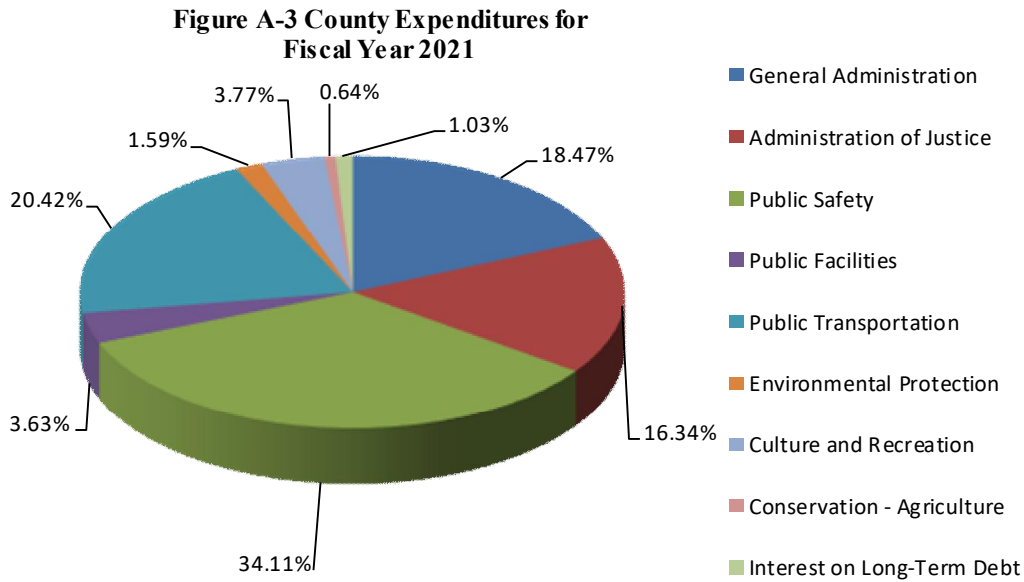
## Statement of Activities

Table A-2 indicates changes in net position for governmental activities. (Note: The County does not have any business-type activities.)

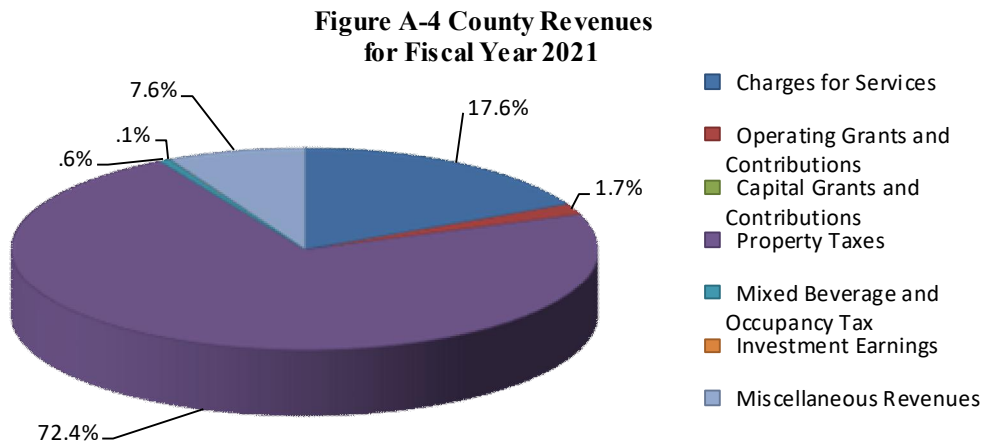
**Table A-2**  
Changes in Wilson County's Net Position

	Governmental Activities	
	2021	2020
<b>Revenues</b>		
<b>Program Revenues:</b>		
Charges for Services	\$ 4,312,678	\$ 4,202,875
Operating Grants and Contributions	425,589	2,523,626
Capital Grants and Contributions	-	-
General Revenues:		
Property Taxes	17,737,637	16,551,620
Mixed Beverage and Occupancy Tax	139,673	132,319
Investment Earnings	14,819	170,073
Miscellaneous Revenues	1,864,241	1,808,722
<b>Total Revenues</b>	<b>24,494,637</b>	<b>25,389,235</b>
<b>Expenses:</b>		
General Administration	4,246,985	4,248,578
Administration of Justice	3,756,989	3,589,786
Public Safety	7,841,614	8,025,561
Public Facilities	835,726	511,853
Public Transportation	4,694,545	5,247,277
Environmental Protection	366,436	307,398
Culture and Recreation	865,993	859,957
Conservation - Agriculture	147,668	155,457
Interest on Long-Term Debt	235,864	246,746
<b>Total Expenses</b>	<b>22,991,820</b>	<b>23,192,613</b>
Increase (Decrease) in Net Position	\$ 1,502,817	\$ 2,196,622

**Expenditures.** The total cost of all programs and services was \$23.0 million (see Figure A-3).



- General Administration includes County Court, Commissioners’ Court, County Clerk, Information Technology, Non Departmental, Human Resources, County Auditor, Treasurer, Tax Office, Maintenance, and Airport.
- Administration of Justice includes County Judge, County Court at Law, Court Compliance, District Courts, Crime Victims’ Rights, District Attorneys, District Clerk, Justice of the Peace, County Attorney, Juvenile Probation, and Adult Probation.
- Public Safety includes Constables, Sheriff and Department of Public Safety.
- Public Transportation includes Road & Bridge.
- Environmental Protection includes the Collections Facility.
- Culture and Recreation includes Library and Hotel/Motel.
- Conservation - Agriculture includes Extension Office.



**Revenues.** The County’s total revenues were \$24.5 million. A significant portion, 72.4%, of the County’s revenue comes from taxes, primarily property tax. (See Figure A-4.) Other revenue sources include 17.6% from charges for services, with 1.7% from grants and contributions.

**Changes in Net Position.** Table A-3 presents the cost of each of the County’s largest functions as well as each function’s net cost (total cost less fees generated by the activities and intergovernmental aid). The net cost reflects what was funded by state revenues as well as local tax dollars.

- The cost of all *governmental* activities this year was \$23.0 million.
- However, the amount that our taxpayers paid for these activities through property taxes was \$17.7 million.
- The cost paid by those who directly benefited from the programs was \$4.3 million.
- The total received by the County for grants and contributions was \$425 thousand.

**Table A-3**  
Net Cost of Selected County Functions

	Total Cost of Services		Net Cost of Services	
	2021	2020	2021	2020
General Administration	\$ 4,246,985	\$ 4,248,578	\$ (1,585,103)	\$ 333,175
Administration of Justice	3,756,989	3,589,786	(3,060,018)	(2,731,982)
Public Safety	7,841,614	8,025,561	(7,803,688)	(7,989,541)
Public Facilities	835,726	511,853	(778,751)	(461,138)
Public Transportation	4,694,545	5,247,277	(3,410,032)	(4,047,068)
Environmental Protection	366,436	307,398	(366,436)	(307,398)
Culture and Recreation	865,993	859,957	(865,993)	(859,957)
Conservation - Agriculture	147,668	155,457	(147,668)	(155,457)
Interest on Long-Term Debt	235,864	246,746	(235,864)	(246,746)

## FINANCIAL ANALYSIS OF THE COUNTY’S FUNDS

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

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

At the end of the current fiscal year, the County’s governmental funds reported combined ending fund balance approximating \$14.6 million, an increase of \$2.2 million in comparison with the prior year. The increase can be attributed to increases in property taxes.

The County’s major general governmental funds are contained in the General Fund, Road and Bridge Fund, and Debt Service Fund.

**General Fund.** The General Fund is the chief operating fund of the County. The total fund balance for general fund was \$10.2 million with the unassigned fund balance of the General Fund at \$10.1 million.

As a measure of the general fund’s liquidity, it may be useful to compare both unreserved fund balance to total general fund expenditures. Unassigned fund balance for fiscal year 2021 represents 63.3% of total General Fund actual expenditures. This significant fund balance to total expenditure ratio indicates a healthy financial position.



Expenditures in the General Fund decreased by approximately \$67 thousand or about 0.4% from the prior year. Decreases in the expenditures incurred in the public safety department and records management department are the main cause of the decrease.

**Road and Bridge Fund.** The Road and Bridge Fund is the primary fund responsible for maintaining County roads. At the end of the current fiscal year, the fund balance in the Road and Bridge Fund was \$1.1 million, an increase over the previous fiscal year by \$310 thousand or 37.2%.

**Debt Service Fund.** The Capital Projects Fund accounts for payments towards the County’s outstanding debt.

**Budgetary Highlights**

The County did not amend its budget during fiscal year 2021.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

Capital Assets

At the end of 2021, the County had invested \$34.3 million in a broad range of capital assets, including land, equipment, buildings, and vehicles. (See Table A-4.) This amount represents a net increase (including additions and deductions) of \$562 thousand or 1.7% percent more than last year.

**Table A-4**  
County's Capital Assets

	Governmental Activities	
	2021	2020
Land	\$ 866,008	\$ 866,008
Buildings	19,904,395	19,904,395
Infrastructure	2,733,730	2,677,486
Machinery and Equipment	5,911,660	5,586,627
Vehicles	3,766,308	3,715,041
Computer Systems	1,166,865	1,037,679
Totals at Historical Cost	<u>34,348,966</u>	<u>33,787,236</u>
Total Accumulate Depreciation	<u>(21,998,206)</u>	<u>(20,184,370)</u>
Net Capital Assets	<u>\$ 12,350,760</u>	<u>\$ 13,602,866</u>

Note: More detailed information on capital assets can be found in the notes to the financial statements (NOTE H – CAPITAL ASSETS).

**Long Term Debt**

At year-end the County had \$6.5 million in bonds and capital leases as shown in Table A-5.

**Bond Ratings**

The County’s bonds presently carry “AA” ratings with underlying ratings as follows: Standard & Poors “AA”.

**Table A-5**  
County's Long Term Debt

	Governmental Activities	
	2021	2020
Certificate of Obligation, Series 2012	\$ 6,020,000	\$ 6,380,000
Capital Lease Obligation	449,677	768,613
<b>Total Outstanding Debt</b>	<b>\$ 6,469,677</b>	<b>\$ 7,148,613</b>

Note: More detailed information on capital assets can be found in the notes to the financial statements (NOTE I – LONG-TERM DEBT).

**ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES**

The annual budget is developed to provide efficient, effective, and economic uses of the County’s resources, as well as a means to accomplish the highest priority objectives. Through the budget, the Commissioners Court sets the direction of the county, allocates its resources, and establishes its priorities.

In calculating the taxes for the fiscal year 2022 budget, as of July 25, 2021, Wilson County had a net taxable appraised value, freeze adjusted, of \$3,900,792,281 which was \$733,427,612 more than the previous year.

These indicators were taken into account when adopting the general fund budget for fiscal year 2022. The property tax rate for the fiscal year 2022 budget was set at \$0.0217 more than the No New Revenue tax rate. The tax rate adopted by the Commissioners’ Court, \$0.4076 per hundred dollar valuation, was less than 1% more than the No New Revenue tax rate of \$0.3858 per hundred dollar valuation. Before the adjustment for newly added property, the effective tax rate adjusts to only allow the county to receive the same tax levy as the previous year. Therefore, additional property tax revenue is generated from new property and tax rate increases in accordance with the State of Texas’ Truth-In Taxation laws.

The general operating fund spending increased in the 2021-2022 budget to \$16,610,208 from \$16,423,662. This was a 1.13% increase. The increase in the budget was primarily due to a 3% wage increase for all county employees and elected officials.

In order to help fund current increases, the county adopted a general operating fund budget with the intent that there would be a net decrease in estimated fund balance between budgeted revenues and budgeted expenditures. Even with the use of current fund balance, the county estimates the remaining fund balance will be above 25% of the budgeted expenditures at year end.

**CONTACTING THE COUNTY’S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the County’s finances and to demonstrate the County’s accountability for the money it receives. If you have questions about this report or need additional financial information, contact the County Auditor’s Office at:

Wilson County, Texas  
Office of County Auditor  
1420 3<sup>rd</sup> Street, Suite 109  
Floresville, Texas 78114  
(830) 393-7304

WILSON COUNTY, TEXAS  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
YEAR ENDED SEPTEMBER 30, 2021

**BASIC FINANCIAL STATEMENTS**

The basic financial statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government – wide financial statements
- Fund financial statements:
  - Governmental funds
  - Fiduciary funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

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

	Governmental Activities
<b>ASSETS</b>	
Cash and Investments	\$ 20,562,855
Taxes Receivables, net	1,241,225
Court Fees and Fines Receivables	1,327,515
Other Receivables	360
Prepaid Items	46,326
Capital Assets:	
Land	866,008
Buildings	19,904,395
Infrastructure	2,733,730
Machinery and Equipment	5,911,660
Vehicles	3,766,308
Computer Systems	1,166,865
Accumulated Depreciation	(21,998,206)
<b>TOTAL ASSETS</b>	<b>35,529,041</b>
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred Outflows - Pension Related	1,759,352
Deferred Outflows - OPEB	176,579
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 1,935,931</b>

See accompanying notes to basic financial statements.

WILSON COUNTY, TEXAS  
STATEMENT OF NET POSITION (CONTINUED)  
SEPTEMBER 30, 2021

	Governmental Activities
<b>LIABILITIES</b>	
Withdrawals in Excess of Deposits	\$ 72,975
Accounts Payable	695,561
Wages, Salaries & Benefits Payable	494,268
Accrued Interest	37,867
Due to Others	10,167
Unearned Revenue	4,959,875
<i>Noncurrent Liabilities:</i>	
Compensated Absences	128,766
Net Pension Liability	2,005,996
Other Post Employment Benefit Liability	592,590
Due Within One Year	607,036
Due in More Than One Year	6,132,831
<b>TOTAL LIABILITIES</b>	<b>15,737,932</b>
 <b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred Inflows - OPEB	13,607
Deferred Inflows - Pension Related	965,260
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>978,867</b>
 <b>NET POSITION:</b>	
Net Investment in Capital Assets	5,610,893
Restricted Net Position:	
Debt Service	493,345
General Administration	105,527
Judicial	170,313
Legal	7,377
Public Safety	1,053,480
Public Transportation	1,240,417
Tourism	42,946
Unrestricted Net Position	12,023,875
<b>TOTAL NET POSITION</b>	<b>\$ 20,748,173</b>

See accompanying notes to basic financial statements.

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

<u>Functions and Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
<b>Governmental Activities:</b>				
General Administration	\$ (4,246,985)	\$ 2,376,151	\$ 285,731	\$ -
Administration of Justice	(3,756,989)	557,113	139,858	-
Public Safety	(7,841,614)	37,926	-	-
Public Facilities	(835,726)	56,975	-	-
Public Transportation	(4,694,545)	1,284,513	-	-
Environmental Protection	(366,436)	-	-	-
Culture and Recreation	(865,993)	-	-	-
Conservation - Agriculture	(147,668)	-	-	-
Interest on Long-Term Debt	(235,864)	-	-	-
<b>Total Governmental Activities</b>	<u>\$ (22,991,820)</u>	<u>\$ 4,312,678</u>	<u>\$ 425,589</u>	<u>\$ -</u>
<b>General Revenues:</b>				
Taxes				
Property Taxes				
Mixed Beverage Taxes				
Occupancy Taxes				
Interest and Investment Earnings				
Miscellaneous				
<b>Total General Revenues</b>				
<b>Change in Net Position</b>				
<b>Net Position at Beginning of Year</b>				
<b>Net Position at End of Year</b>				

See accompanying notes to basic financial statements.

Net (Expense)  
Revenue and  
Changes in  
Net Position

---

Governmental  
Activities

---

\$ (1,585,103)  
(3,060,018)  
(7,803,688)  
(778,751)  
(3,410,032)  
(366,436)  
(865,993)  
(147,668)  
(235,864)  

---

(18,253,553)

17,737,637  
64,339  
75,334  
14,819  

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1,864,241  

---

19,756,370

1,502,817  

---

19,282,566

\$ 20,785,383

WILSON COUNTY, TEXAS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2021

	General Fund	Road and Bridge Fund	Debt Service Fund
<b>ASSETS</b>			
Cash and Investments	\$ 16,669,078	\$ 1,282,120	\$ 93,754
Taxes Receivable, net	948,577	220,856	41,963
Court Fines and Receivables, net	1,220,171	107,344	-
Other Receivables	360	-	-
Due from Other Funds	-	44,507	395,495
Prepaid Items	46,326	-	-
<b>TOTAL ASSETS</b>	<b>\$ 18,884,512</b>	<b>\$ 1,654,827</b>	<b>\$ 531,212</b>

See accompanying notes to basic financial statements.



Other Nonmajor Governmental Funds	Total Governmental Funds
\$ 2,517,903	\$ 20,562,855
29,829	1,241,225
-	1,327,515
-	360
313,991	753,993
-	46,326
<u>\$ 2,861,723</u>	<u>\$ 23,932,274</u>

WILSON COUNTY, TEXAS  
BALANCE SHEET  
GOVERNMENTAL FUNDS (CONTINUED)  
SEPTEMBER 30, 2021

	<u>General Fund</u>	<u>Road and Bridge Fund</u>	<u>Debt Service Fund</u>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>			
<i>Liabilities:</i>			
Withdrawals in Excess of Deposits	\$ -	\$ -	\$ -
Accounts Payable	553,462	127,357	-
Wages, Salaries & Benefits Payable	391,734	64,730	-
Due to Other Funds	657,125	96,868	-
Due to Others	10,167	-	-
Unearned Revenue	4,959,875	-	-
<i>Total Liabilities</i>	<u>6,572,363</u>	<u>288,955</u>	<u>-</u>
<i>Deferred Inflows of Resources</i>			
Unavailable Revenue - Taxes	948,577	220,856	41,963
Unavailable Revenue - Court	1,187,471	-	-
<i>Total Deferred Inflows of Resources</i>	<u>2,136,048</u>	<u>220,856</u>	<u>41,963</u>
<i>Fund Balances:</i>			
Nonspendable Fund Balance:			
Prepaid Items & Inventory	46,326	-	-
Restricted Fund Balance:			
Debt Service	-	-	489,249
General Administration	-	-	-
Judicial	-	-	-
Legal	-	-	-
Public Safety	-	-	-
Public Transportation	-	1,145,016	-
Tourism	-	-	-
Committed for:			
Culture and Recreation	-	-	-
Future Book Restoration	-	-	-
General Administration	-	-	-
Unassigned	10,129,775	-	-
<i>Total Fund Balances</i>	<u>10,176,101</u>	<u>1,145,016</u>	<u>489,249</u>
 <b>TOTAL LIABILITIES, DEFERRED INFLOWS &amp; FUND BALANCES</b>	 <u>\$ 18,884,512</u>	 <u>\$ 1,654,827</u>	 <u>\$ 531,212</u>

See accompanying notes to basic financial statements.

Other Nonmajor Governmental Funds	Total Governmental Funds
\$ 72,975	\$ 72,975
14,742	695,561
37,804	494,268
-	753,993
-	10,167
-	4,959,875
<u>125,521</u>	<u>6,986,839</u>
29,829	1,241,225
-	1,187,471
<u>29,829</u>	<u>2,428,696</u>
-	46,326
-	489,249
105,527	105,527
170,313	170,313
7,377	7,377
1,053,480	1,053,480
95,401	1,240,417
42,946	42,946
174,182	174,182
1,014,240	1,014,240
104,888	104,888
(61,981)	10,067,794
<u>2,706,373</u>	<u>14,516,739</u>
<u>\$ 2,861,723</u>	<u>\$ 23,932,274</u>



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

TOTAL FUND BALANCE - TOTAL GOVERNMENTAL FUNDS \$ 14,516,739

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

Capital Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 12,350,760

Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds. 2,428,696

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, not reported in the funds.

Accrued Compensated Absences	(128,766)	
Bonds, Capital Lease and Premium Payable	<u>(6,739,867)</u>	(6,868,633)

The governmental funds report pension and other postemployment benefit contributions as expenditures when paid. However, in the statement of activities differences between pension plan and other postemployment benefit contributions and costs for the year are reported as an asset or obligation.

Net Pension Liability	(2,005,996)	
Other Post Employment Benefit Liability	(592,590)	
Deferred Outflows - OPEB Related	176,579	
Deferred Inflows - OPEB Related	(13,607)	
Deferred Outflows - Pension Related	1,759,352	
Deferred Inflows - Pension Related	<u>(965,260)</u>	(1,641,522)

Accrued interest payable on long-term-bonds is not due and payable in the current period and, therefore, not reported in the funds. (37,867)

TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES \$ 20,748,173

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

	<u>General Fund</u>	<u>Road and Bridge Fund</u>	<u>Debt Service Fund</u>
<b>REVENUES</b>			
Taxes:			
Property Taxes	\$ 13,640,806	\$ 3,175,981	\$ 603,435
Mixed Beverage Taxes	64,339	-	-
Occupancy Taxes	-	-	-
Intergovernmental Revenue & Grants	298,536	96,093	-
Licenses and Permits	-	1,188,420	-
Charges for Services	1,733,826	-	-
Grants and Contributions	205,932	-	-
Fines and Forfeitures	91,395	351,508	-
Interest Earnings	14,380	-	74
Miscellaneous	1,477,730	184,873	-
<b>TOTAL REVENUES</b>	<u>17,526,944</u>	<u>4,996,875</u>	<u>603,509</u>
<b>EXPENDITURES</b>			
<i>Current:</i>			
General Administration	3,181,470	-	440
Records Management	-	-	-
Legal	457,225	-	-
Judicial	2,401,713	-	-
Financial Administration	1,102,967	-	-
Public Facilities	405,996	-	-
Public Safety	7,569,081	-	-
Public Transportation	-	4,348,096	-
Environmental Protection	422,276	-	-
Health and Welfare	302,023	-	-
Tourism	-	-	-
Conservation - Agriculture	141,264	-	-
<i>Debt Service:</i>			
Principal	7,354	317,525	360,000
Interest	644	20,994	232,600
<b>TOTAL EXPENDITURES</b>	<u>15,992,013</u>	<u>4,686,615</u>	<u>593,040</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 1,534,931</u>	<u>\$ 310,260</u>	<u>\$ 10,469</u>

See accompanying notes to basic financial statements.

Other Nonmajor Governmental Funds	Total Governmental Funds
\$ 428,948	\$ 17,849,170
-	64,339
75,334	75,334
21,123	415,752
-	1,188,420
548,217	2,282,043
219,657	425,589
6,398	449,301
365	14,819
259,154	1,921,757
<u>1,559,196</u>	<u>24,686,524</u>

14,619	3,196,529
81,148	81,148
-	457,225
320,980	2,722,693
-	1,102,967
-	405,996
313,503	7,882,584
-	4,348,096
-	422,276
432,578	734,601
45,000	45,000
-	141,264
-	684,879
-	254,238
<u>1,207,828</u>	<u>22,479,496</u>

<u>\$ 351,368</u>	<u>\$ 2,207,028</u>
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WILSON COUNTY, TEXAS  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS (CONTINUED)  
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	General Fund	Road and Bridge Fund	Debt Service Fund
<b>OTHER FINANCING</b>			
<b>SOURCES (USES)</b>			
Transfers In	\$ -	\$ -	\$ 85,787
Transfers Out	(354,659)	-	-
<b>TOTAL OTHER FINANCING</b>			
<b>SOURCES (USES)</b>	(354,659)	-	85,787
Net Change in Fund Balance	1,180,272	310,260	96,256
Fund Balances at Beginning of Year	8,995,829	834,756	392,993
Fund Balances at End of Year	\$ 10,176,101	\$ 1,145,016	\$ 489,249

See accompanying notes to basic financial statements.



<u>Other Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 268,872	\$ 354,659 (354,659)
<u>268,872</u>	<u>-</u>
620,240	2,207,028
<u>2,123,343</u>	<u>12,346,921</u>
<u><u>\$ 2,743,583</u></u>	<u><u>\$ 14,553,949</u></u>

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

NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS \$ 2,207,028

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

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

Current Year Additions	829,913	
Current Period Depreciation	<u>(2,024,508)</u>	(1,194,595)

Governmental funds report proceeds from the sale of capital assets as other financing sources. However, in the statement of activities, the proceeds are reduced by the net book value of the capital assets disposed. This amount represents the net book value of capital assets disposed.

<u>(57,511)</u>	(57,511)
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Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Justice of the Peace, District, and County Court Fines Receivable	(22,838)	
Change in Property Taxes Receivable Not Collected within 60 Days of Year End	<u>(111,533)</u>	(134,371)

The issuance of long-term-debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets.

Bond Principal Payments and Capital Lease Payments	678,936	678,936
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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.

Compensated Absences	11,219	
Accrued Interest on Bond	1,800	
Amortization of Bond Premium	<u>22,516</u>	35,535

Governmental funds report required contributions to employee pensions as expenditures. However, in the Statement of Activities the cost of the pension is recorded based on the actuarially determined cost of the plan. This is the amount that the actuarially determined pension expense exceeded contributions.

(11,724)

Governmental funds report required contributions to OPEB as expenditures. However, in the Statement of Activities the cost of the OPEB is recorded based on the actuarially determined cost of the plan. This is the amount that the actuarially determined OPEB expense exceeded contributions.

(20,481)

CHANGE IN NET POSITION - GOVERNMENTAL ACTIVITIES	\$ 1,502,817
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See accompanying notes to basic financial statements.

WILSON COUNTY, TEXAS  
STATEMENT OF FIDUCIARY NET POSITION  
SEPTEMBER 30, 2021

	<u>Custodial Funds</u>
<b>ASSETS</b>	
Cash and Investments	\$ 2,617,520
<b>TOTAL ASSETS</b>	<u>\$ 2,617,520</u>
<b>LIABILITIES</b>	
Accounts Payable	\$ 27
Due to Others	<u>165,195</u>
<b>TOTAL LIABILITIES</b>	<u>165,222</u>
<b>NET POSITION</b>	
Restricted for Individuals, Organizations and Other Governments	<u>2,452,298</u>
<b>TOTAL NET POSITION</b>	<u>\$ 2,452,298</u>

See accompanying notes to basic financial statements.

WILSON COUNTY, TEXAS  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
SEPTEMBER 30, 2021

	Custodial Funds
<b>ADDITIONS</b>	
Court Deposits Held for Others	\$ 500,136
Property Tax Collections for Other Governments	77,485,961
Collections for State Motor Vehicle and Sales Tax	11,443,337
Commissions for Commissary Sales for the Benefit of Inmates	88,767
Deposits Held on Behalf of Inmates	268,650
Deposits Held on Behalf of Probation Departments	299,572
HOT Check Payments and Prosecutor Fees	573
Interest Income	27
<b>TOTAL ADDITIONS</b>	90,087,023
 <b>DEDUCTIONS</b>	
Court Related Distributions	928,985
Property Tax Distributions to Other Governments	77,640,397
Distributions to the State	11,291,501
Distributions on Behalf of the Probation Departments	28,428
Jail Commissary Purchases for the Benefit of Inmates	75,376
Inmate Purchases	260,512
HOT Check Distributions	3,469
Other Distributions	149
Interest Expense	30
<b>TOTAL DEDUCTIONS</b>	90,228,847
Net Increase in Fiduciary Net Position	(141,824)
BEGINNING NET POSITION	-
Prior Period Adjustment	2,594,122
<b>ENDING NET POSITION</b>	<b>\$ 2,452,298</b>

See accompanying notes to basic financial statements.

WILSON COUNTY, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The more significant of the County's accounting policies are described below:

1. REPORTING ENTITY

*Primary Government*

Wilson County (the County) 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 government (e.g. administration, judicial & legal, elections administration, and financial administration), public safety (law enforcement and corrections), infrastructure (highways and streets), social services and conservation.

In evaluating how to define the government, for financial purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GASB Statement 14, "The Financial Reporting Entity". The definition of the reporting entity is based primarily on the concept of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government.

The **government-wide financial statements** include the statement of net assets and the statement of activities. Government-wide statements report information on all of the activities of the County (except for County fiduciary activity). The effect of interfund transfers has been removed from the government-wide statements but continues to be reflected on the fund statements. Governmental activities are supported mainly by taxes and charges for services.

WILSON COUNTY, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2021

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

2. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

Separate **fund financial statements** are provided for governmental funds and fiduciary funds even though the latter are excluded from the government-wide financial statements. The General Fund, Road and Bridge (Special Revenue) Fund, and Debt Service Fund meet the criteria as *major governmental funds*. Each major fund is reported in separate columns in the fund financial statements. Nonmajor funds include other Special Revenue funds. The combined amounts for these funds are reflected in a single column in the fund Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances. Detailed statements for nonmajor funds are presented within Combining Fund Statements and Schedules.

3. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The **government-wide financial statements** are reported using the economic resources measurement focus and the accrual basis of accounting. This measurement focus is also used for the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Major revenue types, which have been accrued, are revenue from the investments, intergovernmental revenue and charges for services. Grants are recognized as revenue when all applicable eligibility requirements imposed by the provider are met.

**Governmental fund level financial statements** are reported using current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Measurable and available revenues include revenues expected to be received within 60 days after the fiscal year ends. Receivables which are measurable but not collectible within 60 days after the end of the fiscal period are reported as deferred revenue. However, sales tax is considered collectible for only 30 days.

Expenditures generally are recorded when a fund liability is incurred; however, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the liability has matured and payment is due.

WILSON COUNTY, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2021

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

3. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (Continued)

The government reports the following major governmental funds:

**The General Fund** is the general operating fund of the County and is always classified as a major fund. The General Fund is used to account for all financial resources except those required to be accounted for in another fund. Major revenue sources include property taxes, charges for services, intergovernmental revenues and investment of idle funds. Primary expenditures are for general administration, public safety, social services, and capital acquisition.

**Road and Bridge Fund** accounts for taxes assessed, along with fines and forfeitures associated with the support of the development and maintenance of County highways, streets and bridges.

**Debt Service Fund** accounts for payments on outstanding debt owed by the County.

Nonmajor funds include special revenue funds.

**Fiduciary fund level financial statements** are used to account for resources held for others. The County's custodial funds holds property taxes for other governments, motor vehicle fees for the State and various other settlements.

Private sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private sector guidance for their business type activities subject to this same limitation. The County has elected not to follow subsequent private sector guidance.

4. CASH AND INVESTMENTS

Cash and investments include amounts in demand deposits, short-term certificates of deposit with a maturity date within three months of the date acquired by the government, and deposits in local government investment pools.

State statutes authorize the government to invest in obligations of the U.S. Government, federal agency and instrumentality obligations, and certificates of deposit collateralized by obligations of the U.S. Treasury. Investments are stated at fair market value, except for deposits in local government investment pools and participating interest-earning investment contracts (U.S. Treasuries) that have a remaining maturity at time of purchase of one year or less. US Treasury investments are stated at amortized cost and local government pools are stated at net asset value.

WILSON COUNTY, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2021

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

4. CASH AND INVESTMENTS (Continued)

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

5. ACCOUNTS RECEIVABLE

Property taxes are levied based on taxable value at January 1 and become due October 1st and past due after January 31st. Accordingly, receivables and revenues for property taxes are reflected on the government-wide statement based on the full accrual method of accounting. Property tax receivables for prior year's levy are shown net of an allowance for uncollectible.

Accounts receivable from other governments include amounts due from grantors for approved grants for specific programs and reimbursements for services performed by the County. Program grants are recorded as receivables and revenues at the time all eligibility requirements established by the provider have been met.

Reimbursements for services performed are recorded as receivables and revenues when they are earned in the government-wide statements. Included are fines and costs assessed by the court action and billable services for certain contracts. Revenues received in advance of the costs being incurred are recorded as deferred inflows of resources in the fund statements. Receivables are shown net of an allowance for uncollectibles.

6. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the fund statements.

7. INVENTORIES AND PREPAID ITEMS

Inventories of consumable supplies are valued at cost, which approximates market, using the first in/first out (FIFO) method. The costs of governmental fund type inventories are recorded as expenditures when consumed rather than when purchased. The County does not have inventory as of September 30, 2021.

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 and in the fund financial statements are offset by a reservation of fund balance which indicates they do not represent "available spendable resources".



WILSON COUNTY, TEXAS  
 NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
 SEPTEMBER 30, 2021

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

8. CAPITAL ASSETS

Capital assets, which include land, buildings and improvements, equipment, and infrastructure assets, are reported in the government-wide financial statements. Capital assets, such as equipment, are defined as assets with a cost of \$5,000 or more. Infrastructure assets include County-owned streets, sidewalks, curbs and bridges. Capital assets are recorded at historical costs if purchased or constructed. Donated capital assets are recorded at estimated fair market 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. Interest has not been capitalized during the construction period on property, plant and equipment.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

ASSETS	YEARS
Infrastructure	50 years
Computer Systems	5 years
Buildings	20-50 years
Machinery and Equipment	5 years
Vehicles	5 years

9. DEFERRED INFLOWS/OUTFLOWS

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has the following items that qualify for reporting in this category: deferred pension related costs and deferred OPEB related costs which will be included in the subsequent actuarial valuation.

*Deferred inflows of resources* represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resource (revenue) until that time. The County has deferred pension in OPEB related revenues which will be included in subsequent actuarial valuation. Unavailable revenue is reported only in the governmental funds balance sheet under a modified accrual basis of accounting. Unavailable revenues from property tax and court fines is deferred and recognized as an inflow of resource in the period the amounts become available.

WILSON COUNTY, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2021

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

10. COMPENSATED ABSENCES

The County permits employees to accumulate earned but unused vacation pay benefits. Upon resignation or termination, a maximum of 5 days of unused accrued vacation leave will be paid. The rate of pay will be determined by the salary rate in effect at the time of separation. Employees may, however, carry over a maximum 10 days of vacation time from year to year. Unused sick leave may be accumulated to certain limits. In the event of termination, no reimbursement is made for accumulated sick leave. No liability is reported for unpaid accumulated sick leave.

Liabilities for compensated absences are recognized in the fund statements to the extent the liabilities have matured (i.e. are due for payment). Compensated absences are accrued in the government-wide statements.

11. UNEARNED REVENUE

Unearned revenues arise when assets are recognized before revenue recognition criteria have been satisfied. Grant and reimbursement revenues received in advance of expenses/expenditures are reflected as unearned revenue.

12. INTERFUND TRANSFERS

Permanent reallocation of resources between funds of the reporting entity is classified as interfund transfers. For the purposes of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated.

13. LONG-TERM OBLIGATIONS

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities under governmental activities. On new bond issues, bond premiums and discounts, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

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

WILSON COUNTY, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2021

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

14. PENSIONS

The net pension liability, deferred outflows and deferred inflows related to pensions, and pension expense, information about the fiduciary net position of the Texas County and District Retirement System (TCDRS), and additions to and deductions from TCERS' fiduciary net position have been determined on the same basis as they are reported by TCERS. 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.

15. OTHER POST EMPLOYMENT BENEFIT (OPEB)

The Total Other Post Employment Benefit (OPEB), deferred OPEB related inflows and outflows, insurance expense and information on the Retiree Health Insurance fiduciary net position, and additions and deductions have been determined on assumptions in Note L. For this purpose, insurance payments and refunds are recognized when due and payable according to the actuarial study.

16. FUND EQUITY

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – pre-paid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

Restricted fund balance. This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

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

WILSON COUNTY, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2021

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

16. FUND EQUITY (Continued)

Assigned fund balance. This classification reflects the amounts constrained by the County's "intent" to be used for specific purposes, but are neither restricted nor committed. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed. Assigned fund balances are established by the County commissioners through adoption or amendment of the budget as intended for specific purpose (such as the purchase of property and equipment, construction, debt service or other purposes.

Unassigned fund balance. This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the County's policy to use externally restricted resources first, then unrestricted resources – committed, assigned, and unassigned – in order as needed.

17. NET POSITION

Net position represents the difference between assets and liabilities. Net investment in capital assets 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. Net positions are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

18. USE OF ESTIMATES

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

19. COMPARATIVE DATA/RECLASSIFICATIONS

Comparative data for the prior year has been provided for the General Fund, Road and Bridge Fund, and Debt Service Fund in the fund financial statements in order to provide an understanding of the changes in the financial position and operation of these funds.

Certain reclassifications have been made to the 2020 financial statements to conform to the 2021 financial statement presentation. The reclassifications had no effect on the changes in financial position.

WILSON COUNTY, TEXAS  
 NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
 SEPTEMBER 30, 2021

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

20. NEW ACCOUNTING PRONOUNCEMENTS IMPLEMENTED

- **Statement No. 84, Fiduciary Activities** – The Statement establishes criteria for identifying fiduciary activities of all state and local governments. An activity meeting certain criteria will be reported in a fiduciary fund in the basic financial statements. The County adopted this Standard as of October 1, 2020. It resulted in adding a Fiduciary Statement of Additions and Deletions, as well as re-characterizing some Agency Accounts to Special Revenue Accounts resulting in a prior period adjustment. There were also some accounts that had not previously been recognized as agency accounts that have been added to the Fiduciary Statements.

**NOTE B - DEPOSITS AND INVESTMENTS**

The County’s funds are required to be deposited and invested under the terms of a depository contract. The depository bank deposits for safekeeping and trust with the County’s agent bank approved pledge securities in an amount sufficient to protect County funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank’s dollar amount of Federal Deposit Insurance Corporation (“FDIC”) insurance.

State statutes authorize the County to invest in (a) obligations of the United States or its agencies and instrumentalities; (b) direct obligations of the State of Texas or its agencies; (c) other obligations, the principal and interest of which are unconditionally guaranteed or insured by the State of Texas or the United States; (d) obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent; (e) certificates of deposit by state and national banks domiciled in this state that are (i) guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor; or, (ii) secured by obligations that are described by (a) - (d).

Statutes also allow investing in local government investment pools organized and rated in accordance with the Interlocal Cooperation Act, whose assets consist exclusively of the obligations of the United States or its agencies and instrumentalities and repurchase assessments involving those same obligations. Investments in local government investment pools are reported at share price, which approximates fair value. All investments are valued using prices quoted in active markets for those securities (Level 1). The County investments are as follows:

	Fair Value	Days to Maturity
Money Market Accounts	\$ 249,304	1
TexPool (Local Government Investment Pool)	13,483,940	34
Texas Class	57,528	27
Certificates of Deposit	563,204	184
Total	<u>\$ 14,353,976</u>	

*Investment Rate Risk.* The County manages investment rate risk by limiting the weighted average maturity of its investments to less than one year.

WILSON COUNTY, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2021

**NOTE B - CASH AND INVESTMENTS (Continued)**

*Credit Risk.* The County’s investment policy limits investments to obligations of the United States or its instrumentalities; direct obligation of the State of Texas, the principle and interest that are unconditionally guaranteed or insured by this state or state rated as to investment quality of not less than AAA by a nationally recognized investment rating firm.

The County may also invest its funds in state law authorized government investment pools provided the pool maintains an AAA rating, the pool maintains a stable asset value, and the average dollar weighted maturity does not exceed 90 days, and Commissioners’ Court must approve of the investment. As of September 30, 2021, the investment in TexPool was rated AAAM.

The County may also invest in certificates of deposit, money markets or share certificates issued by a depository institution which has its main office or a branch office in this state and is guaranteed or insured by FDIC or the NCUSIC, or is secured by collateral or other method provided for by state law.

*Custodial Credit Risk - Deposits.* In the case of deposits, this is the risk that in the event of a bank failure, the government’s deposits may not be returned to it.

*Custodial Credit Risk - Investment.* For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of September 30, 2021, the County’s investments were held in government investment pools.

As of September 30, 2021, the government’s deposits were fully collateralized.

**NOTE C – RECEIVABLES**

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

	General Fund	Road and Bridge Fund	Debt Service Fund	Other Nonmajor Governmental Funds
Receivables:				
Property Taxes	\$ 977,914	\$ 227,687	\$ 43,261	\$ 30,752
Court Fines and Receivables	6,818,247	107,344	-	-
Other Receivables:				
Grants	360	-	-	-
Occupancy Taxes	-	-	-	-
Total Receivables	7,796,521	335,031	43,261	30,752
Less: Allowance for Uncollectible Taxes	(29,337)	(6,831)	(1,298)	(923)
Less: Allowance for Uncollectible Court Receivables	(5,598,076)	-	-	-
Net Total Receivables	<u>\$ 2,169,108</u>	<u>\$ 328,200</u>	<u>\$ 41,963</u>	<u>\$ 29,829</u>

WILSON COUNTY, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2021

**NOTE D – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

Interfund transfers at September 30, 2021 consisted of the following:

<u>Transfer Out</u>	<u>Transfer In</u>	<u>Transfers</u>	<u>Purpose</u>
General Fund	Nonmajor Funds	\$ 268,872	Budgeted Transfer
General Fund	Debt Service Fund	85,787	Budgeted Transfer
	Total	<u>\$ 354,659</u>	

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

<u>Due From</u>	<u>Due To</u>	<u>Amount</u>	<u>Purpose</u>
Nonmajor Funds	General Fund	\$ 321,066	Current Year Cash Correction
Debt Service Fund	Nonmajor Funds	7,075	Current Year Ad Valorem Allocation Corrections
Debt Service Fund	General Fund	336,059	Current Year Ad Valorem Allocation Corrections
Debt Service Fund	Road & Bridge Fund	52,361	Current Year Ad Valorem Allocation Corrections
Road & Bridge Fund (22)	Road & Bridge Fund (23)	44,507	Current Year Cash Correction
	Total	<u>\$ 761,068</u>	

**NOTE E - PROPERTY TAX CALENDAR**

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and are payable in full by the following January 31. The County bills and collects its own property taxes and also the taxes for several other taxing agencies. The County acts only as an intermediary in the collection and distribution of property taxes to other entities. Tax collections deposited for the County are distributed as collected to the General, Road and Bridge, Library and Debt Service Funds of the County. The distribution is based upon the tax rate established for each fund by Commissioners' Court for the tax year for which the collections are made.

The County is authorized by the tax laws for the State of Texas to levy taxes up to .80 per \$100 of the assessed valuation for general government invoices and the payment of principal and interest on certain permanent improvement long-term debt. Taxes may be levied in unlimited amounts for the payment of principal and interest on road bond long-term debt issued under article 3, Section 52 of the Texas Constitution. Net taxes receivable at the end of the fiscal year are treated as deferred outflows of resources.

The combined tax rate assessed on the 2020 tax roll (Wilson County, Lateral Road, and Library) to finance operations and debt service for the fiscal year ended September 30, 2021, was \$.515 per \$100 assessed valuation. The total tax levy for the fiscal year 2021 was \$17,877,201 of which \$235,797 remained outstanding in delinquent taxes as of September 30, 2021.

WILSON COUNTY, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2021

**NOTE F – CAPITAL ASSETS**

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

<b><i>Governmental Activities</i></b>	Balance 10/1/20	Additions/ Transfers	Disposals/ Transfers	Balance 9/30/21
<i>Capital Assets Not Depreciated:</i>				
Land	\$ 866,008	\$ -	\$ -	\$ 866,008
<i>Total Capital Assets Not Depreciated</i>	<u>866,008</u>	<u>-</u>	<u>-</u>	<u>866,008</u>
<i>Capital Assets Being Depreciated:</i>				
Buildings	19,904,395	-	-	19,904,395
Infrastructure	2,677,486	56,244	-	2,733,730
Machinery and Equipment	5,586,627	503,467	(178,434)	5,911,660
Vehicles	3,715,041	141,016	(89,749)	3,766,308
Computer Systems	1,037,679	129,186	-	1,166,865
<i>Total Capital Assets Depreciated</i>	<u>32,921,228</u>	<u>829,913</u>	<u>(268,183)</u>	<u>33,482,958</u>
Totals at Historical Cost	<u>33,787,236</u>	<u>829,913</u>	<u>(268,183)</u>	<u>34,348,966</u>
<i>Less Accumulated Depreciation:</i>				
Buildings	(9,147,920)	(1,174,186)	-	(10,322,106)
Infrastructure	(2,597,351)	(2,760)	-	(2,600,111)
Machinery and Equipment	(4,772,491)	(380,770)	120,923	(5,032,338)
Vehicles	(3,021,680)	(323,497)	89,749	(3,255,428)
Computer Systems	(644,928)	(143,295)	-	(788,223)
<i>Total Accumulated Depreciation</i>	<u>(20,184,370)</u>	<u>(2,024,508)</u>	<u>210,672</u>	<u>(21,998,206)</u>
Governmental Capital Assets, Net	<u>\$ 13,602,866</u>	<u>\$ (1,194,595)</u>	<u>\$ (57,511)</u>	<u>\$ 12,350,760</u>

Land is not depreciated.

Depreciation was charged to the governmental functions as follows:

General Administration	\$ 211,774
Administration of Justice	573,570
Public Facilities	428,954
Public Safety	369,424
Public Transportation	349,809
Culture and Recreation	84,979
Conservation - Agriculture	5,998
Total Depreciation Expense - Governmental Activities	<u>\$ 2,024,508</u>



WILSON COUNTY, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2021

**NOTE G - LONG-TERM DEBT**

The County had the following changes in long-term debt outstanding for the year ended September 30, 2021:

	Balance Outstanding 10/1/20	Added During Year	Retired During Year	<b>Balance Outstanding 9/30/21</b>	Due Within One Year
<b><i>Governmental Activities:</i></b>					
Certificate of Obligation, Series 2014 (Combination Tax and Revenue)	\$ 6,380,000	\$ -	\$ (360,000)	<b>\$ 6,020,000</b>	\$ 370,000
Premium	292,706	-	(22,516)	<b>270,190</b>	22,516
Subtotal	<u>6,672,706</u>	<u>-</u>	<u>(382,516)</u>	<b><u>6,290,190</u></b>	<u>392,516</u>
Capital Lease Obligation	768,613	-	(318,936)	<b>449,677</b>	214,520
Subtotal	<u>768,613</u>	<u>-</u>	<u>(318,936)</u>	<b><u>449,677</u></b>	<u>214,520</u>
Compensated Absences	139,985	128,766	(139,985)	<b>128,766</b>	-
<i>Total Governmental Activities</i>	<u>\$ 7,581,304</u>	<u>\$ 128,766</u>	<u>\$ (841,437)</u>	<b><u>\$ 6,868,633</u></b>	<u>\$ 607,036</u>

The annual requirements for principal and interest on the outstanding certificates obligation and tax notes are as follows broken down between debt with and without private borrowings or placement:

September 30,	Principal	Interest	Annual Requirements
2022	\$ 370,000	\$ 221,650	\$ 591,650
2023	380,000	210,400	590,400
2024	395,000	197,788	592,788
2025	405,000	183,787	588,787
2026	420,000	169,350	589,350
2027-2031	2,380,000	579,600	2,959,600
2032-2034	1,670,000	102,000	1,772,000
	<u>\$ 6,020,000</u>	<u>\$ 1,664,575</u>	<u>\$ 7,684,575</u>

The annual requirements for principal and interest on the outstanding certificates obligation and tax notes are as follow:

Certificates of Obligation and Notes Payable	Balance at 9/30/21	Due Within One Year
Tax & Revenue Note, Series 2014 Original issue amount of \$8,215,000, interest rate varies between 2.50-4.00%, With final maturity date of February 1, 2034	\$ 6,020,000	\$ 370,000
<b>TOTAL CERTIFICATES OF OBLIGATION AND NOTES PAYABLE</b>	<u>\$ 6,020,000</u>	<u>\$ 370,000</u>

WILSON COUNTY, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2021

**NOTE G - LONG-TERM DEBT (Continued)**

The County has entered into several lease agreement to finance the acquisition of machinery and equipment and vehicles for the public transportation department. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date.

Future minimum lease payments under the leases along with the present value of the minimum lease payments as of September 30, 2021:

Year Ended September 30,	General Long-Term Obligations
2022	\$ 225,458
2023	127,313
2024	70,763
2025	44,142
Total Minimum Lease Payments	467,676
Less Amount Representing Interest	17,999
Present Value of Lease Payments	\$ 449,677

**NOTE H - EMPLOYEES' RETIREMENT SYSTEM**

Texas County and District Retirement System

Plan Description

The County participates as one of 700 plans in the nontraditional, defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). TCDRS is an agency created by the state of Texas and administered in accordance with the TCDRS Act as an agent multiple-employer retirement system for County and District employees in the State of Texas. The Board of Trustees of TCDRS is responsible for the administration and management of the system. 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 PO Box 2034, Austin, Texas 78768-2034.

The plan provisions are adopted by the governing body of the County, within the options available in the state statutes governing TCDRS. Members can retire at age 60 and above with 8 or more years of service or with 30 years regardless of age or when the sum of their age and years of service equals 75 or more. A member is vested after 8 years but must leave his accumulated contributions in the plan. Members who withdraw their personal contributions in a partial lump sum are entitled to any amounts contributed by the employer.

WILSON COUNTY, TEXAS  
 NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
 SEPTEMBER 30, 2021

**NOTE H - EMPLOYEES' RETIREMENT SYSTEM (Continued)**

Texas County and District Retirement System (Continued)

Plan Description (Continued)

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 District within the actuarial constraints imposed by the TCDRS Act so 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-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

Contributions

The County has elected the annually determined contribution rate plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the District is actuarially determined annually. The District contributed using the actuarially determined rate of 10.02% for the months of the accounting year 2020, and 9.68% for the months of the accounting year in 2021.

The contribution rate payable by the employee members for 2020 and 2021 is the rate of 7% as adopted by the governing body of the District. The employee deposit rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act.

Benefits Provided

TCDRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the District, within the options available in the state statutes governing TCDRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the District-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payment options. Members may choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

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

	12/31/2019	12/31/2020
Inactive Employees Receiving Benefits	102	114
Inactive Employees	242	264
Active Employees	208	200
	552	578

WILSON COUNTY, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2021

**NOTE H - EMPLOYEES' RETIREMENT SYSTEM (Continued)**

Texas County and District Retirement System (Continued)

Net Pension Liability

The District's Net Pension Liability (NPL) was measured as of December 31, 2020, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

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

Inflation	2.50%
Overall Payroll Growth	3.00% to 8.15%
Investment Rate of Return	7.60%

Assumptions are reviewed annually. No additional changes were made for the 2020 valuation. Updated mortality assumptions were adopted in 2016. All other actuarial assumptions that determined the total pension liability as of December 31, 2020 were based on the results of an actuarial experience study for the period January 1, 2013 – December 31, 2016, except where required to be different by GASB 68.

The long-term expected rate of return on pension plan investments is 7.60%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TCDRS Board of Trustees. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TCDRS.

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

Note that the valuation assumption for long-term expected return is re-assessed at a minimum of every four years, and is set based on a 30-year time horizon; the most recent analysis was performed in March 2021. See Milliman's TCDRS Investigation of Experience report for the period January 1, 2013 – December 31, 2016 for more details.

WILSON COUNTY, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2021

**NOTE H - EMPLOYEES' RETIREMENT SYSTEM (Continued)**

Texas County and District Retirement System (Continued)

Actuarial Assumptions (Continued)

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Expected Real Rate of Return (Geometric)</u>
US Equities	11.50%	4.25%
Global Equities	2.50%	4.55%
International Equities - Developed	5.00%	4.25%
International Equities - Emerging	6.00%	4.75%
Investment-Grade Bonds	3.00%	-0.85%
Strategic Credit	9.00%	2.11%
Direct Lending	16.00%	6.70%
Distressed Debt	4.00%	5.70%
REIT Equities	2.00%	3.45%
Master Limited Partnerships (MLPs)	2.00%	5.10%
Private Real Estate Partnerships	6.00%	4.90%
Private Equity	25.00%	7.25%
Hedge Funds	6.00%	1.85%
Cash Equivalents	2.00%	-0.70%
	100.00%	

Discount Rate

The discount rate used to measure the Total Pension Liability was 7.60%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Discount Rate Sensitivity Analysis

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

	<u>Discount Rate 6.60%</u>	<u>Discount Rate 7.60%</u>	<u>Discount Rate 8.60%</u>
Net Pension Liability (Asset)	\$ 6,007,911	\$ 2,005,996	\$ (1,350,301)

WILSON COUNTY, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2021

**NOTE H - EMPLOYEES' RETIREMENT SYSTEM (Continued)**

Texas County and District Retirement System (Continued)

Changes in Net Pension Liability

The below schedule presents the changes in the Net Pension Liability as of December 31, 2020:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at December 31, 2019	\$ 28,041,142	\$ 26,961,254	\$ 1,079,888
Changes for the year:			
Service Cost	1,056,860	-	1,056,860
Interest on total pension liability	2,306,549	-	2,306,549
Change of Benefit Terms	-	-	-
Economic/Demographic gains or losses	77,288	-	77,288
Changes of Assumptions	1,737,609	-	1,737,609
Refund of Contributions	(70,630)	(70,630)	-
Benefit Payments	(1,198,241)	(1,198,241)	-
Administrative Expense	-	(21,911)	21,911
Member Contributions	-	608,488	(608,488)
Net Investment Income	-	2,785,709	(2,785,709)
Employer Contributions	-	871,008	(871,008)
Other	-	8,904	(8,904)
Net Changes	<u>3,909,435</u>	<u>2,983,327</u>	<u>926,108</u>
Balance at December 31, 2019	<u>\$ 31,950,577</u>	<u>\$ 29,944,581</u>	<u>\$ 2,005,996</u>

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

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TCDRS financial report. That report may be obtained at [www.tcdrs.com](http://www.tcdrs.com).

For the year ended September 30, 2021, the County recognized pension expense of \$835,168. Also as of September 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows Outflows of Resources	Deferred Inflows Inflows of Resources
Differences between Expected and Actual Economic Experience	\$ 5,904	\$ -
Changes in Actuarial Assumptions	1,158,406	-
Net difference between projected and Actual Earnings	-	965,260
Contributions Subsequent to the Measurement Date	595,042	-
	<u>\$ 1,759,352</u>	<u>\$ 965,260</u>

WILSON COUNTY, TEXAS  
 NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
 SEPTEMBER 30, 2021

**NOTE H - EMPLOYEES' RETIREMENT SYSTEM (Continued)**

Texas County and District Retirement System (Continued)

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

Pension Plan Fiduciary Net Position (Continued)

Deferred outflows of resources in the amount of \$595,042 is related to pensions resulting from contributions subsequent to the measurement date, and will be recognized as a reduction of the net pension liability for the plan year ending December 31, 2021. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

For the Year ended December 31,		
2021	\$	292,706
2022		531,396
2023		(506,252)
2024		(118,800)
	<u>\$</u>	<u>199,050</u>

**NOTE I – GROUP TERM LIFE FUND**

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death); this insurance is for active employees who are making deposits into the TCDRS system or have made the last deposit within the past two years.

The County's contributions to the TCDRS GTLF for the years ended September 2021, 2020, and 2019 were \$36,154; \$36,778; and \$35,062, respectively, which equaled the required contributions each year.

**NOTE J – OTHER POST-EMPLOYMENT BENEFITS**

*Wilson County Retiree Health Other Post-Employment Benefit Plan*

In addition to the TCDRS OPEB, The County administers a single-employer defined benefit healthcare plan for retirees, established under legal authority of the County Charter. The County is the only employer participating in the Plan. The Plan does not issue a publicly available financial report.

The County provides post-employment benefits for eligible participants enrolled in County-sponsored plans. The benefits are provided in the form of monthly premiums for the non-Medicare health plan of \$783 up to the age of 65; and of an implicit rate subsidy which is an explicit benefit payment multiplied by an expected implicit factor of 0.580. While the Plan offers retiree only rates, a very small implicit liability still exists. Membership in the plan as of December 31, 2020, the measurement date, consisted of:

WILSON COUNTY, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2021

**NOTE J – OTHER POST-EMPLOYMENT BENEFITS (Continued)**

*Wilson County Retiree Health Other Post-Employment Benefit Plan (Continued)*

	2019	2020
Inactive Employees or Beneficiaries Currently Receiving Benefits	87	95
Inactive Employees Entitled but Not Yet Receiving Benefits	41	44
Active Employees	208	200
	336	339

Current active employees must be eligible for service retirement under the Texas County and District Retirement System. To attain this eligibility active employees must be at least age 60 with 8 years of continuous service with the County or have at least 25 years of continuous service with the County when age and years of service equals 75. When a regular, full-time employee retires, they are eligible to maintain their coverage in the County’s group health coverage. The liability for the County is due to the monthly rates and implicit rate.

**Valuation Date:** December 31, 2020

**Methods and Assumptions Used to Determine Contribution Rates:**

Actuarial Cost Method	Individual Entry-Age Normal 2.12% 20 Year Bond GO Index published by bondbuyer.com as of
Discount Rate	December 31, 2020
Inflation	Does Not Apply
Salary Increases	Does Not Apply
Disability	Members who become disabled are eligible to commence benefit payments regardless of age. Rates of disability are in a custom table based on TCDRS experience.
Mortality	For depositing members, 90% of the RP-2014 Active Employee Mortality Table for males and 90% of the RP-2014 Active Employee Mortality Table for females, projected with 110% of the MP-2014 Ultimate scale after 2014. For service retirees, beneficiaries and non-depositing members, 130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014. For disabled retirees, 130% of the RP-2014 Disabled Annuitant Mortality Table for males and 115% of the RP-2014 Disabled Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.
Retirement	Deferred members are assumed to retire at the later of age 60 or earliest retirement eligibility For all eligible members ages 75 and later, retirement is assumed to occur immediately
Other Termination of Employment	The rates vary by length of service, entry-age group and gender. No termination after eligibility for retirement is assumed



WILSON COUNTY, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2021

**NOTE J – OTHER POST-EMPLOYMENT BENEFITS (Continued)**

*Wilson County Retiree Health Other Post-Employment Benefit Plan (Continued)*

**Methods and Assumptions Used to Determine Contribution Rates (Continued):**

The County’s Retiree Health OPEB Liability (TOL), based on the above actuarial factors, as of September 30, 2021, the measurement and actuarial valuation date, was calculated as follows:

	Total OPEB Liability
Balance at December 31, 2019	\$ 510,858
Changes for the Year:	
Service Cost	24,250
Interest on Total OPEB Liability	14,437
Change of Benefit Terms	-
Difference Between Expected and Actual Experience	(1,843)
Changes of Assumptions or Other Inputs	61,404
Benefit Payments, Including Refunds of Employee Contributions	(16,516)
Other Changes	-
Balance at December 31, 2020	\$ 592,590

There is no separate trust maintained to fund this TOL. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement NO. 75 to pay related benefits.

The following presents the TOL of the County, calculated using the discount rate of 2.12% as well as what the County’s TOL would be if it were calculated using a discount rate that is 1-percentage point lower (1.12%) and 1-percentage point higher (3.12%) than the current rate:

	Discount Rate 1.12%	Current Discount Rate Assumption 2.12%	Discount Rate 3.12%
Total OPEB Retiree Health Insurance Liability	\$ 716,478	\$ 592,590	\$ 498,212

For the year ended September 30, 2021, the County recognized OPEB expense of \$56,567. Also as of September 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Economic Experience	\$ -	\$ 13,607
Changes in Actuarial Assumptions	102,911	-
Contributions Subsequent to the Measurement Date	73,668	-
	\$ 176,579	\$ 13,607

WILSON COUNTY, TEXAS  
 NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
 SEPTEMBER 30, 2021

**NOTE J – OTHER POST-EMPLOYMENT BENEFITS (Continued)**

*Wilson County Retiree Health Other Post-Employment Benefit Plan (Continued)*

Deferred outflows of resources in the amount of \$73,668 is related to OPEB benefits resulting from contributions subsequent to the measurement date, and will be recognized as a reduction of the net pension liability for the plan year ended December 31, 2021. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

For the Year Ended December 30,		
2021	\$	17,880
2022		17,880
2023		17,878
2024		25,740
2025		9,926
Thereafter		-
	\$	89,304

**NOTE K - COMMITMENTS AND CONTINGENCIES**

Litigation

The County is the subject of various claims and litigation that have arisen in the course of its operations. Management is of the opinion that the County’s liability in these cases, if decided adversely to the County, will not have a material effect on the County’s financial position.

Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The County carries commercial insurance for all such risks. During the year ended September 30, 2021, settled claims resulting from these risks did not exceed commercial insurance coverage.

**NOTE L – DEFICIT FUND BALANCE**

VOCA Grant fund (nonmajor fund) had a deficit fund balance of \$61,981 as of September 30, 2021. The County will evaluate the fund and either cut costs, generate additional revenue, or transfer funds to cover the deficit fund balance in the future.

## **REQUIRED SUPPLEMENTARY INFORMATION**

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Budgetary Comparison Schedules – General Fund
- Budgetary Comparison Schedule – Road and Bridge Fund
- Notes to Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
- Net Pension Liability and Related Ratios
- Schedule of Contributions and Related Notes
- OPEB Schedule of Funding Progress

WILSON COUNTY, TEXAS  
REQUIRED SUPPLEMENTARY INFORMATION  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2021  
(WITH COMPARATIVE TOTALS FOR 2020)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget - Positive (Negative)	2020 Actual
	Original	Final			
<b>REVENUES</b>					
Taxes:					
Property Taxes	\$ 12,890,709	\$ 12,890,709	\$ 13,640,806	\$ 750,097	\$ 12,560,369
Mixed Beverage Taxes	58,000	58,000	64,339	6,339	59,997
Intergovernmental Revenue & Grants	154,487	154,487	298,536	144,049	167,263
Charges for Services	1,565,400	1,565,400	1,733,826	168,426	1,748,241
Grants and Contributions	-	-	205,932	205,932	2,400,483
Fines and Forfeitures	155,500	155,500	91,395	(64,105)	109,636
Interest Earnings	178,000	178,000	14,380	(163,620)	168,546
Miscellaneous	1,358,966	1,358,966	1,477,730	118,764	1,706,787
<b>TOTAL REVENUES</b>	16,361,062	16,361,062	17,526,944	1,165,882	18,921,322
<b>EXPENDITURES</b>					
<i>Current:</i>					
General Administration	3,364,693	3,364,693	3,181,470	183,223	2,769,705
Legal	455,466	455,466	457,225	(1,759)	440,443
Judicial	2,257,878	2,257,878	2,401,713	(143,835)	2,264,976
Financial Administration	1,200,027	1,200,027	1,102,967	97,060	1,132,347
Public Facilities	426,230	426,230	405,996	20,234	406,869
Public Safety	7,625,928	7,625,928	7,569,081	56,847	8,126,290
Environmental Protection	350,075	350,075	422,276	(72,201)	316,248
Health and Welfare	322,950	322,950	302,023	20,927	299,400
Conservation - Agriculture	175,615	175,615	141,264	34,351	148,745
<i>Debt:</i>					
Principal	7,354	7,354	7,354	-	19,562
Interest	-	-	644	(644)	52
<b>TOTAL EXPENDITURES</b>	16,186,216	16,186,216	15,992,013	194,203	15,924,637
Excess (Deficiency) of Revenues Over (Under) Expenditures	174,846	174,846	1,534,931	1,360,085	2,996,685
<b>OTHER FINANCING SOURCES (USES)</b>					
Issuance of Capital Lease Obligation	-	-	-	-	36,771
Transfers In	-	-	-	-	5,685
Transfers Out (Uses)	-	-	(354,659)	(354,659)	(258,182)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	-	-	(354,659)	(354,659)	(215,726)
Net Change in Fund Balance	174,846	174,846	1,180,272	1,005,426	2,780,959
Fund Balances at Beginning of Year	8,995,829	8,995,829	8,995,829	-	6,214,870
Fund Balances at End of Year	\$ 9,170,675	\$ 9,170,675	\$ 10,176,101	\$ 1,005,426	\$ 8,995,829

WILSON COUNTY, TEXAS  
REQUIRED SUPPLEMENTARY INFORMATION  
ROAD AND BRIDGE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2021  
(WITH COMPARATIVE TOTALS FOR 2020)

	Budgeted Amounts		2021 Actual	Variance With	2020 Actual
	Original	Final		Final Budget Positive (Negative)	
<b>REVENUES</b>					
Property Taxes	\$ 3,000,779	\$ 3,000,779	\$ 3,175,981	\$ 175,202	\$ 2,939,245
Intergovernmental Revenue & Grants	49,500	49,500	96,093	46,593	48,066
Licenses and Permits	1,176,300	1,176,300	1,188,420	12,120	1,152,143
Fines and Forfeitures	461,500	461,500	351,508	(109,992)	412,741
Miscellaneous	21,000	21,000	184,873	163,873	339
<b>TOTAL REVENUES</b>	<b>4,709,079</b>	<b>4,709,079</b>	<b>4,996,875</b>	<b>287,796</b>	<b>4,552,534</b>
<b>EXPENDITURES</b>					
<i>Current:</i>					
Public Facilities	4,429,246	4,429,246	4,348,096	81,150	4,757,071
<i>Debt:</i>					
Principal	258,546	258,546	317,525	(58,979)	246,619
Interest	21,287	21,287	20,994	293	28,293
<b>TOTAL EXPENDITURES</b>	<b>4,709,079</b>	<b>4,709,079</b>	<b>4,686,615</b>	<b>22,464</b>	<b>5,031,983</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	310,260	310,260	(479,449)
<b>OTHER FINANCING SOURCES (USES)</b>					
Issuance of Capital Lease Obligation	-	-	-	-	315,161
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>315,161</b>
Net Change in Fund Balance	-	-	310,260	310,260	(164,288)
Fund Balances at Beginning of Year	834,756	834,756	834,756	-	999,044
Fund Balances at End of Year	\$ 834,756	\$ 834,756	\$ 1,145,016	\$ 310,260	\$ 834,756

WILSON COUNTY, TEXAS  
NOTES TO SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET AND ACTUAL  
SEPTEMBER 30, 2021

Budget and Budgetary Accounting

An annual budget is adopted for substantially all governmental funds of the County. Actual expenditures may not legally exceed budgeted appropriations at the expense summary classification level.

The procedures followed by Wilson County in establishing the budgetary data reflected in the financial statements are as follows:

Budget Preparation – The County Judge, assisted by the County Auditor, prepares a proposed operating budget for the fiscal year beginning the following October 1, and files the proposed budget with the County Clerk in whose office it is available for public inspection. The operating budget includes proposed expenditures and the means of financing them.

Public Hearing – After proper publication of notice, a budget hearing is conducted by the Commissioners' Court to obtain taxpayer comments.

Budget Adoption – During a regular term of the Commissioners' Court the budget is adopted through the passage of an order. A separate order is provided in the budget.

Amendments to Budget – Amendments to the budget to transfer budgeted amounts from one budget classification (summary line) to another may be made by the Commissioners' Court at its discretion. Amendments to provide for items not included in the original budget may be made by the Commissioners' Court upon finding and declaring the existence of an emergency sufficient to require such action. The final amended budget is presented in this report.

Formal Budgetary Integration – Formal budgetary integration is employed as a management control device during the year for the General, Special Revenue, Debt Service and Capital Projects.

Budgets on GAAP Basis – The Budgets for all governmental fund types are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP).

Expenditure Classifications – Budget is adopted by department for personnel services, operations and capital outlay. For management purposes, however, accounting records are maintained to match actual expenditures against several more detailed classifications within each of the budget categories.

Lapse of Appropriations – All budget appropriations lapse at the end of each fiscal period. Encumbrances represent commitments related to unperformed contracts for goods and services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditures of resources are recorded to reserve that portion of the applicable appropriation, is utilized in the governmental funds. Encumbrances lapse at the end of each year and do not constitute expenditures or liabilities because the commitments must be re-appropriated and honored during the subsequent year.

**WILSON COUNTY, TEXAS**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM**  
**NET PENSION LIABILITY AND RELATED RATIOS**  
**LAST SEVEN PLAN YEARS**

	Total Pension Liability						
	2014	2015	2016	2017	2018	2019	2020
Service Cost	\$ 743,968	\$ 782,314	\$ 906,702	\$ 862,352	\$ 949,458	\$ 991,370	\$ 1,056,860
Interest (on the Total Pension Liability)	1,419,549	1,530,935	1,644,965	1,804,050	2,019,137	2,166,931	2,306,549
Changes of Benefit Terms	-	(109,795)	-	1,122,366	-	-	1,737,609
Difference between Expected and Actual Experience	31,027	(41,228)	73,163	(191,506)	115,576	(149,031)	77,288
Change of Assumptions	-	231,245	-	137,325	-	-	-
Benefit Payments, Including Refunds of							
Employee Contributions	(828,175)	(970,097)	(1,004,855)	(1,155,345)	(1,177,711)	(1,430,132)	(1,268,872)
Net Change in Total Pension Liability	1,366,369	1,423,374	1,619,975	2,579,242	1,906,460	1,579,138	3,909,434
Total Pension Liability - Beginning	17,566,585	18,932,954	20,356,328	21,976,303	24,555,545	26,462,004	28,041,142
Total Pension Liability - Ending	<u>\$ 18,932,954</u>	<u>\$ 20,356,328</u>	<u>\$ 21,976,303</u>	<u>\$ 24,555,545</u>	<u>\$ 26,462,005</u>	<u>\$ 28,041,142</u>	<u>\$ 31,950,576</u>
	Plan Fiduciary Net Position						
	2014	2015	2016	2017	2018	2019	2020
Contributions - Employer	\$ 560,772	\$ 600,753	\$ 620,359	\$ 638,007	\$ 770,869	\$ 788,264	\$ 871,008
Contributions - Employee	424,827	472,503	487,923	501,804	540,692	571,349	608,488
Net Investment Income	1,187,034	(12,710)	1,400,245	3,003,556	(437,254)	3,815,758	2,785,709
Benefit Payments, Including Refunds of							
Employee Contributions	(828,175)	(970,097)	(1,004,855)	(1,155,345)	(1,177,711)	(1,430,132)	(1,268,872)
Administrative Expense	(13,880)	(13,548)	(15,240)	(15,662)	(18,663)	(20,545)	(21,911)
Other	37,144	155,307	154,763	(356)	6,355	1,340	8,905
Net Change in Plan Fiduciary Net Position	1,367,722	232,208	1,643,195	2,972,004	(315,712)	3,726,034	2,983,327
Plan Fiduciary Net Position - Beginning	17,335,803	18,703,525	18,935,733	20,578,928	23,550,932	23,235,220	26,961,254
Plan Fiduciary Net Position - Ending	<u>\$ 18,703,525</u>	<u>\$ 18,935,733</u>	<u>\$ 20,578,928</u>	<u>\$ 23,550,932</u>	<u>\$ 23,235,220</u>	<u>\$ 26,961,254</u>	<u>\$ 29,944,581</u>
Net Pension Liability - Ending	\$ 229,429	\$ 1,420,595	\$ 1,397,375	\$ 1,004,613	\$ 3,226,785	\$ 1,079,888	\$ 2,005,996
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	98.79%	93.02%	93.64%	95.91%	87.81%	96.15%	93.72%
Covered Payroll	\$ 6,068,964	\$ 6,750,040	\$ 6,970,323	\$ 7,168,622	\$ 7,724,177	\$ 8,162,135	\$ 8,692,692
Net Pension Liability as a Percentage of Employee Payroll	31.50%	21.05%	20.05%	14.01%	41.78%	13.23%	23.08%

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

WILSON COUNTY, TEXAS  
REQUIRED SUPPLEMENTARY INFORMATION  
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM  
SCHEDULE OF CONTRIBUTIONS AND RELATED NOTES  
LAST SEVEN FISCAL YEARS

	2015	2016	2017	2018	2019	2020	2021
Actuarially Determined Contribution	\$ 547,421	\$ 573,753	\$ 572,264	\$ 536,930	\$ 770,869	\$ 786,014	\$ 835,168
Contributions in Relation to the Actuarially Determined Contribution	<u>560,772</u>	<u>600,753</u>	<u>620,359</u>	<u>638,007</u>	<u>770,869</u>	<u>788,264</u>	<u>835,168</u>
Contribution Deficiency (Excess)	<u>\$ (13,351)</u>	<u>\$ (27,000)</u>	<u>\$ (48,095)</u>	<u>\$ (101,077)</u>	<u>\$ -</u>	<u>\$ (2,250)</u>	<u>\$ -</u>
Covered Payroll	\$ 4,920,950	\$ 5,102,605	\$ 5,331,840	\$ 5,453,334	\$ 5,812,815	\$ 8,533,106	\$ 8,913,405
Contributions as a Percentage of Covered Payroll	11.4%	11.8%	11.6%	11.7%	13.3%	9.2%	9.4%

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

Notes to Schedule of Contributions

**Valuation Timing:**

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

**Methods and Assumptions Used to Determine Contribution Rates:**

Actuarial Cost Method	Entry Age
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	20.0 years (based on contribution rate calculated in 12/31/20 valuation)
Asset Valuation Method	5 year smoothed market
Inflation	2.50%
Salary Increases	Varies by age and service. 4.6% average over career including inflation.
Investment Rate of Return	7.50%, net of administrative and investment expenses, including inflation
Retirement Age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.
Changes in Assumptions and Methods Reflected in the Schedule of Employer Contributions	2015: New inflation, mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected 2019: New inflation, mortality and other assumptions were reflected
Changes in Plan Provisions Reflected in the Schedule of Employer Contributions	2015 and 2016: No changes in plan provisions 2017: New Annuity Purchase Rates were reflected for benefits earned after 2017. 2018: Employer contributions reflect that the current service matching rate was increased to 180% 2019 and 2020: No changes in plan provisions



WILSON COUNTY, TEXAS  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF OTHER POST-EMPLOYMENT BENEFIT LIABILITY AND RELATED RATIOS  
LAST FOUR CALENDAR YEARS

Total OPEB Liability - Retiree Health Insurance				
	2017	2018	2019	2020
Service Cost	\$ 13,945	\$ 16,405	\$ 14,742	\$ 24,250
Interest (on the Total OPEB Liability)	16,128	14,843	16,725	14,437
Changes of Benefit Terms	-	-	-	-
Differences between Expected and Actual Experience	(29,319)	7,600	(4,955)	(1,843)
Change of Assumptions	16,865	(44,075)	99,823	61,404
Benefit Payments	(14,337)	(16,221)	(17,140)	(16,516)
Net Change in Total OPEB Liability	3,282	(21,448)	109,195	81,732
Total OPEB Liability - Beginning	419,829	423,111	401,663	510,858
Total OPEB Liability - Ending	<u>\$ 423,111</u>	<u>\$ 401,663</u>	<u>\$ 510,858</u>	<u>\$ 592,590</u>
Covered Payroll	\$ 7,168,622	\$ 7,724,177	\$ 8,162,135	\$ 8,692,692
Net OPEB Liability as a Percentage of Covered Payroll	5.90%	5.20%	6.26%	6.82%

**Valuation Date:** December 31, 2020

**Methods and Assumptions Used to Determine Contribution Rates:**

Actuarial Cost Method	Individual Entry-Age Normal 2.12% 20 Year Bond GO Index published by bondbuyer.com as of December 31, 2020
Discount Rate	December 31, 2020
Inflation	Does Not Apply
Salary Increases	Does Not Apply
Disability	Members who become disabled are eligible to commence benefit payments regardless of age. Rates of disability are in a custom table based on TCDRS experience.
Mortality	For depositing members, 90% of the RP-2014 Active Employee Mortality Table for males and 90% of the RP-2014 Active Employee Mortality Table for females, projected with 110% of the MP-2014 Ultimate scale after 2014. For service retirees, beneficiaries and non-depositing members, 130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014. For disabled retirees, 130% of the RP-2014 Disabled Annuitant Mortality Table for males and 115% of the RP-2014 Disabled Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.
Retirement	Deferred members are assumed to retire at the later of age 60 or earliest retirement eligibility For all eligible members ages 75 and later, retirement is assumed to occur immediately
Other Termination of Employment	The rates vary by length of service, entry-age group and gender. No termination after eligibility for retirement is assumed



## **SUPPLEMENTARY INFORMATION**

Supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedule include:

- Comparative Statement – General Fund – Balance Sheet
- Comparative Statement – Road and Bridge Fund – Balance Sheet
- Comparative Statements – Debt Service Fund
- Combining Statements – Road and Bridge Fund
- Combining Statements – Nonmajor Governmental Funds
- Combining Statement – Agency Funds

WILSON COUNTY, TEXAS  
GENERAL FUND  
COMPARATIVE BALANCE SHEET  
SEPTEMBER 30, 2021 AND 2020

	2021	2020
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 16,669,078	\$ 8,380,078
Taxes Receivable, net	948,577	1,024,072
Court Fines and Fees Receivable, net	1,220,171	1,285,254
Other Receivables	360	1,804,638
Prepaid Items	46,326	-
<b>TOTAL ASSETS</b>	<b>\$ 18,884,512</b>	<b>\$ 12,494,042</b>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>		
<i>Liabilities:</i>		
Accounts Payable	\$ 553,462	\$ 516,212
Wages, Salaries & Benefits Payable	391,734	401,864
Due to Other Funds	657,125	335,574
Due to Others	10,167	10,182
Unearned Revenue	4,959,875	-
<i>Total Liabilities</i>	<b>6,572,363</b>	1,263,832
<i>Deferred Inflows of Resources</i>		
Unavailable Revenue - Taxes	948,577	1,024,072
Unavailable Revenue - Court	1,187,471	1,210,309
<i>Total Deferred Inflows of Resources</i>	<b>2,136,048</b>	2,234,381
<i>Fund Balances:</i>		
Nonspendable Fund Balance:		
Prepaid Items & Inventory	46,326	-
Unassigned Fund Balance	10,129,775	8,995,829
<i>Total Fund Balances</i>	<b>10,176,101</b>	8,995,829
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>	<b>\$ 18,884,512</b>	<b>\$ 12,494,042</b>

WILSON COUNTY, TEXAS  
ROAD AND BRIDGE FUND  
COMPARATIVE BALANCE SHEET  
SEPTEMBER 30, 2021 AND 2020

	2021	2020
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 1,282,120	\$ 1,046,293
Taxes Receivable, net	220,856	239,419
Court Fines and Fees Receivable	107,344	73,869
Due from Other Funds	44,507	-
<b>TOTAL ASSETS</b>	<b>\$ 1,654,827</b>	<b>\$ 1,359,581</b>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>		
<i>Liabilities:</i>		
Accounts Payable	\$ 127,357	\$ 176,166
Wages, Salaries & Benefits Payable	64,730	72,437
Due to Other Funds	96,868	36,803
<i>Total Liabilities</i>	288,955	285,406
<i>Deferred Inflows of Resources</i>		
Unavailable Revenue	220,856	239,419
<i>Total Deferred Inflows of Resources</i>	220,856	239,419
<i>Fund Balances:</i>		
Restricted:		
Public Transportation	1,145,016	834,756
<i>Total Fund Balances</i>	1,145,016	834,756
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>	<b>\$ 1,654,827</b>	<b>\$ 1,359,581</b>

WILSON COUNTY, TEXAS  
DEBT SERVICE FUND  
COMPARATIVE BALANCE SHEET  
SEPTEMBER 30, 2021 AND 2020

	2021	2020
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 93,754	\$ 81,964
Taxes Receivable, net	41,963	56,888
Other Receivables	-	12
Due From Other Funds	395,495	311,017
<b>TOTAL ASSETS</b>	<b>\$ 531,212</b>	<b>\$ 449,881</b>
<b>LIABILITIES AND FUND BALANCES</b>		
<i>Liabilities:</i>		
Accounts Payable	\$ -	\$ -
<i>Total Liabilities</i>	-	-
<i>Deferred Inflows of Resources:</i>		
Unavailable Revenue - Taxes	41,963	56,888
<i>Total Deferred Inflows of Resources</i>	41,963	56,888
<i>Fund Balances:</i>		
Restricted:		
Debt Service	489,249	392,993
<i>Total Fund Balances</i>	489,249	392,993
<b>TOTAL LIABILITIES &amp; FUND BALANCES</b>	<b>\$ 531,212</b>	<b>\$ 449,881</b>

WILSON COUNTY, TEXAS  
DEBT SERVICE FUND  
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCE  
SEPTEMBER 30, 2021 AND 2020

	2021 Actual	2020 Actual
<b>REVENUES</b>		
Property Taxes	\$ 603,435	\$ 695,231
Interest Earnings	74	581
<b>TOTAL REVENUES</b>	<b>603,509</b>	695,812
 <b>EXPENDITURES</b>		
<i>Current:</i>		
General Administration	440	440
<i>Debt Service:</i>		
Principal	360,000	350,000
Interest	232,600	242,375
<b>TOTAL EXPENDITURES</b>	<b>593,040</b>	592,815
 Excess (Deficiency) of Revenues Over (Under) Expenditures	 <b>10,469</b>	 102,997
 <b>OTHER FINANCING SOURCES (USES):</b>		
Transfers In (Out)	85,787	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>85,787</b>	-
 <b>Net Change in Fund Balance</b>	 96,256	 102,997
 Fund Balances at Beginning of Year	 <b>392,993</b>	 289,996
Fund Balances at End of Year	<b>\$ 489,249</b>	\$ 392,993

WILSON COUNTY, TEXAS  
ROAD AND BRIDGE FUND  
COMBINING BALANCE SHEETS  
SEPTEMBER 30, 2021 AND 2020

	Road and Bridge No. 1	Road and Bridge No. 2	Road and Bridge No. 3	Road and Bridge No. 4	Total
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 573,234	\$ 144,968	\$ 277,389	\$ 286,529	\$ 1,282,120
Taxes Receivable, net	20,224	74,925	55,777	69,930	220,856
Court Fines and Fees Receivable	19,985	32,619	24,272	30,468	107,344
Due from Other Funds	-	-	44,507	-	44,507
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL ASSETS</b>	<u>\$ 613,443</u>	<u>\$ 252,512</u>	<u>\$ 401,945</u>	<u>\$ 386,927</u>	<u>\$ 1,654,827</u>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>					
<i>Liabilities:</i>					
Accounts Payable	\$ 37,680	\$ 6,533	\$ 34,991	\$ 48,153	\$ 127,357
Wages, Salaries & Benefits Payable	6,105	19,060	19,079	20,486	64,730
Due to Other Funds	52,361	44,507	-	-	96,868
<i>Total Liabilities</i>	<u>96,146</u>	<u>70,100</u>	<u>54,070</u>	<u>68,639</u>	<u>288,955</u>
<i>Deferred Inflows of Resources</i>					
Unavailable Revenue	20,224	74,925	55,777	69,930	220,856
<i>Total Deferred Inflows of Resources</i>	<u>20,224</u>	<u>74,925</u>	<u>55,777</u>	<u>69,930</u>	<u>220,856</u>
<i>Fund Balances:</i>					
Restricted:					
Public Transportation	497,073	107,487	292,098	248,358	1,145,016
<i>Total Fund Balances</i>	<u>497,073</u>	<u>107,487</u>	<u>292,098</u>	<u>248,358</u>	<u>1,145,016</u>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>	<u>\$ 613,443</u>	<u>\$ 252,512</u>	<u>\$ 401,945</u>	<u>\$ 386,927</u>	<u>\$ 1,654,827</u>



WILSON COUNTY, TEXAS  
ROAD AND BRIDGE FUND  
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND FUND BALANCE  
SEPTEMBER 30, 2021 AND 2020

	Road and Bridge No. 1	Road and Bridge No. 2	Road and Bridge No. 3	Road and Bridge No. 4	Total
<b>REVENUES</b>					
Property Taxes	\$ 578,928	\$ 969,858	\$ 722,001	\$ 905,194	\$ 3,175,981
Intergovernmental Revenue & Grants	17,902	29,203	21,736	27,252	96,093
Licenses and Permits	220,356	368,851	265,873	333,340	1,188,420
Fines and Forfeitures	65,487	106,834	79,512	99,675	351,508
Miscellaneous	177,572	7,301	-	-	184,873
<b>TOTAL REVENUES</b>	<u>1,060,245</u>	<u>1,482,047</u>	<u>1,089,122</u>	<u>1,365,461</u>	<u>4,996,875</u>
<b>EXPENDITURES</b>					
<i>Current:</i>					
Public Facilities	593,362	1,496,790	855,694	1,402,250	4,348,096
<i>Debt:</i>					
Principal	137,873	69,683	63,867	46,102	317,525
Interest	7,769	3,538	5,755	3,932	20,994
<b>TOTAL EXPENDITURES</b>	<u>739,004</u>	<u>1,570,011</u>	<u>925,316</u>	<u>1,452,284</u>	<u>4,686,615</u>
Net Change in Fund Balance	321,241	(87,964)	163,806	(86,823)	310,260
Fund Balances at Beginning of Year	175,832	195,451	128,292	335,181	834,756
Fund Balances at End of Year	<u>\$ 497,073</u>	<u>\$ 107,487</u>	<u>\$ 292,098</u>	<u>\$ 248,358</u>	<u>\$ 1,145,016</u>

WILSON COUNTY, TEXAS  
COMBINING FINANCIAL STATEMENTS  
NON-MAJOR GOVERNMENTAL FUNDS

**SPECIAL REVENUE FUNDS**

Special Revenue Funds are used to account for resources which are legally restricted to expenditures for specified current operating purposes, or to the acquisition of furniture, fixtures, machinery, equipment, or other relatively minor or comparatively short – lived fixed assets. The Special Revenue Funds used by the County are as follows:

Hotel/Motel Tax Fund – To account for the receipt of occupancy taxes and related expenditures in the Hotel/Motel Tax Fund

Leose Fund – To account for State revenues provided for education of law enforcement officer and related expenditures.

Civil Fees – To account for activity included in the Civil Fees Fund.

Courthouse Security – A special revenue fund to account for fees collected by the County Clerk and District Clerk. These expenditures must be spent in accordance with the Code of Criminal Procedures, Section 102.017.

VOCA Grant Fund - To account for revenue received and expenditures incurred related the VOCA Grant Fund.

CTCL Grant Fund - To account for revenue received and expenditures incurred related the CTCL Grant Fund.

Errors and Omissions – To account for activity included in the Errors and Omissions Fund.

Library Fund – To account for donations received and funds expended for projects related to the library.

Jury Fund – To account for activity included in the Jury Fund.

Subdivision Fund – To account for activity included in the Subdivision Fund.

Recording Fees Fund – To account for the collection of fees and expenditures for the preservation and restoration of the clerk’s records archive

Pre-Trial Intervention – To account for the fees collected and expenditures related to preparing cases for trial in court.

JP Technology Fund – To account for the fees collected from a defendant convicted of a misdemeanor offense in Justice Court. The expenditures may be used to purchase technological enhancements for the Justice Courts.

TIF Grant Fund – To account for revenue received and expenditures incurred related the TIF Grant Fund.

VAWA Grant Fund – To account for revenue received and expenditures incurred related the VAWA Grant Fund.

VOCA Grant Fund – To account for revenue received and expenditures incurred related the VOCA Grant Fund.

WILSON COUNTY, TEXAS  
COMBINING FINANCIAL STATEMENTS (CONTINUED)  
NON-MAJOR GOVERNMENTAL FUNDS

**SPECIAL REVENUE FUNDS (CONTINUED)**

Inmate Telephone Pre-Payment – To account for activity included in the Inmate Telephone Pre-Payment Fund.

Community Economic Development – To account for grant funds received for Community Development

County Clerk Tech Grant – To account for the fees collected from a defendant convicted of a misdemeanor offense in the County Court. The expenditures may be used to purchase technological enhancements for the County Court.

Juvenile Case Management Fund – To account for fee revenue and expenditures related to juvenile social workers in the Justices of the Peace offices.

Seizure Holding Bank Account – To account for activity included in the Seizure Holding Bank Account Fund.

Federal Seizure Fund – To account for activity included in the Federal Seizure Fund.

County Attorney Forfeiture Fund – To account for activity included in the County Attorney Forfeiture Fund.

County Clerk Law Library Fund – To account for fees collected on civil cases filed in the county courts. These funds must be used to enhance the law library.

Civil Preparedness – To account for activity included in the Civil Preparedness Fund.

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

	13 Hotel/Motel Tax Fund	20 Leose Fund	25 Civil Fees	26 Courthouse Security
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 42,946	\$ 46,244	\$ 19,724	\$ -
Taxes Receivable, net	-	-	-	-
Other Receivables	0	-	-	-
Due from Other Funds	-	-	-	306,234
	<u>\$ 42,946</u>	<u>\$ 46,244</u>	<u>\$ 19,724</u>	<u>\$ 306,234</u>
<b>TOTAL ASSETS</b>				
	<u>\$ 42,946</u>	<u>\$ 46,244</u>	<u>\$ 19,724</u>	<u>\$ 306,234</u>
<b>LIABILITIES AND FUND BALANCE</b>				
<i>Liabilities:</i>				
Withdrawals in Excess of Deposits	\$ -	\$ -	\$ -	\$ 6,388
Accounts Payable	-	408	12,787	672
Wages, Salaries & Benefits Payable	-	-	-	13,416
<i>Total Liabilities</i>	<u>-</u>	<u>408</u>	<u>12,787</u>	<u>20,476</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue - Property Taxes	-	-	-	-
<i>Total Deferred Inflows of Resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund Balance:</i>				
Restricted Fund Balance:				
General Administration	-	-	6,937	-
Judicial	-	-	-	-
Legal	-	-	-	-
Public Safety	-	45,836	-	285,758
Public Transportation	-	-	-	-
Tourism	42,946	-	-	-
Committed for:				
Culture and Recreation	-	-	-	-
Future Book Restoration	-	-	-	-
General Administration	-	-	-	-
Records Management	-	-	-	-
<i>Total Fund Balance</i>	<u>42,946</u>	<u>45,836</u>	<u>6,937</u>	<u>285,758</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE</b>				
	<u>\$ 42,946</u>	<u>\$ 46,244</u>	<u>\$ 19,724</u>	<u>\$ 306,234</u>

30	31	33	34	36	
VOCA Grant	CTCL Grant	Errors And Omissions	Library Fund	Jury Fund	Subtotals
\$ 4,688	\$ 24,762	\$ -	\$ 178,140	\$ 24,147	\$ 340,651
-	-	-	29,829	-	29,829
-	-	-	-	-	-
-	-	-	7,757	-	313,991
<u>\$ 4,688</u>	<u>\$ 24,762</u>	<u>\$ -</u>	<u>\$ 215,726</u>	<u>\$ 24,147</u>	<u>\$ 684,471</u>
\$ -	\$ -	\$ 7,107	\$ -	\$ -	\$ 13,495
-	-	-	-	-	13,867
-	-	-	11,715	-	25,131
-	-	7,107	11,715	-	52,493
-	-	-	29,829	-	29,829
-	-	-	29,829	-	29,829
-	24,762	(7,107)	-	-	24,592
4,688	-	-	-	24,147	28,835
-	-	-	-	-	-
-	-	-	-	-	331,594
-	-	-	-	-	-
-	-	-	-	-	42,946
-	-	-	174,182	-	174,182
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>4,688</u>	<u>24,762</u>	<u>(7,107)</u>	<u>174,182</u>	<u>24,147</u>	<u>602,149</u>
<u>\$ 4,688</u>	<u>\$ 24,762</u>	<u>\$ -</u>	<u>\$ 215,726</u>	<u>\$ 24,147</u>	<u>\$ 684,471</u>

WILSON COUNTY, TEXAS  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET (CONTINUED)  
SEPTEMBER 30, 2021

	39	40	43
	Subdivision Fund	Recording Fees Fund	Pre-Trial Intervention
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 104,888	\$ 1,015,815	\$ 127,923
Taxes Receivable, net	-	-	-
Other Receivables	-	-	-
Due from Other Funds	-	-	-
	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 104,888</b>	<b>\$ 1,015,815</b>	<b>\$ 127,923</b>
<b>LIABILITIES AND FUND BALANCE</b>			
<i>Liabilities:</i>			
Withdrawals in Excess of Deposits	\$ -	\$ -	\$ -
Accounts Payable	-	640	-
Wages, Salaries & Benefits Payable	-	935	3,319
<i>Total Liabilities</i>	-	1,575	3,319
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable Revenue - Property Taxes	-	-	-
<i>Total Deferred Inflows of Resources</i>	-	-	-
<i>Fund Balance:</i>			
Restricted Fund Balance:			
General Administration	-	-	-
Judicial	-	-	124,604
Legal	-	-	-
Public Safety	-	-	-
Public Transportation	-	-	-
Tourism	-	-	-
Committed for:			
Culture and Recreation	-	-	-
Future Book Restoration	-	1,014,240	-
General Administration	104,888	-	-
Unassigned	-	-	-
<i>Total Fund Balance</i>	104,888	1,014,240	124,604
<b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE</b>	<b>\$ 104,888</b>	<b>\$ 1,015,815</b>	<b>\$ 127,923</b>

44	50	52	
JP Technology	TIF Grant	VAWA Grant	Subtotals
\$ 15,153	\$ 95,401	\$ 6,670	\$ 1,365,850
-	-	-	-
-	-	-	-
-	-	-	-
<u>\$ 15,153</u>	<u>\$ 95,401</u>	<u>\$ 6,670</u>	<u>\$ 1,365,850</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	640
-	-	4,949	9,203
-	-	4,949	9,843
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-
15,153	-	1,721	141,478
-	-	-	-
-	-	-	-
-	95,401	-	95,401
-	-	-	-
-	-	-	-
-	-	-	1,014,240
-	-	-	104,888
-	-	-	-
<u>15,153</u>	<u>95,401</u>	<u>1,721</u>	<u>1,356,007</u>
<u>\$ 15,153</u>	<u>\$ 95,401</u>	<u>\$ 6,670</u>	<u>\$ 1,365,850</u>

WILSON COUNTY, TEXAS  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET (CONTINUED)  
SEPTEMBER 30, 2021

	53	59	62
	VOCA	Inmate Telephone	Community Economic
	Grant	Pre-payment	Development
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ -	\$ 72,207	\$ 3,816
Taxes Receivable, net	-	-	-
Other Receivables	-	-	-
Due From Other Funds	-	-	-
	<hr/>	<hr/>	<hr/>
<b>TOTAL ASSETS</b>	<u>\$ -</u>	<u>\$ 72,207</u>	<u>\$ 3,816</u>
 <b>LIABILITIES AND FUND BALANCE</b>			
<i>Liabilities:</i>			
Withdrawals in Excess of Deposits	\$ 59,480	\$ -	\$ -
Accounts Payable	-	-	-
Wages, Salaries & Benefits Payable	2,501	-	-
<i>Total Liabilities</i>	<u>61,981</u>	<u>-</u>	<u>-</u>
 <b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable Revenue - Property Taxes	-	-	-
<i>Total Deferred Inflows of Resources</i>	<u>-</u>	<u>-</u>	<u>-</u>
 <i>Fund Balance:</i>			
Restricted Fund Balance:			
General Administration	-	-	3,816
Judicial	-	-	-
Legal	-	-	-
Public Safety	-	72,207	-
Public Transportation	-	-	-
Tourism	-	-	-
Committed for:			
Culture and Recreation	-	-	-
Future Book Restoration	-	-	-
General Administration	-	-	-
Unassigned	(61,981)	-	-
<i>Total Fund Balance</i>	<u>(61,981)</u>	<u>72,207</u>	<u>3,816</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE</b>	<u>\$ -</u>	<u>\$ 72,207</u>	<u>\$ 3,816</u>



63 County Clerk Tech	64 Juvenile Case Management Fund	65 Seizure Holding Bank Account	72 Federal Seizure Fund	Subtotals
\$ 2,649	\$ 8,480	\$ 32,334	\$ 498	\$ 119,984
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 2,649</u>	<u>\$ 8,480</u>	<u>\$ 32,334</u>	<u>\$ 498</u>	<u>\$ 119,984</u>
\$ -	\$ -	\$ -	\$ -	\$ 59,480
-	-	235	-	235
-	-	-	-	2,501
-	-	235	-	62,216
-	-	-	-	-
-	-	-	-	-
2,649	-	-	-	6,465
-	-	-	-	-
-	-	-	-	-
-	8,480	32,099	498	113,284
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	(61,981)
<u>2,649</u>	<u>8,480</u>	<u>32,099</u>	<u>498</u>	<u>57,768</u>
<u>\$ 2,649</u>	<u>\$ 8,480</u>	<u>\$ 32,334</u>	<u>\$ 498</u>	<u>\$ 119,984</u>

WILSON COUNTY, TEXAS  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET (CONTINUED)  
SEPTEMBER 30, 2021

	<u>73</u>	<u>95</u>	<u>97</u>
	County Attorney Forfeiture	County Clerk Law Library	Civil Preparedness
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 7,377	\$ 75,439	\$ 608,602
Taxes Receivable, net	-	-	-
Other Receivables	-	-	-
Due from Other Funds	-	-	-
	<hr/>	<hr/>	<hr/>
<b>TOTAL ASSETS</b>	<b><u>\$ 7,377</u></b>	<b><u>\$ 75,439</u></b>	<b><u>\$ 608,602</u></b>
 <b>LIABILITIES AND FUND BALANCE</b>			
<i>Liabilities:</i>			
Withdrawals in Excess of Deposits	\$ -	\$ -	\$ -
Accounts Payable	-	-	-
Wages, Salaries & Benefits Payable	-	969	-
<i>Total Liabilities</i>	<hr/>	<hr/>	<hr/>
	-	969	-
 <b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable Revenue - Property Taxes	-	-	-
<i>Total Deferred Inflows of Resources</i>	<hr/>	<hr/>	<hr/>
	-	-	-
 <i>Fund Balance:</i>			
Restricted Fund Balance:			
General Administration	-	74,470	-
Judicial	-	-	-
Legal	7,377	-	-
Public Safety	-	-	608,602
Public Transportation	-	-	-
Tourism	-	-	-
Committed for:			
Culture and Recreation	-	-	-
Future Book Restoration	-	-	-
General Administration	-	-	-
Unassigned	-	-	-
<i>Total Fund Balance</i>	<hr/>	<hr/>	<hr/>
	7,377	74,470	608,602
<b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE</b>	<b><u>\$ 7,377</u></b>	<b><u>\$ 75,439</u></b>	<b><u>\$ 608,602</u></b>

<u>Subtotals</u>	<u>Total Nonmajor Funds</u>
\$ 691,418	\$ 2,517,903
-	29,829
-	-
-	313,991
\$ 691,418	\$ 2,861,723

\$ -	\$ 72,975
-	14,742
969	37,804
969	125,521

-	29,829
-	29,829

74,470	105,527
-	170,313
7,377	7,377
608,602	1,053,480
-	95,401
-	42,946
-	174,182
-	1,014,240
-	104,888
-	(61,981)
690,449	2,706,373

\$ 691,418	\$ 2,861,723
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WILSON COUNTY, TEXAS  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	13 Hotel Motel Tax	20 Lease Fund	25 Civil Criminal Fees	26 Courthouse Security
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Occupancy Taxes	75,334	-	-	-
Intergovernmental	-	6,589	-	-
Grants and Contributions	-	-	-	31,926
Fees of Office	-	-	-	-
Charges for Services	-	-	-	31,337
Investment Earnings	-	-	-	-
Miscellaneous	-	-	-	223,000
<b>TOTAL REVENUES</b>	<b>75,334</b>	<b>6,589</b>	<b>-</b>	<b>286,263</b>
<b>EXPENDITURES</b>				
General Administration	-	-	-	-
Records Management	-	-	-	-
Municipal Court	-	-	-	-
Public Safety	-	6,407	-	295,584
Culture & Recreation	-	-	-	-
Tourism	45,000	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>45,000</b>	<b>6,407</b>	<b>-</b>	<b>295,584</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>30,334</b>	<b>182</b>	<b>-</b>	<b>(9,321)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In (Out)	-	-	-	222,612
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>222,612</b>
<b>Net Change in Fund Balance</b>	<b>30,334</b>	<b>182</b>	<b>-</b>	<b>213,291</b>
Fund Balance at Beginning of Year	49,822	45,654	6,937	72,467
Fund Balance at End of Year	<b>\$ 80,156</b>	<b>\$ 45,836</b>	<b>\$ 6,937</b>	<b>\$ 285,758</b>

30	31	33	34	36	39	
VOCA Grant	CTCL Grant	Errors and Omissions Fund	Library Fund	Jury Fund	Subdivision Fund	Subtotals
\$ -	\$ -	\$ -	\$ 428,948	\$ -	\$ -	\$ 428,948
-	-	-	-	-	-	75,334
-	-	-	-	3,672	-	10,261
14,058	33,815	-	-	-	-	79,799
-	-	-	5,435	-	-	5,435
-	-	-	-	752	39,260	71,349
-	-	-	-	-	-	-
-	-	-	13,575	683	-	237,258
<u>14,058</u>	<u>33,815</u>	<u>-</u>	<u>447,958</u>	<u>5,107</u>	<u>39,260</u>	<u>908,384</u>
-	9,053	5,566	-	-	-	14,619
-	-	-	-	-	15,720	15,720
9,370	-	-	-	11,550	-	20,920
-	-	-	-	-	-	301,991
-	-	-	432,578	-	-	432,578
-	-	-	-	-	-	45,000
<u>9,370</u>	<u>9,053</u>	<u>5,566</u>	<u>432,578</u>	<u>11,550</u>	<u>15,720</u>	<u>830,828</u>
<u>4,688</u>	<u>24,762</u>	<u>(5,566)</u>	<u>15,380</u>	<u>(6,443)</u>	<u>23,540</u>	<u>77,556</u>
-	-	-	24,515	11,893	-	259,020
-	-	-	24,515	11,893	-	259,020
4,688	24,762	(5,566)	39,895	5,450	23,540	336,576
-	-	(1,541)	134,287	18,697	81,348	407,671
<u>\$ 4,688</u>	<u>\$ 24,762</u>	<u>\$ (7,107)</u>	<u>\$ 174,182</u>	<u>\$ 24,147</u>	<u>\$ 104,888</u>	<u>\$ 744,247</u>

WILSON COUNTY, TEXAS  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES (CONTINUED)  
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	40	43	44
	Recording Fees Fund	Pretrial Intervention	JP Technology
<b>REVENUES</b>			
Property Taxes	\$ -	\$ -	\$ -
Occupancy Taxes	-	-	-
Intergovernmental	-	-	10,862
Grants and Contributions	-	-	-
Fees of Office	-	-	-
Charges for Services	304,529	77,880	-
Investment Earnings	-	-	-
Miscellaneous	-	-	-
<b>TOTAL REVENUES</b>	<u>304,529</u>	<u>77,880</u>	<u>10,862</u>
<b>EXPENDITURES</b>			
General Administration	-	-	-
Records Management	65,428	-	-
Municipal Court	-	71,082	10,525
Public Safety	-	-	-
Culture & Recreation	-	-	-
Tourism	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>65,428</u>	<u>71,082</u>	<u>10,525</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>239,101</u>	<u>6,798</u>	<u>337</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers In (Out)	-	(40,583)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>(40,583)</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	239,101	(33,785)	337
Fund Balance at Beginning of Year	775,139	158,389	14,816
Fund Balance at End of Year	<u>\$ 1,014,240</u>	<u>\$ 124,604</u>	<u>\$ 15,153</u>

50	52	53	59	
County TIF	VAWA Grant	VOCA Grant	Inmate Telephone	Subtotals
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	10,862
-	97,496	42,362	-	139,858
-	-	-	-	-
-	-	-	-	382,409
-	-	-	-	-
-	-	-	20,840	20,840
-	97,496	42,362	20,840	553,969
-	-	-	-	-
-	-	-	-	65,428
-	141,136	49,970	-	272,713
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	141,136	49,970	-	338,141
-	(43,640)	(7,608)	20,840	215,828
-	50,435	-	-	9,852
-	50,435	-	-	9,852
-	6,795	(7,608)	20,840	225,680
95,401	(5,074)	(54,373)	51,367	1,035,665
<u>\$ 95,401</u>	<u>\$ 1,721</u>	<u>\$ (61,981)</u>	<u>\$ 72,207</u>	<u>\$ 1,261,345</u>

WILSON COUNTY, TEXAS  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES (CONTINUED)  
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	62 Community Economic Development	63 County Clerk Tech Fund	64 Juvenile Case Management	65 Seizure Holding Bank Account
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Occupancy Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Grants and Contributions	-	-	-	-
Fees of Office	-	-	-	963
Charges for Services	-	48	8,355	-
Investment Earnings	-	-	-	27
Miscellaneous	-	-	-	-
<b>TOTAL REVENUES</b>	<b>-</b>	<b>48</b>	<b>8,355</b>	<b>990</b>
<b>EXPENDITURES</b>				
General Administration	-	-	-	-
Records Management	-	-	-	-
Municipal Court	-	-	-	-
Public Safety	-	-	-	11,512
Culture & Recreation	-	-	-	-
Tourism	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,512</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>-</b>	<b>48</b>	<b>8,355</b>	<b>(10,522)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In (Out)	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>-</b>	<b>48</b>	<b>8,355</b>	<b>(10,522)</b>
Fund Balance at Beginning of Year	3,816	2,601	125	42,621
Fund Balance at End of Year	<u>\$ 3,816</u>	<u>\$ 2,649</u>	<u>\$ 8,480</u>	<u>\$ 32,099</u>



72 Federal Seizure	73 County Attorney Forfeiture	95 Law Library Fund	97 Civil Preparedness	Subtotals	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 428,948
-	-	-	-	-	75,334
-	-	-	-	-	21,123
-	-	-	-	-	219,657
-	-	-	-	963	6,398
-	-	29,081	56,975	94,459	548,217
-	-	43	295	365	365
-	1,056	-	-	1,056	259,154
-	1,056	29,124	57,270	96,843	1,559,196
-	-	-	-	-	14,619
-	-	-	-	-	81,148
-	-	27,347	-	27,347	320,980
-	-	-	-	11,512	313,503
-	-	-	-	-	432,578
-	-	-	-	-	45,000
-	-	27,347	-	38,859	1,207,828
-	1,056	1,777	57,270	57,984	351,368
-	-	-	-	-	268,872
-	-	-	-	-	268,872
-	1,056	1,777	57,270	57,984	620,240
498	6,321	72,693	551,332	680,007	2,123,343
\$ 498	\$ 7,377	\$ 74,470	\$ 608,602	\$ 737,991	\$ 2,743,583

## COMPLIANCE SECTION



# Armstrong, Vaughan & Associates, P. C.

Certified Public Accountants

## 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*

### INDEPENDENT AUDITOR'S REPORT

The Honorable Judge and Members of Commissioners' Court  
Wilson County, Texas

We have audited, 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Wilson County, Texas, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Wilson County, Texas, basic financial statements and have issued our report thereon dated September 12, 2022.

#### ***Internal Control Over Financial Reporting***

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the city'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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

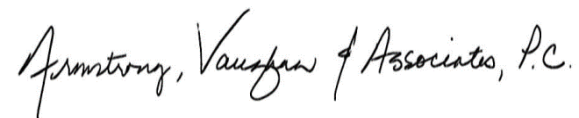
## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Wilson 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 a direct and material effect on the determination of the financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we have reported to management of the Wilson County, Texas in two separate letters dated September 12, 2022.

### Purpose of this Report

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



Armstrong, Vaughan & Associates, P.C.

September 12, 2022

