

SPECIAL MEETING – May 26, 2020

On this the 26th day of May 2020 at 9:00 A. M. the Honorable Commissioners Court of Blanco County convened in a SPECIAL MEETING at a regular meeting place thereof in the Courthouse in Johnson City with the following members to-wit:

BRETT BRAY	COUNTY JUDGE
TOMMY WEIR	COMMISSIONER PCT. 1
EMIL UECKER	COMMISSIONER PCT. 2
CHRIS LIESMANN	COMMISSIONER PCT. 3
PAUL GRANBERG	COMMISSIONER PCT. 4
LAURA WALLA	COUNTY CLERK

draft

ITEM 1 – Call to Order and Roll Call.

Judge Bray and all 4 County Commissioners announced present.

ITEM 2 – Pledge of Allegiance.

ITEM 3 – PUBLIC COMMENTS – Opportunity for the general public to address the Court on any matter. Comments are limited to 3 minutes.

ITEM 4 – Consider approval of minutes of prior Commissioners Court meeting(s). Vote on any action taken. (Judge Bray)

COMMISSIONER UECKER made the motion to dispense with the reading of the minutes and to accept the minutes as presented, seconded by Commissioner Weir. Judge Bray called for discussion and vote. JUDGE BRAY – YES.

COMMISSIONER WEIR – YES.

COMMISSIONER UECKER – YES.

COMMISSIONER LIESMANN – YES.

COMMISSIONER GRANBERG – YES. MOTION CARRIED. 5/0

ITEM 5 – Consider ratifying or approving line item transfers as presented. Vote on any action taken. (Judge Bray)

COMMISSIONER LIESMANN made the motion approving line item transfers as presented, seconded by Commissioner Granberg. Judge Bray called for discussion and vote.

JUDGE BRAY – YES.

COMMISSIONER WEIR – YES.

COMMISSIONER UECKER – YES.

COMMISSIONER LIESMANN – YES.

COMMISSIONER GRANBERG – YES. MOTION CARRIED. 5/0

ITEM 6 – Consider approval of the outstanding bills. Vote on any action taken. (Judge Bray)

COMMISSIONER LIESMANN made the motion to approve the outstanding bills in the amount of \$245,297.11, seconded by Commissioner Uecker. Judge Bray called for discussion and vote.

JUDGE BRAY – YES.

COMMISSIONER WEIR – YES.

COMMISSIONER UECKER – YES.

COMMISSIONER LIESMANN – YES.

COMMISSIONER GRANBERG – YES. MOTION CARRIED. 5/0

ITEM 7 – Consider approval of bond for Elections Administrator Robert Sense and for payment of said bond. Vote on any action taken. (Judge Bray)

COMMISSIONER WEIR made the motion to approve the bond for Elections Administrator Robert Sense and for payment of said bond, seconded by Commissioner Granberg. Judge Bray called for discussion and vote.

JUDGE BRAY – YES.

COMMISSIONER WEIR – YES.

COMMISSIONER UECKER – YES.

COMMISSIONER LIESMANN – YES.

COMMISSIONER GRANBERG – YES. MOTION CARRIED. 5/0

ITEM 8 – Consider approval of bond for Precinct 1 Commissioner Weir and for payment of said bond. Vote on any action taken. (Commissioner Weir)

COMMISSIONER LIESMANN made the motion approving the bond for Precinct 1 Commissioner Weir and for payment of said bond with the spelling correction of Weir, seconded by Commissioner Granberg.

Judge Bray called for discussion and vote.

JUDGE BRAY – YES.

COMMISSIONER WEIR – YES.

COMMISSIONER UECKER – YES.

COMMISSIONER LIESMANN – YES.

COMMISSIONER GRANBERG – YES. MOTION CARRIED. 5/0

ITEM 9 – Consider approval to re-plat lots 35 and 36 in the Ranches at Crabapple Creek subdivision. New lots to be known as lot 35R and Lot 36R. Vote on any action taken. (Commissioner Weir)

COMMISSIONER WEIR made the motion to approve the re-plat of lots 35 and 36 in the Ranches at Crabapple Creek subdivision with new lots to be known as lots 35R and lot 36R, seconded by Commissioner Granberg. Judge Bray called for discussion and vote.

JUDGE BRAY – YES.

COMMISSIONER WEIR – YES.

COMMISSIONER UECKER – YES.

COMMISSIONER LIESMANN – YES.

COMMISSIONER GRANBERG – YES. MOTION CARRIED. 5/0

ITEM 10 – Consider approval to re-plat lots 25 and 26 in the Lake of the Hills subdivision. New lot to be known as lot 25R. Vote on any action taken. (Commissioner Weir)

COMMISSIONER WEIR made the motion to approve the re-plat of lots 25 and 26 in the Lake of the Hills subdivision, new lot to be known as lot 25R, seconded by Commissioner Liesmann. Judge Bray called for discussion and vote.

JUDGE BRAY – YES.

COMMISSIONER WEIR – YES.

COMMISSIONER UECKER – YES.

COMMISSIONER LIESMANN – YES.

COMMISSIONER GRANBERG – YES. MOTION CARRIED. 5/0

ITEM 11 – Consider approval to re-plat lots 58 and 59 in Lake of the Hills subdivision. New lot to be known as lot 58R. Vote on any action taken. (Commissioner Weir)

COMMISSIONER WEIR made the motion approving the re-plat of lots 58 and 59 in Lake of the Hills subdivision, new lot to be known as lot 58R, seconded by Commissioner Uecker. Judge Bray called for discussion and vote.

JUDGE BRAY – YES.

COMMISSIONER WEIR – YES.

COMMISSIONER UECKER – YES.

COMMISSIONER LIESMANN – YES.

COMMISSIONER GRANBERG – YES. MOTION CARRIED. 5/0

ITEM 12 – Consider approval to re-plat lot 5 in the Circle N Ranchette subdivision. New lots to be known as lot 5A and lot 5B. Vote on any action taken. (Commissioner Uecker)

THIS ITEM PASSED AT THIS TIME.

ITEM 13 – Consider authorization for the County Judge to sign a resolution in support of the 2020 Help America Vote Act (HAVA) Cares Act Sub-Grant to Texas Counties. Vote on any action taken. (Judge Bray)

COMMISSIONER LIESMANN made the motion authorizing the County Judge to sign a resolution in support of the 2020 Help America Vote Act (HAVA) Cares Act Sub-Grant to Texas Counties, seconded by Commissioner Granberg. Judge Bray called for discussion and vote.

JUDGE BRAY – YES.

COMMISSIONER WEIR – YES.

COMMISSIONER UECKER – YES.

COMMISSIONER LIESMANN – YES.

COMMISSIONER GRANBERG – YES. MOTION CARRIED. 5/0

ITEM 14 – Consider authorization for the County Judge to sign the grant application for the 2020 Help America Vote Act (HAVA) Care Act Sub-Grant to Texas Counties and acknowledge the required matching amount of \$2,540.58. Vote on any action taken.

COMMISSIONER LIESMANN made the motion authorizing the County Judge to sign the grant application for the 2020 Help America Vote Act (HAVA) Care Act Sub-Grant to Texas Counties and acknowledge the required matching amount of \$2,540.58, seconded by Commissioner Uecker. Judge Bray called for discussion and vote.

JUDGE BRAY – YES.

COMMISSIONER WEIR – YES.

COMMISSIONER UECKER – YES.

COMMISSIONER LIESMANN – YES.

COMMISSIONER GRANBERG – YES. MOTION CARRIED. 5/0

ITEM 15 – Consider authorization for the County Judge to sign a resolution in support of the Coronavirus Relief and Economic Security (CARES) Act, including the Coronavirus Relief Fund (CRF) to provide potential grant assistance to Blanco County. Vote on any action taken. (Judge Bray)

COMMISSIONER LIESMANN made the motion authorizing the County Judge to sign a resolution in support of the Coronavirus Relief and Economic Security (CARES) Act, including the Coronavirus Relief Fund (CRF) to provide potential grant assistance to Blanco County, seconded by Commissioner Granberg. Judge Bray called for discussion and vote.

JUDGE BRAY – YES.
COMMISSIONER WEIR – YES.
COMMISSIONER UECKER – YES.
COMMISSIONER LIESMANN – YES.
COMMISSIONER GRANBERG – YES. MOTION CARRIED. 5/0

ITEM 16 – Consider authorization for the County Judge to sign a resolution to seek grant funding from the Federal Emergency Management Agency, Coronavirus (COVID-19) Category B: Emergency Protective Measures, to offset the expenses for equipment and expendable supplies purchased in response to the COVID-19 Pandemic. Vote on any action taken. (Judge Bray)

COMMISSIONER LIESMANN made the motion authorizing the County Judge to sign a resolution to seek grant funding from the Federal Emergency Management Agency, Coronavirus (COVID-19) Category B: Emergency Protective Measures, to offset the expenses for equipment and expendable supplies purchased in response to the COVID-19 Pandemic, seconded by Commissioner Weir. Judge Bray called for discussion and vote.

JUDGE BRAY – YES.
COMMISSIONER WEIR – YES.
COMMISSIONER UECKER – YES.
COMMISSIONER LIESMANN – YES.
COMMISSIONER GRANBERG – YES. MOTION CARRIED. 5/0

ITEM 17 – Consider and take action upon the approval, acceptance, affirmation and ratification of the Application submitted by the County for the purpose of securing grant funding under the County Transportation Infrastructure Fund program, including acceptance and approval of the following. The acts of the designated TxDOT County contacts for the purposes of preparing and submitting the Application.

The Road Reports, as the 2019 road condition reports required by Texas Transportation Code 215.005 and 215.008.

The County Transportation Infrastructure Fund Project List (Prioritized List)

Designation of a County Contact person and authorize the County Contact person to prepare and/or execute documents on behalf of the County in matters relating to and regarding the TxDOT CTIF Grant and Grant Program.

COMMISSIONER WEIR made the motion approving, accepting, affirming and ratifying the Application submitted by the County for the purpose of securing grant funding under the County Transportation Infrastructure Fund program, including acceptance and approval of the following.

The acts of the designated TxDOT County contacts for the purposes of preparing and submitting the Application.

The Road Reports, as the 2019 road condition reports required by Texas Transportation Code 215.005 and 215.008.

The County Transportation Infrastructure Fund Project List (Prioritized List)

Designation of a County Contact person and authorize the County Contact person to prepare and/or execute documents on behalf of the County in matters relating to and regarding the TxDOT CTIF Grant and Grant Program.

Seconded by Commissioner Uecker. Judge Bray called for discussion and vote.

JUDGE BRAY – YES.
COMMISSIONER WEIR – YES.

COMMISSIONER UECKER – YES.
COMMISSIONER LIESMANN – YES.
COMMISSIONER GRANBERG – YES. MOTION CARRIED.

ITEM 18 – Consider the approval to appoint a reserve investigator for the County Attorney office. Vote on any action taken. (Co. Attorney Earley)

COMMISSIONER WEIR made the motion approving the appointment of a reserve investigator for the County Attorney office, seconded by Commissioner Granberg. Judge Bray called for discussion and vote, JUDGE BRAY – YES.

COMMISSIONER WEIR – YES.
COMMISSIONER UECKER – YES.
COMMISSIONER LIESMANN – YES.
COMMISSIONER GRANBERG – YES. MOTION CARRIED.

ITEM 19 – Consider burn ban. Vote on any action taken. (Judge Bray)
THIS ITEM PASSED.

ITEM 20 – Adjourn.

COMMISSIONER UECKER made the motion to adjourn, seconded by Commissioner Granberg. Judge Bray called for discussion and vote.

JUDGE BRAY – YES.
COMMISSIONER WEIR – YES.
COMMISSIONER UECKER – YES.
COMMISSIONER LIESMANN – YES.
COMMISSIONER GRANBERG – YES. MOTION CARRIED.

Meeting adjourned at 9:30 a.m.

The above and foregoing minutes were examined and approved in Open Court this _____ day of June, 2020.

I, Laura Walla, County Clerk, Blanco County, Texas attest that the foregoing is a true and correct accounting of the Commissioner's Court authorized proceedings for May 26, 2020.


County Clerk and Ex-Officio Member of Commissioner's Court, Blanco County, Texas

BLANCO COUNTY MONTHLY ESTIMATED PAYROLL APPROVAL FORM

JUNE 2020

	#10 General Fund	#15 Road & Bridge Fund	#18 Courthouse Security	Total
Salaries	\$ 195,750.50	\$ 21,979.45		\$ 217,729.95
Soc/Med	\$ 14,974.91	\$ 1,681.43		\$ 16,656.34
Retirement	\$ 14,955.34	\$ 1,679.23		\$ 16,634.57
Insurance	\$ 48,752.32	\$ 5,220.00		\$ 53,972.32
Group Term Life	\$ 380.76	\$ 9.38		\$ 390.14
Total	\$ 274,813.83	\$ 30,569.49		\$ 305,383.32
TOTAL PAYROLL TO BE APPROVED				
				\$ 305,383.32

County Treasurer



Date 6-5-2020

County Judge

Date _____

Commissioner Pct 1

Date _____

Commissioner Pct 2

Date _____

Commissioner Pct 3

Date _____

Commissioner Pct 4

Date _____

COPY

6-4320
Funds are
available.

BLANCO COUNTY
EST FOR A LINE-ITEM TRANSFER

DATE: May 20, 2020

TO: HONORABLE COMMISSIONERS COURT OF BLANCO COUNTY, TEXAS

FROM: Deborah Earley

DEPARTMENT County Attorney

I SUBMIT TO YOU FOR YOUR CONSIDERATION, THE FOLLOWING LINE ITEM TRANSFERS:

FUND	LINE ITEM DESCRIPTION	LINE ITEM #	AMOUNT
FROM: <u>General</u>	<u>Books/Research</u>	<u>10-415-400</u>	<u>\$10.00</u>
TO: <u>General</u>	<u>Dues</u>	<u>10-415-330</u>	<u>\$10.00</u>

Reason for request:
Request for State Bar Dues was incorrect
when purchase order was submitted.

Note: This change is the budget for county purposes is in accordance with 111.011
Changes in Budget for County Purposes" of the Local Government Code.

Deborah Earley
Department Head Signature

Attest: County Clerk
(if Commissioners' Court Action)

Brett B...
Co Judge/Commissioners' Court Approval
(as needed)

6-4-20
Funds are
available.

5

BLANCO COUNTY

REQUEST FOR A LINE-ITEM TRANSFER

DATE: 6-3-20

TO: HONORABLE COMMISSIONERS COURT OF BLANCO COUNTY, TEXAS

FROM: Chris Liesman

DEPARTMENT R&B Pat #3

I SUBMIT TO YOU FOR YOUR CONSIDERATION, THE FOLLOWING LINE ITEM TRANSFERS:

FUND	LINE ITEM DESCRIPTION	LINE ITEM #	AMOUNT
FROM: <u>R&B</u>	<u>Fuel</u>	<u>15-560-312</u>	<u>10,000</u>
TO: <u>R&B</u>	<u>Road Materials</u>	<u>15-560-318</u>	<u>10,000</u>

Reason for request:

Need more material to patch roads

Note: This change is the budget for county purposes is in accordance with "111.011 Changes in Budget for County Purposes" of the Local Government Code.

[Signature]
Department Head Signature

Attest: County Clerk
(if Commissioners' Court Action)

[Signature]
Co Judge/Commissioners' Court Approval
(as needed)

Blanco County Commissioners' Court

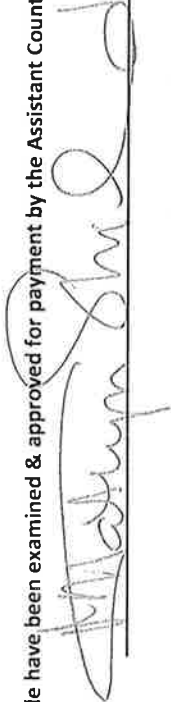
June 9, 2020

Invoice File Listing By Fund

Fund	Description	Disbursement
010	General Fund	\$ 40,854.15
015	Road & Bridge Fund	\$ 14,847.68
017	Records Management Clerk	\$ 87.95
Total		\$ 55,789.78

The attached list of Claims Payable have been examined & approved for payment by the Assistant County Auditor as provided by the Texas LGC 113.064 & 113.065

Attest Asst. County Auditor:



Date

6/4/2020

The attached list of Claims Payable have been examined & approved for payment by the Commissioners' Court as provided by the Texas LGC 115.021 & 115.022

County Judge

Date

Commissioner Pct 1

Commissioner Pct 3

Commissioner Pct 2

Commissioner Pct 4

DEPARTMENT					
NAME-OF-VENDOR	INVOICE-NO	S	DESCRIPTION-OF-INVOICE	AMOUNT	
0411-ELECTIONS ADMINISTRATOR					
CARD SERVICE CENTER	73071	A	4707 1205 3610 0310 SWIFT	69.32	
DEPARTMENT TOTAL				69.32	
0412-DISTRICT CLERK					
CARD SERVICE CENTER	73058	A	4707 1205 3610 0351 ELSBURY	263.99	
DEBBY ELSBURY	73014	A	REIMBURSEMENT	272.48	
DEPARTMENT TOTAL				536.47	
0415-COUNTY ATTORNEY					
DEBORAH EARLEY	73015	A	REIMBURSEMENT	240.00	
KIMBERLY AYERS	73024	A	REIMBURSEMENT	240.00	
DEPARTMENT TOTAL				480.00	
0420-TAX ASSESSOR/COLLECTOR					
POSTMASTER/BOX RENT	73048	A	BOX RENTAL #465	94.00	
DEPARTMENT TOTAL				94.00	
0425-COUNTY SHERIFF					
A T & T MOBILITY	72968	A	ACCT #287289997662 LEC	40.83	
AUTO CHLOR SERVICES, LLC	72970	A	INV #6305688 LEC	187.90	
BAYLOR SCOTT WHITE	72947	A	PATIENT #ABC123	229.69	
BLANCO COUNTY TAX ASSESSOR-COLLECT	73009	A	LICENSE TAG #1199673 LEC	7.50	
CARD SERVICE CENTER	73063	A	4707 1205 3610 0542 JACKSON	41.95	
CARD SERVICE CENTER	73064	A	4707 1205 3610 0542 JACKSON	14.00	
CARD SERVICE CENTER	73065	A	4707 1205 3610 0310 SWIFT	251.97	
CARD SERVICE CENTER	73066	A	4707 1205 3610 0310 SWIFT	772.80	
CARD SERVICE CENTER	73067	A	4707 1205 3610 0310 SWIFT	82.98	
CARD SERVICE CENTER	73068	A	4707 1205 3610 0310 SWIFT	270.61	
CARD SERVICE CENTER	73069	A	4707 1205 3610 0310 SWIFT	478.72	
CHARM-TEX, INC	73012	A	INV#0220649-IN LEC	55.90	
CITY OF JOHNSON CITY	72989	A	ACCT #1316 LEC LOW	745.99	
CITY OF JOHNSON CITY	72990	A	ACCT #1317 LEC HIGH	37.37	
CITY OF JOHNSON CITY	72991	A	ACCT #1255 LEC	373.89	
CRENWELGE MOTOR SALES, INC	73013	A	INV#82015 LEC	81.98	
DELL MARKETING L.P.	73016	A	INV#10394099548 LEC	1,042.39	
EXPRESS AUTOMOTIVE SERVICE	73018	A	INV#3759065 LEC	52.53	
EXPRESS AUTOMOTIVE SERVICE	73019	A	INV#375904 LEC	72.99	
FUELMAN	73080	A	FUEL - LEC	3,760.70	
JOHNSON CITY HYDRO GAS	72994	A	ACCT #2570 LEC	540.00	
LSQ GROUP HOLDINGS, LLC	73027	A	INV#3078 LEC	2,697.13	
OFFICESUPPLY.COM	73033	A	INV#38904958 LEC	26.34	
OFFICESUPPLY.COM	73034	A	INV#38904958 LEC	85.08	
OFFICESUPPLY.COM	73035	A	INV#3877539 LEC	70.00	
OFFICESUPPLY.COM	73036	A	INV#3877539 LEC	51.04	
PERFORMANCE FOOD SERVICE	73038	A	INV#9898973 LEC	272.12	
PERFORMANCE FOOD SERVICE	73039	A	INV#9898973 LEC	75.60	
PERFORMANCE FOOD SERVICE	73040	A	INV#9903267 LEC	241.57	
PERFORMANCE FOOD SERVICE	73041	A	INV#9909889 LEC	474.52	
PETERSON TIRE	73042	A	INV#JC32771 LEC	40.00	
PETERSON TIRE	73043	A	INV#JC32780 LEC	99.98	
PETERSON TIRE	73044	A	INV#BL40060 LEC	7.00	
POLICE & SHERIFFS PRESS	73047	A	INV#133821 LEC	17.55	
STANLEY CONVERGENT SECURITY SOLUTIO	72963	A	INV #17401061 LEC	1,230.00	
STANLEY CONVERGENT SECURITY SOLUTIO	72964	A	INV #17448940 LEC	1,230.00	
STANLEY CONVERGENT SECURITY SOLUTIO	72965	A	INV #17401062 LEC	1,230.00	
STEVEN A LOGSDON	73049	A	PRE-EMPLOYMENT EXAMS - AGOLD, A	175.00	

DEPARTMENT

NAME-OF-VENDOR	INVOICE-NO	S	DESCRIPTION-OF-INVOICE	AMOUNT
TEXAS A&M ENGINEERING EXT SRV	73051	A	INV#JH7263852 LEC	275.00
VERIZON WIRELESS	72969	A	ACCT #642256328-0001 LEC	673.31
DEPARTMENT TOTAL				16,113.93
0432-COUNTY AUDITOR				
VERIZON WIRELESS	72967	A	ACCT #242014685-00001 AUDITOR	21.12
DEPARTMENT TOTAL				21.12
0435-INDIGENT HEALTH CARE				
BAYLOR SCOTT WHITE	72946	A	PATIENT #570434691	42.11
BAYLOR SCOTT WHITE	72980	A	PATIENT #627400536	55.37
BAYLOR SCOTT WHITE	72981	A	PATIENT #570434691	42.11
BAYLOR SCOTT WHITE	72982	A	PATIENT #570434691	75.31
BLANCO PHARMACY & WELLNESS	72983	A	ACCT #113	1,066.24
QUEST DIAGNOSTIC	72956	A	PATIENT #004082020	101.83
QUEST DIAGNOSTIC	72957	A	PATIENT #004082020	18.82
SCOTT & WHITE HOSPITAL	72960	A	PATIENT #627400536	114.80
SCOTT & WHITE HOSPITAL	72961	A	PATIENT #570434691	827.84
SCOTT & WHITE HOSPITAL	72962	A	PATIENT #570434691	28.87
SCOTT & WHITE HOSPITAL	72995	A	PATIENT #PH9461418370	33.27
SCOTT & WHITE HOSPITAL	72996	A	PATIENT #PH9461033390	6.42
SCOTT & WHITE HOSPITAL	72997	A	PATIENT #PH9461033400	6.95
DEPARTMENT TOTAL				2,419.94
0440-COUNTY EXTENSION AGENCY				
TEAFCS STATE CONFERENCE TREAS	73050	A	INV#2020043 AG EXT	225.00
DEPARTMENT TOTAL				225.00
0445-EMERGENCY MANAGEMENT				
CARD SERVICE CENTER	73060	A	4707 1205 3610 0385 LIESMANN	697.52
CARD SERVICE CENTER	73062	A	4707 1205 3610 0385 LIESMANN	42.18
SOUTHWEST COMMUNICATIONS TECHNICIAN	73072	A	INV#15061 ER MGMT	47.00
DEPARTMENT TOTAL				786.70
0450-JUDICIAL EXPENSES				
33RD & 424TH JUDICIAL DISTRICTS CSC	72945	A	APRIL 2020	265.26
ANNE B. LITTLE, PLLC	72971	A	33RD CAUSE #CV-08481	150.00
ANNE B. LITTLE, PLLC	72972	A	33RD CAUSE #CV-08771	240.00
CROFTS - CROW FUNERAL HOME	72992	A	TRANSPORT NIGHTINGALE	350.00
CROFTS - CROW FUNERAL HOME	72993	A	TRANSPORT KHABELE	350.00
NINA S WILLIS	72951	A	SALDANA-LOPEZ	375.00
NINA S WILLIS	72974	A	CASE #CR01587	375.00
ROBERT J. FALKENBERG	72975	A	424TH CV 08536	907.50
ROBERT J. FALKENBERG	72976	A	424TH CV 08620	277.50
ROBERT J. FALKENBERG	72977	A	33RD CV08771	307.50
ROBERT J. FALKENBERG	72978	A	33RD CV08481	202.50
DEPARTMENT TOTAL				3,800.26
0455-COMMUNITY SERVICES				
PAT DILDINE	72953	A	REIMBURSE FOR HISTORICAL COMMISSION	225.90
TEXAS WILDLIFE DAMAGE MGMT FUND	72998	A	MAY BILLING	2,400.00
DEPARTMENT TOTAL				2,625.90
0500-COURTHOUSE EXPENSES				
BILL'S LOCK & KEY	73008	A	INV#21982 N ANNEX	455.00
BLANCO HEATING & COOLING	73011	A	INV#WO-037504 S ANNEX	435.27
CARD SERVICE CENTER	73057	A	4707 1205 3610 0344 BLANCO COUNTY	12.15

DEPARTMENT

NAME-OF-VENDOR	INVOICE-NO	S	DESCRIPTION-OF-INVOICE	AMOUNT
CARD SERVICE CENTER	73070	A	4707 1205 3610 0310 SWIFT	140.02
CITY OF BLANCO	72948	A	ACCT #16 SOUTH ANNEX	82.27
CITY OF JOHNSON CITY	72984	A	ACCT #1186 ANNEX	77.13
CITY OF JOHNSON CITY	72985	A	ACCT #95 OLD JAIL	75.19
CITY OF JOHNSON CITY	72986	A	ACCT #73 COURTHOUSE	183.11
CITY OF JOHNSON CITY	72987	A	ACCT #1187 ANNEX	37.37
CITY OF JOHNSON CITY	72988	A	ACCT #1089 PCT 2	75.19
EMIL KARL PROHL	72973	A	CAUSE #CV08705 MEDIATION	525.00
GRAVES HUMPHRIES, STAHL, LIMITED	72949	A	REPORT #COL005 JP 1	735.76
GRAVES HUMPHRIES, STAHL, LIMITED	73000	A	REPORT #COL005 JP 4	525.54
HILL COUNTRY IT	72979	A	INV #468	4,238.50
JOHNSON CITY PUBLICATIONS LP	73073	A	paving bids for Pct 3 & 4	123.75
LIESMANN MOWING	73025	A	INV#30084578 CH, N ANNEX, JAIL	275.00
LIESMANN MOWING	73026	A	INV#30084577 LEC	200.00
MOURSUND INSURANCE AGENCY	72950	A	INV #20821 SENSE	70.00
ODIORNE FEED/RANCH SUPPLY INC	73032	A	INV#160888 CH	7.50
PURCHASE POWER	72954	A	ACCT #8000-9090-0697-9400	500.00
SATIVA'S KLEAN GETAWAY LLC	72958	A	INV #1116 SOUTH ANNEX	150.00
SATIVA'S KLEAN GETAWAY LLC	72959	A	INV #1116	625.00
THYSSENKRUPP ELEVATOR CORPORATION	72966	A	INV #3005299315	285.76
TIME WARNER CABLE	72999	A	ACCT #0144415052620	580.00
WASTEWATER TRANSPORT SERVICES	73055	A	INV#11105597 LEC	570.00
DEPARTMENT TOTAL				10,984.51
0515-JUSTICE OF THE PEACE PCT #1				
NORTHEAST TEXAS DATA CORP.	72952	A	REPORT #CAS017 JP 1	22.00
DEPARTMENT TOTAL				22.00
0520-JUSTICE OF THE PEACE #4				
CARD SERVICE CENTER	73059	A	4707 1205 3610 0401 RILEY	204.41
NORTHEAST TEXAS DATA CORP.	73001	A	REPORT #CAS017 JP 4	32.00
DEPARTMENT TOTAL				236.41
0525-CONSTABLE PCT #1				
FUELMAN	73074	A	FUEL - CONSTABLE 1	224.00
PATRICK FISHER	73037	A	REIMBURSEMENT	60.00
YOUNGBLOOD AUTOMOTIVE & TIRE, INC	73056	A	INV#280377 CONST PCT 1	55.92
DEPARTMENT TOTAL				339.92
0530-CONSTABLE PCT #4				
EXPRESS AUTOMOTIVE SERVICE	73017	A	INV#3759107 CONST 4	49.53
FUELMAN	73075	A	FUEL - CONSTABLE 4	31.76
DEPARTMENT TOTAL				81.29
0585-COUNTY INSPECTOR				
FUELMAN	73076	A	FUEL - INSPECTOR	17.38
DEPARTMENT TOTAL				17.38
FUND TOTAL				40,854.15

DEPARTMENT

NAME-OF-VENDOR	INVOICE-NO	S	DESCRIPTION-OF-INVOICE	AMOUNT
0540-R&B PCT #1				
ARMADILLO MATERIALS LLC	73002	A	INV#0006642-IN PCT 1	790.67
ARMADILLO MATERIALS LLC	73003	A	INV#0006980-IN PCT 1	280.67
ARMADILLO MATERIALS LLC	73004	A	INV#0006981-IN PCT 1	720.97
ARMADILLO MATERIALS LLC	73005	A	INV#0006982-IN PCT 1	435.71
BLANCO COUNTY TAX ASSESSOR-COLLECT	73010	A	LICENSE TAG #1077821 PCT 1	7.50
FUELMAN	73077	A	FUEL PCT 1	570.35
KIRK FELPS	73020	A	INV#79776 PCT 1	122.98
KIRK FELPS	73021	A	INV#79802 PCT 1	3.95
KIRK FELPS	73022	A	INV#79805 PCT 1	3.95
KIRK FELPS	73023	A	INV#79846 PCT 1	10.99
MOBLEY WELDING SERVICE	73028	A	WELDING PCT 1 DOS 3/11/20	23.00
MOBLEY WELDING SERVICE	73029	A	WELDING PCT 1 DOS 050820	26.00
PETERSON TIRE	73045	A	INV#BL39977 PCT 1	75.00
PETERSON TIRE	73046	A	INV#BL39991 PCT 1	7.00
TONY MIRANDA	73052	A	INV#150113 PCT 1	150.30
WCR LAND SURVEYING LLC	73054	A	INV#2576 PCT 1	1,050.00
DEPARTMENT TOTAL				4,279.04
0550-R&B PCT #2				
ASPHALT PATCH ENT. INC.	73006	A	INV#392238 PCT 2	1,085.28
ASPHALT PATCH ENT. INC.	73007	A	INV#392238 PCT 2	2,170.56
FUELMAN	73078	A	FUEL - PCT 2	455.95
MOBLEY WELDING SERVICE	73031	A	WELDING PCT 2	846.00
DEPARTMENT TOTAL				4,557.79
0560-R&B PCT #3				
CARD SERVICE CENTER	73061	A	4707 1205 3610 0385 LIESMANN	52.53
VULCAN CONSTRUCTION MATERIALS, LP	73053	A	INV#62108572 PCT 3	5,049.50
DEPARTMENT TOTAL				5,102.03
0570-R&B PCT #4				
FUELMAN	73079	A	FUEL - PCT 4	858.82
MOBLEY WELDING SERVICE	73030	A	WELDING PCT 4 DOS 050420	50.00
DEPARTMENT TOTAL				908.82
FUND TOTAL				14,847.68

DEPARTMENT

NAME-OF-VENDOR	INVOICE-NO	S	DESCRIPTION-OF-INVOICE	AMOUNT
0400-RECORDS MANAGEMENT CLERK EXPENSES				
PPT	72955	A	INV #61666 CO CLERK	87.95
DEPARTMENT TOTAL				87.95
FUND TOTAL				87.95

DEPARTMENT

NAME-OF-VENDOR

INVOICE-NO

S

DESCRIPTION-OF-INVOICE

AMOUNT

GRAND TOTAL

55,789.78

BLANCO COUNTY, TEXAS

BASIC FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION

SEPTEMBER 30, 2019

BLANCO COUNTY, TEXAS
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2019

TABLE OF CONTENTS

<u>Exhibit</u>	<u>Page</u>
Independent Auditors' Report.....	1
Management's Discussion and Analysis.....	4
 <u>Basic Financial Statements</u>	
Government Wide Statements:	
A-1 Statement of Net Position	11
B-1 Statement of Activities.....	12
Governmental Fund Financial Statements:	
C-1 Balance Sheet	13
C-2 Reconciliation for C-1	15
C-3 Statement of Revenues, Expenditures and Changes in Fund Balance.....	16
C-4 Reconciliation for C-3.....	18
Fiduciary Funds:	
E-1 Statement of Fiduciary Net Position.....	19
E-2 Statement of Changes in Fiduciary Fund Net Position	20
Notes to the Financial Statements.....	21
 <u>Required Supplementary Information</u>	
G-1 Budgetary Comparison Schedule - General Fund.....	43
G-2 Budgetary Comparison Schedule - Road and Bridge Fund	44
G-3 Schedule of Changes in Net Pension Liability and Related Ratios	45
G-4 Schedule of Employer Contributions.....	47
Notes to the Schedule of Contributions.....	49
G-5 Schedule of Changes in the Total OPEB Liability and Related Ratios.....	50
Notes to the Schedule of Changes in the Total OPEB Liability and Related Ratios.....	51
 <u>Supplementary Information</u>	
H-1 Combining Balance Sheet - Nonmajor Governmental Funds	52
H-2 Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds.....	57
H-3 Statement of Changes in Assets and Liabilities - Agency Fund	62

NEFFENDORF & KNOPP, P.C.

Certified Public Accountants

P.O. BOX 874 · 736 S. WASHINGTON ST.

FREDERICKSBURG, TEXAS 78624-0874

(830) 997-3348

FAX: (830) 997-3333

Email: info@nkpcpa.com

MEMBER
AMERICAN INSTITUTE OF
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CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

Honorable Judge and County Commissioners
County of Blanco, Texas
Johnson City, TX 78636

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 Blanco County, Texas (the "County"), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 Blanco County, Texas, as of September 30, 2019, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 4 through 10), budgetary comparison information (pages 43 and 44) and the Schedule of Changes in Net Pension Liability and Related Ratios, the Schedule of Employer Contributions and the Schedule of Changes in the Total OPEB Liability and Related Ratios on pages 45-51 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures, to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

The combining nonmajor and fiduciary 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 combining nonmajor and fiduciary fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 2, 2020, on our consideration of Blanco 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 Blanco County's internal control over financial reporting and compliance.



NEFFENDORF & KNOPP, P.C.
Fredericksburg, Texas

June 2, 2020

BLANCO COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED SEPTEMBER 30, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Blanco County, Texas, we offer readers of the County's financial statements this narrative overview and analysis of the financial statements of the County for the year ended September 30, 2019. Please read it in conjunction with the independent auditors' report on page 1, and County's Basic Financial Statements which begin on page 11.

FINANCIAL HIGHLIGHTS

- The assets of the County exceeded its liabilities at the close of the most recent fiscal year by \$16,530,416 (net position). Of this amount, \$7,081,600 (unrestricted net position) may be used to meet the County's ongoing obligations to citizen's and creditors.
- The County's net position increased by \$1,951,734 as a result of this year's operations.
- At September 30, 2019, the County's governmental funds reported combined ending fund balances of \$7,584,942, an increase of \$1,766,457 in comparison with the prior year.
- At September 30, 2019, the unassigned fund balance of the general fund was \$6,483,045, or 110 percent of total general fund expenditures.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The government-wide financial statements include the Statement of Net Position and the Statement of Activities (on pages 11 and 12). These provide information about the activities of the County as a whole and present a longer-term view of the County's property and debt obligations and other financial matters. They reflect the flow of total economic resources in a manner similar to the financial reports of a business enterprise.

Fund financial statements (on pages 13 & 16) report the County's operations in more detail than the government-wide statements by providing information about the County's most significant funds. For governmental activities, these statements tell how services were financed in the short term as well as what resources remain for future spending. They reflect the flow of current financial resources, and supply the basis for tax levies and the appropriations budget. The remaining statements, fiduciary statements, provide financial information about activities for which the County acts solely as a trustee or agent for the benefit of those outside of the County.

The notes to the financial statements (starting on page 21) provide narrative explanations or additional data needed for full disclosure in the government-wide statements or the fund financial statements.

The Budgetary Comparison Schedules (operating fund), the Schedule of Changes in Net Pension Liability and Related Ratios, the Schedule of Employer Contributions and the Schedule of Changes in the Total OPEB Liability and Related Ratios are presented as required supplementary information on pages 43-51. The combining statements (starting on page 52) for nonmajor funds contain even more information about the County's individual funds.

Reporting the County as a Whole

The Statement of Net Position and the Statement of Activities

The analysis of the County's overall financial condition and operations begins on page 11. Its primary purpose is to show whether the County is better off or worse off as a result of the year's activities. The Statement of Net Position includes all the County's assets and liabilities at the end of the year while the Statement of Activities includes all the revenues and expenses generated by the County's operations during the year. These apply the accrual basis of accounting which is the basis used by private sector companies.

All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. The County's revenues are divided into those provided by outside parties who pay for the costs of some programs and grants provided by the outside parties and agencies (program revenues), and revenues provided by the taxpayers or other unrestricted sources (general revenues). All the County's assets are reported whether they serve the current year or future years. Liabilities are considered regardless of whether they must be paid in the current or future years.

These two statements report the County's net position and changes in them. The County's net position (the difference between assets and liabilities) provide one measure of the County's financial health, or financial position. Over time, increases or decreases in the County's net position are one indicator of whether its financial health is improving or deteriorating. To fully assess the overall health of the County, however, you should consider other factors as well, such as changes in the County's customers or its property tax base and the condition of the County's facilities.

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

➤ Governmental activity - Most of the County's basic services are reported here, including the public safety, roads and bridges, justice system, juvenile services, health and human services, culture and recreation, conservation and development and administration. Property taxes, grants, user charges, sales tax and other tax finance most of these activities.

Reporting the County's Most Significant Funds

Fund Financial Statements

The fund financial statements on pages 13 & 16 provide detailed information about the most significant funds - not the County as a whole. Laws and contracts require the County to establish some funds, such as grants received from a government agency. The County's administration establishes many other funds to help it control and manage money for particular purposes.

➤ Governmental funds - Most of the County's basic services are reported in governmental funds. These use modified accrual accounting (a method that measures the receipt and disbursement of cash and all other financial assets that can be readily converted to cash) and report balances that are available for future spending. The governmental fund statements provide a detailed short-term view of the County's general operations and the basic services it provides. We describe the differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation schedules following each of the fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Our analysis focuses on the net position (Table I) and changes in net position (Table II) of the County's governmental activities.

Net position of the County's governmental activities increased from \$14,578,682 to \$16,530,416. Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements - was \$7,081,600 at September 30, 2019. This increase in governmental net position was the result of three factors. First, the County's revenues exceeded the expenditures by \$1,766,457. Second, the County retired long-term debt in the amount of \$705,976 and issued a capital lease in the amount of \$319,294 and third, the County acquired capital assets in the amount of \$631,467 and recorded depreciation in the amount of \$712,970.

Table I
Blanco County, Texas

NET POSITION in thousands

	Governmental Activities	
	2019	2018
Current and Other Assets	\$ 8,121	\$ 6,371
Capital Assets	14,503	14,584
Total Assets	\$ 22,624	\$ 20,955
Deferred Outflow of Resources	\$ 1,455	\$ 1,303
Long-Term Liabilities	\$ 6,357	\$ 6,164
Other Liabilities	1,099	946
Total Liabilities	\$ 7,456	\$ 7,110
Deferred Inflow of Resources	\$ 92	\$ 569
Net Position:		
Invested in Capital Assets		
Net of Related Debt	\$ 8,347	\$ 8,042
Restricted	1,102	1,475
Unrestricted	7,081	5,062
Total Net Position	\$ 16,530	\$ 14,579

Table II
Blanco County, Texas

CHANGES IN NET POSITION
in thousands

	Governmental Activities	
	2019	2018
Revenues:		
Charges for Services	\$ 1,315	\$ 1,207
Property Taxes	6,172	5,634
Sales Tax	761	647
Other Taxes	33	36
Penalty and Interest	62	54
Investment Earnings	79	51
Miscellaneous	479	191
Grants	127	189
Total Revenue	\$ 9,028	\$ 8,009
Expenses:		
Judicial	\$	\$ 1
Financial Administration	214	195
Public Safety	2,635	2,372
General Administration	879	773
Tax Administration	340	372
Facilities Management	239	204
Roads and Bridges	709	695
Sanitation	112	99
Justice System	1,373	1,342
Juvenile Services	61	59
Health and Human Services	140	115
Conservation and Development	123	135
Culture and Recreation	7	12
Debt Service	245	289
Total Expenses	\$ 7,077	\$ 6,663
Increase in Net Position	\$ 1,951	\$ 1,346
Net Position - Beginning of Year	14,579	13,403
Prior Period Adjustment		(170)
Net Position - End of Year	\$ 16,530	\$ 14,579

The cost of all governmental activities this year was \$7,076,301. However, as shown in the Statement of Activities on page 12, the amount that our taxpayers ultimately financed for these activities through County taxes was only \$6,172,180 because the other costs were paid by sales tax (\$761,431), operating grants and capital grants (\$125,702), user charges (\$1,315,270), investment earnings (\$78,927) and other miscellaneous (\$479,116).

THE COUNTY'S FUNDS

As the County completed the year, its governmental funds (as presented in the balance sheet on page 14) reported a combined fund balance of \$7,584,942, which is more than last year's total of \$5,818,485. Included in this year's total change in fund balance is an increase of \$2,206,663 in the County's General Fund.

The Commissioner's Court adopted the General Fund Budget and Road and Bridge Fund Budgets. Actual expenditures in the General Fund and Road and Bridge Fund were less than the budgeted amounts. Actual revenues in the General Fund budget and the Road and Bridge Fund were more than budgeted amounts.

CAPITAL ASSET AND DEBT ADMINISTRATION

At the end of 2019, the County had \$23,565,344 invested in a broad range of capital assets, including land, buildings, vehicles and equipment and other improvements. This amount represents a net increase of \$481,467, or 2.0 percent, more than last year.

CAPITAL ASSETS in thousands

	Governmental Activities	
	2019	2018
Land	\$ 1,300	\$ 1,300
Buildings	11,566	11,686
Improvements	5,037	4,884
Machinery & Equipment	4,781	4,502
Vehicles	881	712
Total Capital Assets	\$ 23,565	\$ 23,084
Accumulated Depreciation	9,062	8,500
Capital Assets, Net	<u>\$ 14,503</u>	<u>\$ 14,584</u>

This year's major additions included:

Precinct 2 Shed	\$	18,400
Precinct Paving Projects		134,066
Carports for South Pcts		11,655
Carpet for the Courthouse		19,043
Vehicles and Equipment		<u>448,303</u>
 TOTAL	\$	<u><u>631,467</u></u>

More detailed information about the County's capital assets is presented in Note 3.D. to the financial statements.

DEBT

At September 30, 2019, the County had the following outstanding debt:

OUTSTANDING DEBT
in thousands

	Governmental Activities	
	<u>2019</u>	<u>2018</u>
Refunding Bonds	\$ 3,945	\$ 3,960
Certificates of Obligation	1,095	1,495
Limited Tax Note	710	840
Capital Lease	158	
Total Outstanding Debt	<u>\$ 5,908</u>	<u>\$ 6,295</u>

At year-end the County had \$5,908,318 in certificates of obligation, refunding bonds, Limited Tax Notes and Capital Leases outstanding, a decrease in total debt of \$386,682 from the previous year.

More detailed information about the County's long-term liabilities is presented in Note 3. F, G, H and I to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The County's elected and appointed officials considered many factors when setting the fiscal-year 2020 budget and tax rates. The major factors are the economy and property tax valuations. These indicators were taken into account when adopting the General Fund and Road and Bridge Fund budgets for 2020. Amounts available for appropriation in the General Fund budget are \$7,577,586 and expenditures are estimated to be \$8,340,613. Estimated revenues for the Road and Bridge Fund are \$993,770 (including transfer from the general fund of \$457,770) and expenditures are estimated to be \$994,354.

If these estimates are realized, the County's budgetary General Fund balance will decrease by \$763,027 and the Road and Bridge Fund balance will decrease by \$584 by the close of 2020.

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 show the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the County Judge's office, Johnson City, Texas.

BASIC FINANCIAL STATEMENTS

COUNTY OF BLANCO, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2019

EXHIBIT A-1

	Primary Government
	Governmental Activities
ASSETS	
Cash and Cash Equivalents	\$ 4,425,651
Investments - Current	3,361,394
Taxes Receivable, Net	163,679
Accounts Receivable, Net	95,578
Due from Other Funds	74,599
Capital Assets:	
Land Purchase and Improvements	1,299,789
Buildings, Net	7,719,800
Improvements other than Buildings, Net	3,657,153
Furniture and Equipment, Net	1,825,896
Total Assets	22,623,539
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Charge for Refunding	716,260
Deferred Outflow Related to Pension Plan	710,483
Deferred Outflow Related to OPEB	28,379
Total Deferred Outflows of Resources	1,455,122
LIABILITIES	
Accounts Payable	93,593
Wages and Salaries Payable	177,865
Intergovernmental Payable	49,218
Accrued Interest Payable	26,710
Unearned Revenues	28,333
Bonds Payable - Current	565,000
Capital Leases Payable - Current	158,318
Noncurrent Liabilities:	
Debt Payable - Noncurrent	5,432,401
Net Pension Liability	769,326
Net OPEB Liability	155,807
Total Liabilities	7,456,571
DEFERRED INFLOWS OF RESOURCES	
Deferred Inflow Related to Pension Plan	87,653
Deferred Inflow Related to OPEB	4,021
Total Deferred Inflows of Resources	91,674
NET POSITION	
Net Investment in Capital Assets	8,346,919
Restricted for:	
Restricted for Special Revenue	578,289
Restricted for Debt Service	523,608
Unrestricted	7,081,600
Total Net Position	\$ 16,530,416

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

COUNTY OF BLANCO, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2019

EXHIBIT B-1

	Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Primary Gov. Governmental Activities
Primary Government:				
GOVERNMENTAL ACTIVITIES:				
General Government	\$ 2,500	\$ -	\$ -	\$ (2,500)
Financial Administration	212,165	-	14,998	(197,167)
General Administration	876,193	-	-	(876,193)
Tax Administration	340,498	5,482	224	(334,792)
Facilities Management	238,877	-	-	(238,877)
Public Safety	2,634,973	205,538	624	(2,428,811)
Roads and Bridges	709,648	542,707	15,873	(151,068)
Sanitation	112,429	-	-	(112,429)
Justice System	1,373,194	561,543	90,347	(721,304)
Juvenile Services	60,782	-	-	(60,782)
Health and Human Services	140,462	-	-	(140,462)
Culture and Recreation	6,001	-	-	(6,001)
Conservation and Development	123,413	-	-	(123,413)
Interest on Debt	243,666	-	-	(243,666)
Fiscal Agent's Fees	1,500	-	-	(1,500)
TOTAL PRIMARY GOVERNMENT	\$ 7,076,301	\$ 1,315,270	\$ 122,066	(5,638,965)

General Revenues:

Taxes:

Property Taxes, Levied for General Purposes	5,616,684
Property Taxes, Levied for Debt Service	555,496
General Sales and Use Taxes	761,431
Other Taxes	33,004
Penalty and Interest on Taxes	62,405
Grants and Contributions	3,636
Miscellaneous Revenue	479,116
Investment Earnings	78,927
Total General Revenues	7,590,699

Change in Net Position	1,951,734
Net Position-- Beginning	14,578,682
Net Position - Ending	\$ 16,530,416

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

COUNTY OF BLANCO, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019

	General Fund	Road & Bridge Fund	Debt Service Fund
ASSETS			
Cash and Cash Equivalents	\$ 3,628,349	\$ 31,256	\$ 232,834
Investments - Current	3,361,394	-	-
Taxes Receivable	156,787	-	15,506
Allowance for Uncollectible Taxes (credit)	(7,839)	-	(775)
Accounts Receivable, Net	61,767	10,354	-
Due from Other Funds	74,600	-	290,774
Total Assets	\$ 7,275,058	\$ 41,610	\$ 538,339
LIABILITIES			
Accounts Payable	\$ 69,392	\$ 24,201	\$ -
Wages and Salaries Payable	163,819	14,046	-
Intergovernmental Payable	49,218	-	-
Due to Other Funds	319,706	-	-
Unearned Revenues	28,333	-	-
Total Liabilities	630,468	38,247	-
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue - Property Taxes	148,947	-	14,731
Total Deferred Inflows of Resources	148,947	-	14,731
FUND BALANCES			
Restricted Fund Balance:			
Restricted for Special Revenue	12,598	3,363	-
Retirement of Long-Term Debt	-	-	523,608
Unassigned Fund Balance	6,483,045	-	-
Total Fund Balances	6,495,643	3,363	523,608
Total Liabilities, Deferred Inflows & Fund Balances	\$ 7,275,058	\$ 41,610	\$ 538,339

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

Other Funds	Total Governmental Funds
\$ 533,212	\$ 4,425,651
-	3,361,394
-	172,293
-	(8,614)
185	72,306
28,931	394,305
\$ 562,328	\$ 8,417,335
\$ -	\$ 93,593
-	177,865
-	49,218
-	319,706
-	28,333
-	668,715
-	163,678
-	163,678
562,328	578,289
-	523,608
-	6,483,045
562,328	7,584,942
\$ 562,328	\$ 8,417,335

COUNTY OF BLANCO, TEXAS
 RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
 STATEMENT OF NET POSITION
 SEPTEMBER 30, 2019

EXHIBIT C-2

Total Fund Balances - Governmental Funds	\$	7,584,942
Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds. In addition, long-term liabilities, including bonds payable, are not due and payable in the current period, and, therefore are not reported as liabilities in the funds. The net effect of including the beginning balances for capital assets (net of depreciation) and long-term debt in the governmental activities is to increase net position.		8,800,858
Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of including the 2019 capital outlays and debt principal payments is to increase net position.		1,018,149
The County is required under GASB Statement No. 68 to report their net pension liability in the Government Wide Statement of Net Position. The items reported as a result of this requirement included a net pension liability of \$769,326, a Deferred Resource Outflow of \$710,483 and a Deferred Resource Inflow of \$87,653. The net effect of these was to decrease the ending net position by \$146,496.		(146,496)
The County is required under GASB Statement No. 75 to report their OPEB benefit plan through TCDRS. The requirement resulted in an OPEB liability of \$155,807, a Deferred Resource Outflow of \$28,379 and a Deferred Resource Inflow of \$4,021. The net effect of these was to decrease net position by \$131,449.		(131,449)
The 2019 depreciation expense increases accumulated depreciation. The net effect of the current year's depreciation is to decrease net position.		(712,970)
Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing deferred revenue as revenue, eliminating interfund transactions, and recognizing the liabilities associated with maturing long-term debt and interest. The net effect of these reclassifications and recognitions is to increase net position.		117,382
Net Position of Governmental Activities	\$	16,530,416

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

COUNTY OF BLANCO, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	General Fund	Road & Bridge Fund	Debt Service Fund
REVENUES:			
Taxes:			
Property Taxes	\$ 5,518,135	\$ -	\$ 609,870
General Sales and Use Taxes	761,431	-	-
Other Taxes	33,004	-	-
Penalty and Interest on Taxes	55,663	-	6,742
Licenses and Permits	68,468	479,722	-
Intergovernmental Revenue and Grants	106,192	15,873	-
Charges for Services	434,897	-	-
Fines	57,896	147,642	-
Investment Earnings	78,921	-	-
Rents and Royalties	25,800	-	-
Contributions & Donations from Private Sources	3,637	-	-
Other Revenue	101,765	-	-
Total Revenues	7,245,809	643,237	616,612
EXPENDITURES:			
Current:			
General Government	-	-	-
Financial Administration	186,943	-	-
General Administration	739,199	-	-
Tax Administration	300,974	-	-
Facilities Management	210,358	-	-
Public Safety	2,316,545	-	-
Public Works:			
Roads and Bridges	-	800,509	-
Sanitation	97,637	-	-
Justice System	1,198,037	-	-
Juvenile Services	53,652	-	-
Health and Welfare:			
Health and Human Services	116,484	-	-
Culture and Recreation	6,001	-	-
Conservation and Development	115,308	-	-
Debt Service:			
Principal on Debt	160,976	-	545,000
Interest on Debt	6,109	-	188,704
Fiscal Agent's Fees	-	-	1,500
Capital Outlay:			
Capital Outlay	403,792	-	-
Total Expenditures	5,912,015	800,509	735,204
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,333,794	(157,272)	(118,592)
OTHER FINANCING SOURCES (USES):			
Sale of Real and Personal Property	339,599	-	-
Proceeds from Capital Leases	319,294	-	-
Transfers In	552,357	-	351,426
Transfers Out	(352,124)	-	(492,462)
Insurance Recovery	13,743	-	-
Total Other Financing Sources (Uses)	872,869	-	(141,036)
Net Change in Fund Balances	2,206,663	(157,272)	(259,628)
Fund Balance - October 1 (Beginning)	4,288,980	160,635	783,236
Fund Balance - September 30 (Ending)	\$ 6,495,643	\$ 3,363	\$ 523,608

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

Other Funds	Total Governmental Funds
\$ -	\$ 6,128,005
-	761,431
-	33,004
-	62,405
-	548,190
-	122,065
126,646	561,543
-	205,538
-	78,921
-	25,800
-	3,637
-	101,765
<u>126,646</u>	<u>8,632,304</u>
2,500	2,500
-	186,943
33,032	772,231
-	300,974
-	210,358
18,790	2,335,335
-	800,509
-	97,637
12,786	1,210,823
-	53,652
23,648	140,132
-	6,001
-	115,308
-	705,976
-	194,813
-	1,500
-	403,792
<u>90,756</u>	<u>7,538,484</u>
<u>35,890</u>	<u>1,093,820</u>
-	339,599
-	319,294
698	904,481
(59,894)	(904,480)
-	13,743
<u>(59,196)</u>	<u>672,637</u>
<u>(23,306)</u>	<u>1,766,457</u>
<u>585,634</u>	<u>5,818,485</u>
<u>\$ 562,328</u>	<u>\$ 7,584,942</u>

COUNTY OF BLANCO, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2019

Total Net Change in Fund Balances - Governmental Funds	\$ 1,766,457
Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of removing the 2019 capital outlays and debt principal payments is to increase the change in net position.	1,018,149
The entries required by GASB Statement No. 68 did require that some expenses on B-1 be adjusted. The net effect on the change in net position on Exhibit B-1 is a decrease in net position.	(124,639)
The requirements of recording the OPEB liability under GASB Statement No. 75 resulted in an increase in net position.	31,917
Depreciation is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The net effect of the current year's depreciation is to decrease the change in net position.	(712,970)
Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing deferred revenue as revenue, adjusting current year revenue to show the revenue earned from the current year's tax levy, eliminating interfund transactions, and recognizing the liabilities associated with maturing long-term debt and interest. The net effect of these reclassifications and recognitions is to decrease the change in net position.	(27,180)
Change in Net Position of Governmental Activities	<u>\$ 1,951,734</u>

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

COUNTY OF BLANCO, TEXAS
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2019

EXHIBIT E-1

	Private Purpose Trust Fund	Agency Fund
ASSETS		
Cash and Cash Equivalents	\$ 119,532	\$ 1,100,385
Due from Other Governments	52,728	-
Total Assets	<u>172,260</u>	<u>\$ 1,100,385</u>
LIABILITIES		
Due to Other Funds	74,600	\$ -
Due to Others	-	1,100,385
Total Liabilities	<u>74,600</u>	<u>\$ 1,100,385</u>
NET POSITION		
Restricted for Schools	<u>97,660</u>	
Total Net Position	<u>\$ 97,660</u>	

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

COUNTY OF BLANCO, TEXAS
 STATEMENT OF CHANGES IN NET POSITION
 FIDUCIARY FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2019

EXHIBIT E-2

	Private Purpose Trust Fund
ADDITIONS:	
Investment Earnings	\$ 59
Rents and Royalties	11,500
Total Additions	11,559
DEDUCTIONS:	
Other Operating Costs	11,559
Total Deductions	11,559
Net Change in Fiduciary Net Position	-
Total Net Position - October 1 (Beginning)	97,660
Total Net Position - September 30 (Ending)	\$ 97,660

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

BLANCO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Blanco County have been prepared in accordance with Generally Accepted Accounting Principles (GAAP). GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board opinions issued on or before November 30, 1989, have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails.

1.A. FINANCIAL REPORTING ENTITY

The County is an independent unit and is managed by a governing body of elected officials. The accompanying financial statements present the County's primary government.

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 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. Based on the foregoing criteria, there were no component units identified that would require inclusion in this report.

1.B. BASIS OF PRESENTATION

Government-wide Financial Statements:

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

Fund Financial Statements:

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditure/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the County or meets the following criteria.

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditure/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The funds of the financial reporting entity are described below:

Governmental Funds

General Fund

The General Fund, the primary operating fund of the County, is always classified as a major fund. It is the basic fund of the County and covers all activities for which a separate fund has not been established.

Special Revenue Funds

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

Debt Service Funds

The Debt Service Fund accounts for the accumulation of financial resources for and the payment of principal and interest on general long-term debt of the County other than debt service payments made by enterprise funds. Ad valorem taxes are used for the payment of principal and interest on the County's debt.

Capital Projects Fund - To account for financial resources to be used for the acquisition and construction of major capital facilities.

Fiduciary Funds (Not included in government-wide statements)

Agency Funds

Agency funds account for assets held by the County in a purely custodial capacity. The reporting entity includes one agency fund. Since agency funds are custodial in nature (i.e., assets equal liabilities), they do not involve the measurement of results of operations.

Private Purpose Trust Funds

Private Purpose Trust Funds report trust arrangements under which principal and income benefit individuals, private organizations, or other governments. The reporting entity includes one private purpose trust fund.

Major and Nonmajor Funds

The funds are further classified as major or nonmajor. The major funds are as follows:

Major Fund	Brief Description
General	See above for description.
Debt Service Fund	See above for description.
Special Revenue Fund - Road & Bridge Fund	See above for description

Nonmajor funds consist of special revenue funds and are detailed in the Combining and Individual Fund Statements - Nonmajor Funds.

1.C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus as defined below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

- a. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. Agency and Permanent Trust Funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expense, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statement, governmental funds and agency funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized revenues when both "measurable and available." Measurable means knowing or being able to reasonably estimate the amount. Available means collectable within the current period or within 60 days after year end. Also under the modified accrual basis of accounting, expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported as expenditures in the year due.

1.D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

Cash and Cash Investments

For the purpose of the Statement of Net Position, "Cash and Cash Equivalents" includes demand deposit accounts and government investment pools. All amounts are considered available upon demand and are considered to be "cash equivalents."

Several funds may be invested in an investment account and each fund has an equity interest therein. Interest earned on the Investment of these monies is allocated based upon relative equity at month end.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances of uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. The major receivable balances for the governmental activities relate to property taxes and court fines and fees.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as property taxes, grants, and other intergovernmental revenues since they are usually both measurable and available. Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available.

Fixed Assets

Government-wide Statements

In the government-wide financial statements, fixed assets are accounted for as capital assets. All fixed assets are valued at historical cost, or estimated historical cost if actual is unavailable.

Donated assets are recorded at their estimated fair value at the date of donation.

Pursuant to GASB Statement Number 34, an extended period of deferral is available before the requirement to record and depreciate infrastructure assets (e.g., roads, bridges, and similar items) acquired before the implementation date becomes effective. Therefore, infrastructure assets acquired prior to October 1, 2002 have not yet been capitalized.

Depreciation of all exhaustible fixed assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings	25 - 50 years
Improvements	10 - 50 years
Machinery and Equipment	3 - 20 years
Infrastructure	25 - 50 years

Fund Financial Statements

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

Long-term Debt

All long term debt to be repaid from governmental resources are reported as liabilities in the government-wide statements. The long-term debt consists primarily of bond and note payables and capital lease transactions.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures.

Compensated Absences

Vacation and Sick Leave - Vacation and sick leave expenses are charged to operations when taken by the employees of the County. After one year of service an employee is entitled to two weeks of vacation. If the employee does not take the vacation within the year, they will lose the benefit. If an employee is terminated for any reason they will be entitled to payment for the vacation they have earned.

Fund Equity

Beginning with fiscal year end September 30, 2011, the County implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

- Non-spendable fund balance – amounts that are in non-spendable form (such as inventory and prepaids) or are required to be maintained intact.
- Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- Committed fund balance – amounts constrained to specific purposes by the County itself, using its highest level of decision-making authority (i.e. County Commissioners). To be reported as committed, amounts cannot be used for any other purpose unless the County takes the same highest level action to remove or change the constraint.
- Assigned fund balance – amounts the County intends to use for a specific purpose. Intent can be expressed by the County Commissioners or by an official or body to which the County Commissioners delegates the authority.
- Unassigned fund balance – amounts that are available for any purpose. Positive amounts are reported only in the general fund.

The County Commissioners establish (and modify or rescind) fund balance commitments by passage of a resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). Assigned fund balance is established by the County Commissioners through adoption or amendment of the budget as intended for specific purpose (such as the purchase of fixed assets, construction, debt service, or other purposes).

Pensions

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

Other Post-Employment Benefits (OPEB)

The fiduciary net position of the Texas County & District Retirement System Group Term Life Program (GTLP) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, and information about assets, liabilities and additions to/deductions from GTLP's fiduciary net position. 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.

Deferred Inflows of Resources and Deferred Outflows of Resources

Beginning with fiscal year end September 30, 2013, the County implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, as well as GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. Under GASB 63 amounts previously reported as deferred charges as a part of total assets have been reported in a separate section as deferred outflows of resources and amounts previously reported as a part of total liabilities have been reported in a separate section as deferred inflows of resources.

Fair Value Measurements

The County adopted GASB Statement No. 72, *Fair Value Measurement and Application*, which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction. Fair value accounting requires characterization of the inputs used to measure fair value into three-level fair value hierarchy as follows:

Level 1 inputs are based on unadjusted quoted market prices for identical assets or liabilities in an active market the entity has the ability to access.

Level 2 inputs are observable inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent from the entity.

Level 3 inputs are observable inputs that reflect the entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available.

There are three general valuation techniques that may be used to measure fair value:

Market approach – uses prices generated by market transactions involving identical or comparable assets or liabilities.

Cost approach – uses the amount that currently would be required to replace the service capacity of an asset (replacement costs).

Income approach – uses valuation techniques to convert future amounts to present amounts based on current market expectations.

Implementation of GASB Statement No. 75

The County adopted GASB Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The implementation of this standard replaces the requirements of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, and requires governments calculate and report the costs and obligations associated with OPEB in their basic financial statements. Employers are required to recognize OPEB amounts for all benefits provided through the plan which include the total OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense. The effect of the implementation of this standard on beginning net position is disclosed in Note 4.F. and the additional disclosures required by this standard is included in Note 4.B.

Net Position

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

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 disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual amounts could differ from those estimates.

1.E. REVENUES, EXPENDITURES AND EXPENSES

Property Taxes

The County contracted with the Blanco County Appraisal District for the appraisal of properties and collection of taxes. Property taxes are levied by October 1, in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1, of the year following the year in which imposed. On January 1, of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. For the 2018 tax roll, the total assessed valuation was \$1,626,375,978 and the taxes assessed amounted to \$6,205,701. The total tax rate was \$.3970 per \$100 valuation and allocated \$.3580 to the General Fund and \$.039 to the Debt Service Fund. The maximum tax levy allowed by State law for the above purposes is \$0.80 per \$100 valuation.

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

The County's temporary investments at September 30, 2019 are shown below:

<u>Name</u>	<u>Carrying Amount</u>	<u>Market Value</u>	<u>FDIC Coverage</u>	<u>Pledged Securities</u>
Texpool *	\$ 3,361,394	\$ 3,361,394	\$ -	\$ -

- * TexPool is a Local Government Investment Pool established in conformity with the Inter-local Cooperation Act, Chapter 791 of the Texas Government Code and the Public Investment Act, Chapter 2256 of the Code. TexPool is structured similar to money market mutual funds. Such funds allow shareholders the ability to deposit or withdraw funds on a daily basis. Interest rates are adjusted daily and the funds seek to maintain a constant net asset value of \$1.00, although this cannot be guaranteed. TexPool is rated AAAm and must maintain a weighted average maturity not to exceed 60 days.

At September 30, 2019, TexPool had a weighted average maturity of 34 days. The County considers the holdings in these funds to have a one day weighted average maturity. This is due to the fact that the share position can usually be redeemed each day at the discretion of the shareholder, short of a significant change in value. The State Comptroller oversees TexPool with a third party managing the daily operations of the pool under contract.

Policies Governing Deposits and Investments

In compliance with the **Public Funds Investment Act**, the County has adopted a deposit and investment policy. That policy does address the following risks:

Custodial Credit Risk - Deposits: This is the risk that in the event of bank failure, the County's deposits may not be returned to it. The County was not exposed to custodial credit risk since its deposits at year-end were covered by depository insurance or by pledged collateral held by the County's agent bank in the County's name.

Custodial Credit Risk - Investments: This is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investments are subject to custodial credit risk only if they are evidenced by securities that exist in physical or book entry form. Thus positions in external investment pools are not subject to custodial credit risk because they are not evidenced by securities that exist in physical or book entry form.

Other Credit Risk: There is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. To minimize credit risk, TexPool Investment Pool invests only in investments authorized under the Public Funds Investment Act. TexPool's portfolio has low market (credit) risk due to restrictions on weighted average maturity and maximum maturity of any one investment. At September 30, 2019, the County was not exposed to concentration of credit risk or foreign currency risk.

3.B. AD VALOREM TAXES RECEIVABLE

Ad Valorem taxes have been reported in the financial statements net of the allowance for uncollectible taxes. Ad Valorem taxes are prorated between maintenance, debt service, and special revenues based on rates adopted for the year of the levy. Allowances for uncollectible within the General, Debt Service and Special Revenue Funds are based upon historical experience in collecting property taxes. The County is prohibited from writing off real property taxes without specific authority from the Texas Legislature.

Ad Valorem tax payments, received throughout the year, are recognized as revenue in the year received, except for those received within 60 days after year-end, which are recognized as revenue as of September 30, 2019.

The following is a summary, by major and nonmajor funds, of the gross taxes, the allowance for uncollectible taxes, and net taxes receivable.

	Taxes Receivable	Allowance for Uncollectible Taxes	Net Taxes Receivable
General Fund	\$ 156,787	\$ 7,839	\$ 148,948
Debt Service	<u>15,506</u>	<u>775</u>	<u>14,731</u>
 TOTAL - ALL FUNDS	 <u>\$ 172,293</u>	 <u>\$ 8,614</u>	 <u>\$ 163,679</u>

3.C. COURT FINES AND FEES RECEIVABLE

With the implementation of GASB Statement Number 34, the County has determined the amount of court fines and fees receivable to be \$98,258 which represents amounts owed and outstanding at September 30, 2019. Based on historical collection rates for the various courts, the County has booked an allowance for uncollectible court fines and fees of \$74,986, resulting in a net receivable of \$23,272.

3.D. CAPITAL ASSETS

The following is a summary of capital asset activity for the year ended September 30, 2019.

	Balance 10/1/18	Additions	Deletions	Balance 9/30/19
<i>Governmental Activities:</i>				
Land	\$ 1,299,789	\$	\$	\$ 1,299,789
Buildings	11,686,095	30,055	150,000	11,566,150
Improvements	4,884,241	153,109		5,037,350
Machinery & Equipment	4,501,305	279,967		4,781,272
Vehicles	<u>712,447</u>	<u>168,336</u>		<u>880,783</u>
Totals at Historic Cost	\$ 23,083,877	\$ 631,467	\$ 150,000	\$ 23,565,344
Less Accumulated Depreciation:				
Buildings	(3,765,343)	(231,006)	150,000	(3,846,349)
Improvements	(1,186,873)	(193,323)		(1,380,196)
Machinery & Equipment	(2,887,910)	(210,244)		(3,098,154)
Vehicles	<u>(659,610)</u>	<u>(78,397)</u>		<u>(738,007)</u>
Total Accumulated Depreciation	<u>\$ (8,499,736)</u>	<u>\$ (712,970)</u>	<u>\$ 150,000</u>	<u>\$ (9,062,706)</u>
Capital Assets, Net	<u>\$ 14,584,141</u>	<u>\$ (81,503)</u>	<u>\$</u>	<u>\$ 14,502,638</u>

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

Governmental Activities:	
Financial Administration	\$ 21,389
General Administration	92,686
Tax Administration	35,648
Facilities Management	28,519
Public Safety	270,929
Roads & Bridges	92,686
Sanitation	14,259
Justice System	142,594
Juvenile Services	7,130
Conservation & Development	<u>7,130</u>
 Total Depreciation Expense - Governmental Activities	 <u>\$ 712,970</u>

3.E. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of September 30, 2019, is as follows:

Due to/from other funds

Receivable Fund	Payable Fund	Amount
Nonmajor Governmental Funds	General	\$ 28,932
Debt Service	General	290,774
General	Trust	<u>74,600</u>
 TOTAL		 <u>\$ 394,306</u>

This balance results from the time lag between the dates that 1) interfund goods and services are provided on reimbursable expenditures, and 2) transactions are recorded in the accounting system, and 3) payments between funds are made.

Interfund Transfers:

	Transfer In			
	Special Revenue Funds	Debt Service Fund	General Fund	Total
Transfer Out:				
General Fund	\$ 698	\$ 351,426	\$	\$ 352,124
Debt Service Fund			492,462	492,462
Capital Projects Fund			<u>59,894</u>	<u>59,894</u>
 TOTAL	 <u>\$ 698</u>	 <u>\$ 351,426</u>	 <u>\$ 552,356</u>	 <u>\$ 904,480</u>

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

3.F. LONG-TERM DEBT

Governmental Activities

As of September 30, 2019, the governmental long-term debt consisted of the following:

Changes in Long-Term Debt

	Balance 10/1/18	Issued	Retired	Balance 9/30/19	Due Within One Year
Certificates of Obligation Payable -					
Series 2009	\$ 305,000	\$ -	\$ 305,000	\$ -	\$ -
Series 2012	1,190,000	-	95,000	1,095,000	95,000
General Obligation Refunding Bonds -					
Series 2012	3,960,000	-	15,000	3,945,000	335,000
Limited Tax Note -					
Series 2017	840,000		130,000	710,000	135,000
Capital Lease -					
American Bank		319,294	160,976	158,318	158,318
Subtotal	6,295,000	319,294	705,976	5,908,318	723,318
Premium on Refunding Bonds	219,830	-	20,292	199,538	
Pension Liability		769,326		769,326	
OPEB Liability	166,856		11,049	155,807	
Comp Time	27,149	20,715		47,864	
TOTAL LONG TERM DEBT	\$ 6,708,835	\$ 1,109,335	\$ 737,317	\$ 7,080,853	\$ 723,318

3.G. CERTIFICATES OF OBLIGATIONS, TAX REFUNDING BONDS AND LIMITED TAX NOTES

Certificates of Obligation payable at September 30, 2019 consists of the following:

\$4,020,000 General Obligation Refunding Bonds, Series 2012 due in annual installments of principal and interest through August 1, 2029; interest at 2% to 3.25%.	\$ 3,945,000
\$1,730,000 Combination and Tax Revenue Certificates of Obligation, Series 2012 due in annual installments of principal and interest through August 1, 2029; interest at 2.0% to 3.0%.	1,095,000
\$970,000 Limited Tax Note Series 2017 due in annual installments of principal and interest through August 15, 2024, interest at 1.170% to 1.870%	710,000
Total Long-Term Debt	<u>\$ 5,750,000</u>

The annual requirements for principal and interest on the outstanding certificates of obligation are as follows:

Year Ended September 30	Principal	Interest	Total
2020	\$ 565,000	165,556	\$ 730,556
2021	590,000	151,177	741,177
2022	600,000	136,049	736,049
2023	625,000	120,403	745,403
2024	645,000	103,353	748,353
2025 – 2029	2,725,000	266,738	2,991,738
Totals	\$ 5,750,000	\$ 943,276	\$ 6,693,276

3.H. LONG-TERM DEBT ADVANCE REFUNDING

During 2013, the County advance refunded a portion of the Series 2009 Certificates of Obligation by issuing \$4,020,000 general obligation refunding bonds – Series 2012. The certificates of obligation were called and were redeemed by depositing \$5,656,057 into an escrow account on July 26, 2012 (including the County's contribution of \$1,500,000). The certificates of obligation have been defeased and removed as a liability of the County. The Series 2012 refunding bonds mature on August 1, in each of the years 2014 through 2029. The refunding bonds resulted in a gross debt service savings of \$863,864 and the net present value savings of \$468,034. The following obligations are considered to be defeased and the liability removed from the accompanying financial statements:

Description	Refunded Amount	Balance 9/30/19
Certificates of Obligation - Series 2009	\$ 4,340,000	\$ 4,340,000

3.I. CAPITALIZED LEASES

Capital lease obligations at September 30, 2019 are composed of the following

Lease payable to American Bank for equipment; 2 annual payments of \$167,209 including principal and interest through May 2020; interest rate 3.393%	Balance at <u>9/30/2019</u>
	<u>\$ 158,318</u>

Future minimum lease payments under the lease along with the present value of the minimum lease payments as of September 30, 2019:

Year Ended September 30,	Long-Term Obligation
2020	\$ 167,209
Total Minimum Lease Payment	\$ 167,209
Less Amount Representing Interest	8,891
Present Value of Lease Payments	<u>\$ 158,318</u>

NOTE 4 - OTHER NOTES

4.A. EMPLOYEE RETIREMENT PLAN

Plan Description

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

- a. Blanco County participates in the Texas County & District Retirement System (TCDRS), which is a statewide, agent multiple-employer, public employee retirement system.
- b. A brief description of benefit terms:
 - 1) All full-and part-time non-temporary employees participate in the plan, regardless of the number of hours they work in a year. Employees in a temporary position are not eligible for membership.
 - 2) The plan provides retirement, disability and survivor benefits.
 - 3) TCDRS is a savings-based plan. For the county's plan, 7% of each employee's pay is deposited into his or her TCDRS account. By law, employee accounts earn 7% interest on beginning of year balances annually. At retirement, the account is matched at an employer set percentage (current match is 150%) and is then converted to an annuity.
 - 4) There are no automatic COLAs. Each year, the county may elect an ad hoc COLA for its retirees (if any). There are two COLA types, each limited by actual inflation.
 - 5) Benefit terms are established under the TCDRS Act. They may be amended as of January 1 each year, but must remain in conformity with the Act.
- c. Membership information is shown in the chart below.
- d. The county's contribution rate is calculated annually on an actuarial basis, although the employer may elect to contribute at a higher rate. The Blanco County contribution rate is based on the TCDRS funding policy adopted by the TCDRS Board of Trustees and must conform with the TCDRS Act. The employee contribution rates are set by the county and are currently 7%. Contributions to the pension plan from the county for 2018 are shown in the Schedule of Employer Contributions.
- e. The most recent comprehensive annual financial report for TCDRS can be found at the following link, www.tcdrs.org.

Members covered by benefit terms.

At the December 31, 2018 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	47
Inactive employees entitled to but not yet receiving benefits	44
Active employees	73
	<hr/>
	164

Contributions

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

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

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

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

The contribution rate payable by the employee members for calendar year 2018 is the rate of 7% as adopted by the governing body of the employer. The employee contribution rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act. The County's contributions to TCDRS for the year ended September 30, 2019 were \$204,742, and were equal to the required contributions.

Net Pension Liability

The County's Net Pension Liability (NPL) was measured as of December 31, 2018, 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 December 31, 2018 actuarial valuation was determined using the following actuarial assumptions:

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.
Actuarial Cost Method	Entry Age Normal ⁽¹⁾
Amortization Method	
Recognition of Economic/Demographic Gains or Losses	Straight-Line amortization over Expected Working Life
Recognition of Assumptions, Changes or Inputs	Straight-Line amortization over Expected Working Life
Asset Valuation Method	
Smooth Period	5 years
Recognition Method	Non-asymptotic
Corridor	None
Inflation	2.75%
Salary Increases	The annual salary increase rates assumed for individual members vary by length of service and by entry-age group. The annual rates consist of a general wage inflation component of 3.25% (made up of 2.75% inflation and .5% productivity increase assumptions) and a merit, promotion and longevity component that on average approximates 1.6% per year for a career employee.
Investment Rate of Return	8.10%
Cost of Living Adjustments	Cost-of-Living Adjustments for Blanco County are not considered to be substantively automatic under GASB 68. Therefore, no assumption for future cost-of-living adjustments is included in the GASB calculations. No assumption for future cost-of-living adjustments is included in the funding valuation.
Retirement Age	Deferred members are assumed to retire (100% probability) at the later of:

a) age 60; b) earliest retirement eligibility.

Turnover New employees are assumed to replace any terminated members and have similar entry ages.

Mortality RP-2014 Mortality Tables

(1) Individual entry age normal cost method, as required by GASB 68, used for GASB calculations. Note that a slightly different version of the entry age normal cost method is used for the funding actuarial valuation.

The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS' investment consultant, Cliffwater LLC. The numbers shown are based on January 2019 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 2017. See Milliman's TCDRS Investigation of Experience report for the period January 1, 2013 – December 31, 2016 for more details.

Asset Class	Benchmark	Target Allocation (1)	Geometric Real Rate of Return (Expected Minus Inflation) (2)
U.S. Equities	Dow Jones U.S. Total Stock Market Index	10.50%	5.40%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index ⁽³⁾	18.00%	8.40%
Global Equities	MSCI World (Net) Index	2.50%	5.70%
International Equities – Developed	MSCI World Ex USA (Net)	10.00%	5.40%
International Equities – Emerging	MSCI Emerging Markets (net) Index	7.00%	5.90%
Investment – Grade Bonds	Bloomberg Barclays Aggregate Bond Index	3.00%	1.60%
Strategic Credit	FTSE High-Yield Cash-Pay Capped Index	12.00%	4.39%
Direct Lending	S & P/LSTA Leveraged Loan Index	11.00%	7.95%
Distressed Debt	Cambridge Associates Distressed Securities Index ⁽⁴⁾	2.00%	7.20%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% S&P Global REIT (net) Index	2.00%	4.15%
Master Limited Partnerships (MLPs)	Alerian MLP Index	3.00%	5.35%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index ⁽⁵⁾	6.00%	6.30%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	13.00%	3.90%

Asset Class	Benchmark	Target Allocation (1)	Geometric Real Rate of Return (Expected Minus Inflation) (2)
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- (1) Target asset allocation adopted at the April 2019 TCDRS Board meeting
(2) Geometric real rates of return equal the expected return minus the assumed Inflation rate of 1.70%, per Cliffwater's 2019 capital market assumptions.
(3) Includes vintage years 2006 – present of Quarter Pooled Horizon IRRs.
(4) Includes vintage years 2005 – present of Quarter Pooled Horizon IRRs.
(5) Includes vintage years 2007-present of Quarter Pooled Horizon IRRs.

Discount Rate

The discount rate used to measure the Total Pension Liability was 8.10%. 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 pensions 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.

Changes in Net Pension Liability / (Asset)

Changes in Net Pension Liability / (Asset)	Increase/(Decrease)		
	Total Pension Liability	Fiduciary Net Position	Net Pension Liability/(Asset)
	(a)	(b)	(a)-(b)
Balances as of December 31, 2017	\$ 8,509,338	\$ 8,546,099	\$ (36,761)
Changes for the Year:			
Service Cost	320,071		320,071
Interest on Total Pension Liability (1)	695,871		695,871
Effect of Plan Changes (2)			
Effects of Economic/Demographic			
Gains or Losses	19,694		19,694
Effect of Assumptions Changes or Inputs			
Refund of Contributions	(46,001)	(46,001)	
Benefit Payments	(440,288)	(440,288)	
Administrative Expenses	-	(6,658)	6,658
Member Contributions	-	188,323	(188,323)
Net Investment Income	-	(160,196)	160,196
Employer Contributions	-	209,846	(209,846)
Other (3)	-	(1,767)	1,767
Balances as of December 31, 2018	\$ 9,058,685	\$ 8,289,359	\$ 769,326

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

(2) No plan changes valued.

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

Sensitivity Analysis

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

	1% Decrease <u>7.10%</u>	Current Discount Rate <u>8.10%</u>	1% Increase <u>9.10%</u>
Total Pension Liability	\$ 10,062,951	\$ 9,058,685	\$ 8,200,379
Fiduciary Net Position	<u>8,289,359</u>	<u>8,289,359</u>	<u>8,289,359</u>
Net Pension Liability/(Asset)	<u>\$ 1,773,592</u>	<u>\$ 769,326</u>	<u>\$ (\$88,980)</u>

Pension Expense / (Income)

<u>Prepaid Expense/(Income)</u>	<u>January 1, 2018 to December 31, 2018</u>
Service Cost	\$ 320,071
Interest on Total Pension Liability ⁽¹⁾	695,871
Effect of Plan Changes	
Administrative Expenses	6,658
Member Contributions	(188,323)
Expected Investment Return Net of Investment Expenses	(688,400)
Recognition of Deferred Inflows/Outflows of Resources	
Recognition of Economic/Demographic Gains or Losses	(68,115)
Recognition of Assumption Changes or Inputs	40,609
Recognition of Investment Gains or Losses	209,243
Other ⁽²⁾	<u>1,767</u>
Pension Expense/(Income)	<u>\$ 329,380</u>

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

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

As of December 31, 2018, the deferred inflows and outflows of resources are as follows:

Deferred Inflows / Outflows of Resources	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>
Differences between expected and actual experience	\$ 87,653	\$ 14,770
Changes of assumptions	-	35,117
Net difference between projected and actual earnings		513,475
Contributions made subsequent to measurement date ⁽³⁾		147,121

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

Year Ended December 31

2019	\$	170,498
2020		59,757
2021		75,734
2022		169,720
2023		-
Thereafter ⁽⁴⁾		-

⁽³⁾ Any eligible employer contributions made subsequent to the measurement date through the employer's fiscal year end should be reflected as a deferred outflow of resources.

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

4.B. GROUP TERM LIFE FUND (OPEB)

Plan Description

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

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

Members covered by benefit terms:

At the December 31, 2018 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	36
Inactive employees entitled to but not yet receiving benefits	10
Active employees	<u>73</u>
	119

Contributions

For GASB 75 purposes, the OPEB plan is not a cost sharing plan as the employer's benefit payment for the year are treated as being equal to its annual retiree GTL contributions. Employers in the TCDRS Group Term Life (GTL) Program make a combined contribution for both active and retiree coverage; however, only the retiree coverage is considered an OPEB plan and therefore only the contributions associated with retirees covered are included under GASB 75.

The following shows a breakdown of the employer's contributions to the GTL program for the calendar year 2018. The contributions for retiree GTL coverage are assigned to the OPEB plan under GASB 75 and are used to determine the benefit payments used to calculate changes in total OPEB liability. The contributions for active coverage are not considered an OPEB benefit under GASB 75, so there should be no change in how these amounts are reported.

Coverage Type	2018 GTL Rate	Amount	Financial Reporting
Active Member GTL Benefit	0.34%	9,147	No change from prior year
Retiree GTL Benefit	0.26%	6,995	GASB 75

Employer OPEB contributions made in the fiscal year, but subsequent to the measurement date of December 31, 2018 should be reflected as a deferred outflow. As previously noted, only contributions to the GTL program for retiree coverage should be included under GASB 75. Therefore, once the total GTL contributions made subsequent to the measurement date have been determined, this amount should be multiplied by the portion attributable to retiree coverage to determine the OPEB contributions made subsequent to the measurement date that should be reported under GASB 75. This proportion is 43.13725%, allocated as follows:

Coverage Type	2019 GTL Rate	Amount	Financial Reporting
Active Member GTL Benefit	0.29%	56.86275%	No change from prior year
Retiree GTL Benefit	0.22%	43.13725%	GASB 75

The employee contribution rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act. The County's contributions to TCDRS for the year ended September 30, 2019 were \$14,912, and were equal to the required contributions.

Total OPEB Liability

The County's Total OPEB Liability (NPL) was measured as of December 31, 2018, and was determined by an actuarial valuation as of that date.

Actuarial assumptions:

The Total OPEB Liability as of December 31, 2018 actuarial valuation was determined using the following actuarial assumptions:

Valuation Timing	Actuarially determined contribution rates are calculated on a calendar year basis as of December 31, two years prior to the end of the fiscal year in which the contributions are reported.
Actuarial Cost Method	Entry Age Normal
Amortization Method	
Recognition of Economic/Demographic Gains or Losses	Straight-Line amortization over Expected Working Life
Recognition of Assumptions, Changes or Inputs	Straight-Line amortization over Expected Working Life
Asset Valuation Method	Does not apply
Inflation	Does not apply
Salary Increases	Does not apply

Investment Rate of Return (Discount Rate)	4.10% 20 Year Bond GO Index published by bondbuyer.com as of December 27, 2018.
Cost of Living Adjustments	Does not apply
Disability	Members who become disabled are eligible to commence benefit payments regardless of age.
Mortality	RP-2014 Mortality Tables
Retirement	Deferred members are assumed to retire (100% probability) at the later of: a) age 60 b) earliest retirement eligibility ** For all eligible members ages 75 and later, retirement is assumed to occur immediately.
Other Termination of Employment	For non-depositing members who are not vested, 100% are assumed to elect a withdrawal. No termination after eligibility for retirement is assumed.

Discount Rate

The TCDRS GTL program is treated as an unfunded OPEB plan because the GTL trust covers both active and retirees and the assets are not segregated for these groups. Under GASB 75 (paragraph 155), the discount rate for an unfunded OPEB plan should be based on a 20-year tax-exempt AA or higher Municipal Bonds. Therefore, a discount rate of 4.10% based on the 20 Year Bond Go Index published by bondbuyer.com is used as of the measurement date of December 31, 2018.

Changes in Total OPEB Liability

	Changes in Total OPEB Liability
Balances as of December 31, 2017	\$ 166,855
Changes for the year:	
Service Cost	6,675
Interest on total OPEB liability ⁽¹⁾	5,850
Changes of benefit terms ⁽²⁾	-
Effect of economic/demographic experience	(760)
Effect of assumptions changes or inputs	(15,818)
Benefit payments	(6,995)
Other	-
Balance as of December 31, 2017	\$ <u>155,807</u>

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

⁽²⁾ No plan changes are valued.

⁽³⁾ Reflects change in discount rate and the new assumptions adopted based on the January 1, 2013- December 31, 2016 Investigation of Experience

Sensitivity Analysis

The following presents the Total OPEB liability of the employer, calculated using the discount rate of 4.10%, as well as what the Blanco County Total OPEB Liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.10%) or 1 percentage point higher (5.10%) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
	3.10%	4.10%	5.10%
Total OPEB Liability	\$ 180,790	\$ 155,807	\$ 135,940

OPEB Expense/ (Income)

	January 1, 2018 to December 31, 2018
Service Cost	6,675
Interest on total OPEB liability ⁽¹⁾	5,850
Effect of plan changes	-
Recognition of deferred inflows/outflows of resources	
Recognition of economic/demographic gains or losses	(2,801)
Recognition of assumption changes or inputs	(2,159)
Other	-
OPEB expense/(income)	<u>7,565</u>

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

As of December 31, 2018, the deferred inflows and outflows of resources are as follows:

Deferred Inflows/ Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ -	\$ 11,205
Changes of assumptions	4,021	12,654
Contributions made subsequent to measurement date	N/A	4,520

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

Year ended December 31:	
2019	\$ (4,960)
2020	(4,960)
2021	(4,960)
2022	(4,958)
2023	-
Thereafter ⁽¹⁾	-

⁽¹⁾Total remaining balance to be recognized in future years, if any. Note that additional future deferred inflows and outflows of resources may impact these numbers.

4.C. RISK MANAGEMENT

The County is exposed to various risks of loss relating to general liability, the accidental loss of real and personal property, damage to County assets, error and omissions and personnel risks which relate to workers compensation. The county carries commercial insurance through the Texas Association of Counties in order to manage the above listed risks. The County also provides group health insurance coverage for full time employees through the Texas Association of Counties Insurance Trust (Blue Cross - Blue Shield).

4.D. PERMANENT SCHOOL TRUST FUND

The Blanco County Permanent School Fund was established by State statute to receive and disburse funds earned from State lands and other investments granted to the County for educational purposes. Administration of the Fund vests in the office of the County Judge. Allocation of available funds to the County's independent school districts is according to the scholastic population of each district. The land owned by the Fund (738.96 acres located in Bailey County, Texas) was patented to Blanco County by certificate issued by the Commissioner of the General Land Office on January 4, 1906.

On December 31, 1978, the effective date of the abolition of the County School Administrative Offices, the "corpus" of the nature amounted to \$36,416. The remaining fund balance at September 30, 2019 in excess of the permanent portion is carried forward to the subsequent fiscal periods as a State required reserve of sufficient amount to pay the ad valorem taxes.

In addition to the regular distribution of annual net revenues to the school districts each year, distributions of previously undistributed funds in excess of the permanent corpus and reserved ad valorem tax money may be distributed to each district.

4.E. CONTINGENT LIABILITIES

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

4.F. SUBSEQUENT EVENTS

The County has evaluated subsequent events through June 2, 2020, the date which the financial statements were available to be issued. In October 2019 the County entered into a capital lease with Government Capital Corporation in the amount of \$444,782. The County is not aware of any other subsequent events that materially impact the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

COUNTY OF BLANCO, TEXAS
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL - GENERAL FUND
 FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
Taxes:				
Property Taxes	\$ 5,481,977	\$ 5,481,977	\$ 5,518,135	\$ 36,158
General Sales and Use Taxes	490,000	490,000	761,431	271,431
Other Taxes	10,000	10,000	33,004	23,004
Penalty and Interest on Taxes	35,000	35,000	55,663	20,663
Licenses and Permits	33,000	33,000	68,468	35,468
Intergovernmental Revenue and Grants	93,833	58,804	106,192	47,388
Charges for Services	256,650	290,637	434,897	144,260
Fines	45,600	45,600	57,896	12,296
Investment Earnings	1,000	1,000	78,921	77,921
Rents and Royalties	56,400	24,000	25,800	1,800
Contributions & Donations from Private Sources	1,000	1,000	3,637	2,637
Other Revenue	5,000	11,153	101,765	90,612
Total Revenues	6,509,460	6,482,171	7,245,809	763,638
EXPENDITURES:				
Current:				
Financial Administration	207,643	207,643	186,943	20,700
General Administration	1,005,785	993,786	739,199	254,587
Tax Administration	358,864	358,864	300,974	57,890
Facilities Management	278,000	289,500	210,358	79,142
Public Safety	2,832,691	2,780,192	2,316,545	463,647
Sanitation	107,659	105,659	97,637	8,022
Justice System	1,395,366	1,467,526	1,198,037	269,489
Juvenile Services	56,000	56,000	53,652	2,348
Health and Human Services	256,866	256,866	116,484	140,382
Culture and Recreation	13,500	13,500	6,001	7,499
Conservation and Development	98,946	103,946	115,308	(11,362)
Debt Service:				
Principal on Debt	170,971	170,971	160,976	9,995
Interest on Debt	-	8,000	6,109	1,891
Capital Outlay:				
Capital Outlay	97,867	439,161	403,792	35,369
Total Expenditures	6,880,158	7,251,614	5,912,015	1,339,599
Excess (Deficiency) of Revenues Over (Under) Expenditures	(370,698)	(769,443)	1,333,794	2,103,237
OTHER FINANCING SOURCES (USES):				
Sale of Real and Personal Property	-	32,400	339,599	307,199
Proceeds from Capital Leases	-	-	319,294	319,294
Transfers In	-	-	552,357	552,357
Transfers Out	(379,732)	-	(352,124)	(352,124)
Insurance Recovery	-	-	13,743	13,743
Total Other Financing Sources (Uses)	(379,732)	32,400	872,869	840,469
Net Change in Fund Balances	(750,430)	(737,043)	2,206,663	2,943,706
Fund Balance - October 1 (Beginning)	4,288,980	4,288,980	4,288,980	-
Fund Balance - September 30 (Ending)	\$ 3,538,550	\$ 3,551,937	\$ 6,495,643	\$ 2,943,706

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

COUNTY OF BLANCO, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - SPECIAL REVENUE - ROAD & BRIDGE
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS (See Note)	Final Budget Positive or (Negative)
REVENUES:				
Licenses and Permits	\$ 420,000	\$ 386,013	\$ 479,722	\$ 93,709
Intergovernmental Revenue and Grants	16,000	16,000	15,873	(127)
Fines	100,000	100,000	147,642	47,642
Total Revenues	536,000	502,013	643,237	141,224
EXPENDITURES:				
Public Works	915,732	915,732	800,509	115,223
Total Expenditures	915,732	915,732	800,509	115,223
Excess (Deficiency) of Revenues Over (Under) Expenditures	(379,732)	(413,719)	(157,272)	256,447
OTHER FINANCING SOURCES (USES):				
Transfers In	379,732	-	-	-
Total Other Financing Sources (Uses)	379,732	-	-	-
Change in Fund Balance	-	(413,719)	(157,272)	256,447
Fund Balance - October 1 (Beginning)	160,635	160,635	160,635	-
Fund Balance - September 30 (Ending)	\$ 160,635	\$ (253,084)	\$ 3,363	\$ 256,447

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

COUNTY OF BLANCO, TEXAS
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	FY 2019 Plan Year 2018	FY 2018 Plan Year 2017
A. Total Pension Liability		
Service Cost	\$ 320,071	\$ 308,115
Interest (on the Total Pension Liability)	695,871	664,095
Changes of Benefit Terms	-	70,234
Difference between Expected and Actual Experience	19,694	(175,305)
Changes of Assumptions	-	-
Benefit Payments, Including Refunds of Employee Contributions	(486,288)	(487,285)
Net Change in Total Pension Liability	\$ 549,348	\$ 379,854
Total Pension Liability - Beginning	8,509,338	8,129,485
Total Pension Liability - Ending	\$ 9,058,686	\$ 8,509,339
B. Total Fiduciary Net Position		
Contributions - Employer	\$ 209,846	\$ 195,825
Contributions - Employee	188,323	176,419
Net Investment Income	(160,196)	1,102,509
Benefit Payments, Including Refunds of Employee Contributions	(486,288)	(487,285)
Administrative Expense	(6,658)	(5,683)
Other	(1,767)	(1,595)
Net Change in Plan Fiduciary Net Position	\$ (256,740)	\$ 980,190
Plan Fiduciary Net Position - Beginning	8,546,099	7,565,911
Plan Fiduciary Net Position - Ending	\$ 8,289,359	\$ 8,546,101
C. Net Pension Liability (Asset)	\$ 769,327	\$ (36,762)
D. Plan Fiduciary Net Position as a Percentage of Total Pension Liability	91.51%	100.43%
E. Covered Payroll	\$ 2,690,335	\$ 2,520,267
F. Net Pension Liability (Asset) as a Percentage of Covered Payroll	28.60%	(1.46%)

Note: GASB 68, Paragraph 46, a and b requires that the data in this schedule be presented for the time period covered by the measurement date rather than the governmental entity's current fiscal year.

Note: Only five years of data are presented in accordance with GASBS #68, paragraph 138. "The information for all periods for the 10-year schedules that are required to be presented as required supplementary information may not be available initially. In these cases, during the transition period, that information should be presented for as many years as are available. The schedules should not include information that is not measured in accordance with the requirements of this Statement."

	FY 2017 Plan Year 2016	FY 2016 Plan Year 2015	FY 2015 Plan Year 2014
\$	298,580	277,626	266,960
	616,075	580,585	537,964
	-	(26,977)	-
	(37,860)	(66,371)	32,334
	-	92,199	-
	(405,683)	(389,059)	(309,055)
\$	471,112	468,003	528,203
	7,658,373	7,190,371	6,662,168
\$	8,129,485	7,658,374	7,190,371
\$	205,809	203,480	198,429
	169,291	166,982	157,842
	520,443	21,582	448,322
	(405,683)	(389,059)	(309,055)
	(5,692)	(5,075)	(5,214)
	7,229	49,865	24,255
\$	491,397	47,775	514,580
	7,074,514	7,026,738	6,512,159
\$	7,565,911	7,074,513	7,026,739
\$	563,574	583,861	163,633
	93.07%	92.38%	97.72%
\$	2,418,441	2,385,462	2,254,881
	23.30%	24.48%	7.26%

COUNTY OF BLANCO, TEXAS
SCHEDULE OF CONTRIBUTIONS
TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM
FOR THE FISCAL YEAR 2019

	2019	2018	2017
Actuarially Determined Contribution	\$ 204,742	\$ 206,622	\$ 197,800
Contributions in Relation to the Actuarially Determined Contributions	204,742	206,622	197,800
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
Covered Payroll	\$ 2,793,487	\$ 2,651,694	\$ 2,482,744
Contributions as a Percentage of Covered Payroll	7.33%	7.80%	7.97%

Note: GASB 68, Paragraph 81 requires that the data in this schedule be presented as of the governmental entity's respective fiscal years as opposed to the time periods covered by the measurement dates ending December 31 for the respective fiscal years.

Note: In accordance with GASB 68, Paragraph 138, the years of data presented in this reporting period are those for which data is available. "The information for all periods for the 10-year schedules that are required to be presented as required supplementary information may not be available initially. In these cases, during the transition period, that information should be presented for as many years as are available. The schedules should not include information that is not measured in accordance with the requirements of this Statement."

2016	2015	2014	2013	2012	2011	2010
\$ 201,155	\$ 203,480	\$ 198,429	\$ 186,963	\$ 177,602	\$ 151,934	\$ 145,150
201,155	203,480	198,429	186,963	177,602	151,934	145,150
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 2,362,325	\$ 2,385,462	\$ 2,254,881	\$ 2,176,525	\$ 2,096,839	\$ 1,887,394	\$ 1,805,350
8.52%	8.50%	8.80%	8.60%	8.50%	8.00%	8.00%

BLANCO COUNTY
 NOTES TO THE SCHEDULE OF CONTRIBUTIONS
 SEPTEMBER 30, 2019

Valuation Date:

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	11.1 years (based on contribution rate calculated in 12/31/2018 valuation)
Asset Valuation Method	5-year smoothed market
Inflation	2.75%
Salary Increases	Varies by age and service. 4.9% average over career including inflation.
Investment Rate of Return	8.0%, net of 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.
Changes in Plan Provisions Reflected in the Schedule of Employer Contributions*	2015: No changes in plan provisions were reflected in the Schedule. 2016: No changes in plan provisions were reflected in the Schedule. 2017: New Annuity Purchase Rates were reflected for benefits earned after 2017. 2018: No changes in plan provisions were reflected in the Schedule.

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

COUNTY OF BLANCO, TEXAS
 SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS
 TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM
 FOR THE YEAR ENDED SEPTEMBER 30, 2019

	FY 2019 Plan Year 2018	FY 2018 Plan Year 2017
Total OPEB Liability		
Service Cost	\$ 6,675	\$ 6,265
Interest on the Total OPEB Liability	5,850	6,562
Changes of Benefit Terms	-	-
Difference between Expected and Actual Experience	(15,818)	6,031
Changes of Assumptions	(760)	(15,896)
Benefit Payments*	(6,995)	(6,805)
Net Change in Total OPEB Liability	(11,048)	(3,843)
Total OPEB Liability - Beginning	166,855	170,698
Total OPEB Liability - Ending	\$ 155,807	\$ 166,855
Covered Payroll	\$ 2,690,335	\$ 2,520,267
Total OPEB Liability as a Percentage of Covered Payroll	5.79%	6.62%

*The Supplemental Death Benefit Fund is considered to be an unfunded OPEB plan under GASB 75. Because of this benefit payments are treated as being equal to the employer's yearly contributions for retirees.

Note: GASB Codification, Vol. 2, P52.139 states that the information on this schedule should be determined as of the measurement date of the plan.

As required by GASB 75, this schedule will be built prospectively as the information becomes available until 10 years of information is presented.

BLANCO COUNTY
 NOTES TO THE SCHEDULE OF CHANGES IN THE
 TOTAL OPEB LIABILITY AND RELATED RATIOS
 SEPTEMBER 30, 2019

Valuation Date: 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	Straight-Line amortization over Expected Working Life
Recognition of economic /demographic gains or losses	Straight-Line amortization over Expected Working Life
Recognition of assumptions changes or inputs	Straight-Line amortization over Expected Working Life
Asset Valuation Method	Does not apply
Inflation	Does not apply
Salary Increases	Does not apply
Investment Rate of Return (Discount Rate)	4.10%, 20 Year Bond GO Index published by bondbuyer.com as of December 28, 2018.
Cost of Living Adjustment	Does not apply
Disability	Members who become disabled are eligible to commence benefit payments regardless of age.
Mortality	RP-2014 Healthy Annuitant Mortality Table
Retirement	Deferred member are assumed to retire (100% probability at the later of: a) age 60 b) earliest retirement eligibility
Other Termination of Employment	The rate of assumed future termination from active participation in the plan vary. No termination after eligibility for retirement is assumed.

SUPPLEMENTARY INFORMATION

COUNTY OF BLANCO, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 SEPTEMBER 30, 2019

	Hot Check Fund	Records Management County Clerk	Records Preservation	Courthouse Security
ASSETS				
Cash and Cash Equivalents	\$ 6,971	\$ 7,660	\$ 120,242	\$ 40,113
Accounts Receivable, Net	185	-	-	-
Due from Other Funds	-	2,804	10,790	5,355
Total Assets	<u>\$ 7,156</u>	<u>\$ 10,464</u>	<u>\$ 131,032</u>	<u>\$ 45,468</u>
FUND BALANCES				
Restricted Fund Balance:				
Restricted for Special Revenue	7,156	10,464	131,032	45,468
Total Fund Balances	<u>7,156</u>	<u>10,464</u>	<u>131,032</u>	<u>45,468</u>
Total Liabilities and Fund Balances	<u>\$ 7,156</u>	<u>\$ 10,464</u>	<u>\$ 131,032</u>	<u>\$ 45,468</u>

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

EXHIBIT H-1 (Cont'd)

Child Safety Program	Records Management Dist Clerk	Countywide Emergency Radio	District Clerk Records Management	JP #1 Technology	JP #2 Technology	County Clerk Archive	Vital Statistics Preservation
\$ 81,427	\$ 734	\$ 5,000	\$ 2,500	\$ 8,423	\$ 5,956	\$ 212,306	\$ 1,880
-	-	-	-	-	-	-	-
9,982	-	-	-	-	-	-	-
<u>\$ 91,409</u>	<u>\$ 734</u>	<u>\$ 5,000</u>	<u>\$ 2,500</u>	<u>\$ 8,423</u>	<u>\$ 5,956</u>	<u>\$ 212,306</u>	<u>\$ 1,880</u>
91,409	734	5,000	2,500	8,423	5,956	212,306	1,880
91,409	734	5,000	2,500	8,423	5,956	212,306	1,880
<u>\$ 91,409</u>	<u>\$ 734</u>	<u>\$ 5,000</u>	<u>\$ 2,500</u>	<u>\$ 8,423</u>	<u>\$ 5,956</u>	<u>\$ 212,306</u>	<u>\$ 1,880</u>

COUNTY OF BLANCO, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 SEPTEMBER 30, 2019

	Third Court of Appeals	Family Protection Plan	Chapter 19 Funds	Supplemental Guardianship Fees
ASSETS				
Cash and Cash Equivalents	\$ 1,370	\$ 9,501	\$ 312	\$ 6,400
Accounts Receivable, Net	-	-	-	-
Due from Other Funds	-	-	-	-
Total Assets	<u>\$ 1,370</u>	<u>\$ 9,501</u>	<u>\$ 312</u>	<u>\$ 6,400</u>
FUND BALANCES				
Restricted Fund Balance:				
Restricted for Special Revenue	1,370	9,501	312	6,400
Total Fund Balances	<u>1,370</u>	<u>9,501</u>	<u>312</u>	<u>6,400</u>
Total Liabilities and Fund Balances	<u>\$ 1,370</u>	<u>\$ 9,501</u>	<u>\$ 312</u>	<u>\$ 6,400</u>

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

EXHIBIT H-1 (Cont'd)

Child Abuse Prevention	District Court Technology	County Clerk Technology	District Court Record Preservation	County Court Record Preservation	District Court Civil Tech Fee	Blanco County Historical Commission	E-Filing Service Fee
\$ 389	\$ 961	\$ 1,189	\$ 3,998	\$ 5,965	\$ 7,973	\$ 936	\$ 1,006
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 389</u>	<u>\$ 961</u>	<u>\$ 1,189</u>	<u>\$ 3,998</u>	<u>\$ 5,965</u>	<u>\$ 7,973</u>	<u>\$ 936</u>	<u>\$ 1,006</u>
389	961	1,189	3,998	5,965	7,973	936	1,006
<u>389</u>	<u>961</u>	<u>1,189</u>	<u>3,998</u>	<u>5,965</u>	<u>7,973</u>	<u>936</u>	<u>1,006</u>
<u>\$ 389</u>	<u>\$ 961</u>	<u>\$ 1,189</u>	<u>\$ 3,998</u>	<u>\$ 5,965</u>	<u>\$ 7,973</u>	<u>\$ 936</u>	<u>\$ 1,006</u>

COUNTY OF BLANCO, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 SEPTEMBER 30, 2019

EXHIBIT H-1

	Total Nonmajor Special Revenue Funds	Capital Projects Fund	Total Nonmajor Governmental Funds
ASSETS			
Cash and Cash Equivalents	\$ 533,212	\$ -	\$ 533,212
Accounts Receivable, Net	185	-	185
Due from Other Funds	28,931	-	28,931
Total Assets	<u>\$ 562,328</u>	<u>\$ -</u>	<u>\$ 562,328</u>
FUND BALANCES			
Restricted Fund Balance:			
Restricted for Special Revenue	562,328	-	562,328
Total Fund Balances	<u>562,328</u>	<u>-</u>	<u>562,328</u>
Total Liabilities and Fund Balances	<u>\$ 562,328</u>	<u>\$ -</u>	<u>\$ 562,328</u>

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

COUNTY OF BLANCO, TEXAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Hot Check Fund	Records Management County Clerk	Records Preservation	Courthouse Security
REVENUES:				
Charges for Services	\$ 80	\$ 3,037	\$ 43,661	\$ 12,903
Total Revenues	<u>80</u>	<u>3,037</u>	<u>43,661</u>	<u>12,903</u>
EXPENDITURES:				
Current:				
General Government	-	-	-	-
General Administration	-	1,562	31,470	-
Public Safety	-	-	-	18,790
Public Works:				
Justice System	-	-	-	-
Health and Welfare:				
Health and Human Services	-	-	-	-
Total Expenditures	<u>-</u>	<u>1,562</u>	<u>31,470</u>	<u>18,790</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>80</u>	<u>1,475</u>	<u>12,191</u>	<u>(5,887)</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	80	1,475	12,191	(5,887)
Fund Balance - October 1 (Beginning)	<u>7,076</u>	<u>8,989</u>	<u>118,841</u>	<u>51,355</u>
Fund Balance - September 30 (Ending)	<u>\$ 7,156</u>	<u>\$ 10,464</u>	<u>\$ 131,032</u>	<u>\$ 45,468</u>

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

Child Safety Program	Records Management Dist Clerk	Countywide Emergency Radio	District Clerk Records Management	JP #1 Technology	JP #2 Technology	County Clerk Archive	Vital Statistics Preservation
\$ 23,159	\$ 40	\$ -	\$ 1,198	\$ 4,290	\$ 2,660	\$ 24,612	\$ 426
<u>23,159</u>	<u>40</u>	<u>-</u>	<u>1,198</u>	<u>4,290</u>	<u>2,660</u>	<u>24,612</u>	<u>426</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	8,400	-	-	634
<u>23,648</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>23,648</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,400</u>	<u>-</u>	<u>-</u>	<u>634</u>
<u>(489)</u>	<u>40</u>	<u>-</u>	<u>1,198</u>	<u>(4,110)</u>	<u>2,660</u>	<u>24,612</u>	<u>(208)</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>(489)</u>	<u>40</u>	<u>-</u>	<u>1,198</u>	<u>(4,110)</u>	<u>2,660</u>	<u>24,612</u>	<u>(208)</u>
<u>91,898</u>	<u>694</u>	<u>5,000</u>	<u>1,302</u>	<u>12,533</u>	<u>3,296</u>	<u>187,694</u>	<u>2,088</u>
<u>\$ 91,409</u>	<u>\$ 734</u>	<u>\$ 5,000</u>	<u>\$ 2,500</u>	<u>\$ 8,423</u>	<u>\$ 5,956</u>	<u>\$ 212,306</u>	<u>\$ 1,880</u>

COUNTY OF BLANCO, TEXAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Third Court of Appeals	Family Protection Plan	Chapter 19 Funds	Supplemental Guardianship Fees
REVENUES:				
Charges for Services	\$ 1,295	\$ 555	\$ 1,356	\$ 1,100
Total Revenues	<u>1,295</u>	<u>555</u>	<u>1,356</u>	<u>1,100</u>
EXPENDITURES:				
Current:				
General Government	-	-	-	-
General Administration	-	-	-	-
Public Safety	-	-	-	-
Public Works:				
Justice System	1,905	-	1,847	-
Health and Welfare:				
Health and Human Services	-	-	-	-
Total Expenditures	<u>1,905</u>	<u>-</u>	<u>1,847</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(610)</u>	<u>555</u>	<u>(491)</u>	<u>1,100</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(610)	555	(491)	1,100
Fund Balance - October 1 (Beginning)	<u>1,980</u>	<u>8,946</u>	<u>803</u>	<u>5,300</u>
Fund Balance - September 30 (Ending)	<u>\$ 1,370</u>	<u>\$ 9,501</u>	<u>\$ 312</u>	<u>\$ 6,400</u>

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

Child Abuse Prevention	District Court Technology	County Clerk Technology	District Court Record Preservation	County Court Record Preservation	District Court Civil Tech Fee	Blanco County Historical Commission	E-Filing Service Fee
\$ -	\$ 140	\$ 155	\$ 2,050	\$ 610	\$ 1,125	\$ -	\$ 2,194
-	140	155	2,050	610	1,125	-	2,194
-	-	-	-	-	-	-	2,500
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	2,500
-	140	155	2,050	610	1,125	-	(306)
-	-	-	-	-	-	698	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	698	-
-	140	155	2,050	610	1,125	698	(306)
389	821	1,034	1,948	5,355	6,848	238	1,312
\$ 389	\$ 961	\$ 1,189	\$ 3,998	\$ 5,965	\$ 7,973	\$ 936	\$ 1,006

COUNTY OF BLANCO, TEXAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Total Nonmajor Special Revenue Funds	Capital Projects Fund	Total Nonmajor Governmental Funds
REVENUES:			
Charges for Services	\$ 126,646	\$ -	\$ 126,646
Total Revenues	<u>126,646</u>	<u>-</u>	<u>126,646</u>
EXPENDITURES:			
Current:			
General Government	2,500	-	2,500
General Administration	33,032	-	33,032
Public Safety	18,790	-	18,790
Public Works:			
Justice System	12,786	-	12,786
Health and Welfare:			
Health and Human Services	23,648	-	23,648
Total Expenditures	<u>90,756</u>	<u>-</u>	<u>90,756</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>35,890</u>	<u>-</u>	<u>35,890</u>
OTHER FINANCING SOURCES (USES):			
Transfers In	698	-	698
Transfers Out	-	(59,894)	(59,894)
Total Other Financing Sources (Uses)	<u>698</u>	<u>(59,894)</u>	<u>(59,196)</u>
Net Change in Fund Balance	36,588	(59,894)	(23,306)
Fund Balance - October 1 (Beginning)	<u>525,740</u>	<u>59,894</u>	<u>585,634</u>
Fund Balance - September 30 (Ending)	<u>\$ 562,328</u>	<u>\$ -</u>	<u>\$ 562,328</u>

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

COUNTY OF BLANCO, TEXAS
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	BALANCE OCTOBER 1 2018	ADDITIONS	DEDUCTIONS	BALANCE SEPTEMBER 30 2019
OFFICIALS FINES AND FEES				
Assets:				
Cash and Cash Equivalents	\$ 217,981	\$ 5,393,065	\$ 4,510,661	\$ 1,100,385
Liabilities:				
Due to Others	\$ 217,981	\$ 5,393,065	\$ 4,510,661	\$ 1,100,385
 TOTAL AGENCY FUNDS				
Assets:				
Cash and Cash Equivalents	\$ 217,981	\$ 5,393,065	\$ 4,510,661	\$ 1,100,385
Liabilities:				
Due to Others	\$ 217,981	\$ 5,393,065	\$ 4,510,661	\$ 1,100,385

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

NEFFENDORF & KNOPP, P.C.

Certified Public Accountants

P.O. BOX 874 · 736 S. WASHINGTON ST.

FREDERICKSBURG, TEXAS 78624-0874

(830) 997-3348

FAX: (830) 997-3333

Email: info@nkpcpa.com

MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

MEMBER
TEXAS SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

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

Honorable Judge and Commissioners
County of Blanco, Texas
Johnson City, TX 78636

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of County of Blanco, as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 2, 2020.

Internal Control Over Financial Reporting.

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) 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 County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies.

Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether County of Blanco's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of 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*.

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.

We noted certain matters that we reported to management of the County of Blanco, in a separate letter dated June 2, 2020.

Sincerely,



NEFFENDORF & KNOPP, P.C.
Fredericksburg, Texas

June 2, 2020

NEFFENDORF & KNOPP, P.C.
Certified Public Accountants

P.O. BOX 874 · 736 S. WASHINGTON ST.
FREDERICKSBURG, TEXAS 78624-0874

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FAX: (830) 997-3333

Email: info@nkpcpa.com

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June 2, 2020

Honorable Judge and Commissioners
County of Blanco, Texas
Johnson City, TX 78636

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of County of Blanco for the year ended September 30, 2019. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated October 31, 2019. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by County of Blanco are described in Note I to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended September 30, 2019. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no significant accounting estimates.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 2, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Other Comments and Recommendations

Prior Year Recommendations

General Fund

The County did not record the interest earned on the TexPool investments. We again recommend the County record the interest during the fiscal year.

Budget Road & Bridge Fund

The amended budget for the Road & Bridge Fund had a negative (deficit) ending fund balance. We again recommend the County budget the appropriate amount of transfers to clear the negative (deficit) fund balance.

County Clerk

There are old outstanding checks on the County Clerk's bond bank account reconciliation. We again recommend the old items be researched to determine if the funds should be re-issued or escheated to the State.

This information is intended solely for the use of the Commissioner's Court and management of County of Blanco and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,



NEFFENDORF & KNOPP, P.C.

Fredericksburg, Texas



PROMULGATED BY THE TEXAS REAL ESTATE COMMISSION (TREC)

2-12-18

UNIMPROVED PROPERTY CONTRACT
NOTICE: Not For Use For Condominium Transactions



1. **PARTIES:** The parties to this contract are County of Blanco (Seller) and Sheila West Felps (Buyer). Seller agrees to sell and convey to Buyer and Buyer agrees to buy from Seller the Property defined below.

2. **PROPERTY:** Lot 19, Block 75, Lake of the Hills, West Addition, City of Blanco, County of Blanco, Texas, known as Ridge Road 78606 (address/zip code), or as described on attached exhibit together with all rights, privileges and appurtenances pertaining thereto, including but not limited to: water rights, claims, permits, strips and gores, easements, and cooperative or association memberships (the Property).
RESERVATIONS: Any reservation for oil, gas, or other minerals, water, timber, or other interests is made in accordance with an attached addendum.

3. **SALES PRICE:**
A. Cash portion of Sales Price payable by Buyer at closing. \$ 1,400.00
B. Sum of all financing described in the attached: Third Party Financing Addendum, Loan Assumption Addendum, Seller Financing Addendum. \$ _____
C. Sales Price (Sum of A and B) \$ 1,400.00

4. **LICENSE HOLDER DISCLOSURE:** Texas law requires a real estate license holder who is a party to a transaction or acting on behalf of a spouse, parent, child, business entity in which the license holder owns more than 10%, or a trust for which the license holder acts as a trustee or of which the license holder or the license holder's spouse, parent or child is a beneficiary, to notify the other party in writing before entering into a contract of sale. Disclose if applicable: N/A

5. **EARNEST MONEY:** Within 3 days after the Effective Date, Buyer must deliver \$ 100.00 as earnest money to Countywide Title Co., as escrow agent, at Blanco, Texas (address). Buyer shall deposit additional earnest money of \$ N/A to escrow agent within N/A days after the effective date of this contract. If Buyer fails to deliver the earnest money within the time required, Seller may terminate this contract or exercise Seller's remedies under Paragraph 15, or both, by providing notice to Buyer before Buyer delivers the earnest money. If the last day to deliver the earnest money falls on a Saturday, Sunday, or legal holiday, the time to deliver the earnest money is extended until the end of the next day that is not a Saturday, Sunday, or legal holiday. **Time is of the essence for this paragraph.**

6. **TITLE POLICY AND SURVEY:**
A. TITLE POLICY: Seller shall furnish to Buyer at Seller's Buyer's expense an owner's policy of title insurance (Title Policy) issued by Countywide Title Company (Title Company) in the amount of the Sales Price, dated at or after closing, insuring Buyer against loss under the provisions of the Title Policy, subject to the promulgated exclusions (including existing building and zoning ordinances) and the following exceptions:
(1) Restrictive covenants common to the platted subdivision in which the Property is located.
(2) The standard printed exception for standby fees, taxes and assessments.
(3) Liens created as part of the financing described in Paragraph 3.
(4) Utility easements created by the dedication deed or plat of the subdivision in which the Property is located.
(5) Reservations or exceptions otherwise permitted by this contract or as may be approved by Buyer in writing.
(6) The standard printed exception as to marital rights.
(7) The standard printed exception as to waters, tidelands, beaches, streams, and related matters.
(8) The standard printed exception as to discrepancies, conflicts, shortages in area or boundary lines, encroachments or protrusions, or overlapping improvements:
 (i) will not be amended or deleted from the title policy; or
 (ii) will be amended to read, "shortages in area" at the expense of Buyer Seller.
(9) The exception or exclusion regarding minerals approved by the Texas Department of Insurance.

B. **COMMITMENT:** Within 20 days after the Title Company receives a copy of this contract, Seller shall furnish to Buyer a commitment for title insurance (Commitment) and, at Buyer's expense, legible copies of restrictive covenants and documents evidencing exceptions in the Commitment (Exception Documents) other than the standard printed exceptions. Seller authorizes the Title Company to deliver the Commitment and Exception Documents to Buyer at Buyer's address

COPY

SP

TXR 1607 Initialed for identification by Buyer SP and Seller _____ TREC NO. 9-13

shown in Paragraph 21. If the Commitment and Exception Documents are not delivered to Buyer within the specified time, the time for delivery will be automatically extended up to 15 days or 3 days before the Closing Date, whichever is earlier. If the Commitment and Exception Documents are not delivered within the time required, Buyer may terminate this contract and the earnest money will be refunded to Buyer.

- C. SURVEY: The survey must be made by a registered professional land surveyor acceptable to the Title Company and Buyer's lender(s). (Check one box only)
 - (1) Within _____ days after the Effective Date of this contract, Seller shall furnish to Buyer and Title Company Seller's existing survey of the Property and a Residential Real Property Affidavit promulgated by the Texas Department of Insurance (T-47 Affidavit). **If Seller fails to furnish the existing survey or affidavit within the time prescribed, Buyer shall obtain a new survey at Seller's expense no later than 3 days prior to Closing Date.** If the existing survey or affidavit is not acceptable to Title Company or Buyer's lender(s), Buyer shall obtain a new survey at Seller's Buyer's expense no later than 3 days prior to Closing Date.
 - (2) Within _____ days after the Effective Date of this contract, Buyer shall obtain a new survey at Buyer's expense. Buyer is deemed to receive the survey on the date of actual receipt or the date specified in this paragraph, whichever is earlier.
 - (3) Within _____ days after the Effective Date of this contract, Seller, at Seller's expense shall furnish a new survey to Buyer.
- D. OBJECTIONS: Buyer may object in writing to (i) defects, exceptions, or encumbrances to title: disclosed on the survey other than items 6A(1) through (7) above; or disclosed in the Commitment other than items 6A(1) through (9) above; (ii) any portion of the Property lying in a special flood hazard area (Zone V or A) as shown on the current Federal Emergency Management Agency map; or (iii) any exceptions which prohibit the following use or activity:

Buyer must object the earlier of (i) the Closing Date or (ii) 10 days after Buyer receives the Commitment, Exception Documents, and the survey. Buyer's failure to object within the time allowed will constitute a waiver of Buyer's right to object; except that the requirements in Schedule C of the Commitment are not waived. Provided Seller is not obligated to incur any expense, Seller shall cure any timely objections of Buyer or any third party lender within 15 days after Seller receives the objections (Cure Period) and the Closing Date will be extended as necessary. If objections are not cured within the Cure Period, Buyer may, by delivering notice to Seller within 5 days after the end of the Cure Period: (i) terminate this contract and the earnest money will be refunded to Buyer; or (ii) ~~waive the~~ **waive the** objections. If Buyer does not terminate within the time required, Buyer shall be deemed to have waived the objections. If the Commitment or Survey is revised or any new Exception Document(s) is delivered, Buyer may object to any new matter revealed in the revised Commitment or Survey or new Exception Document(s) within the same time stated in this paragraph to make objections beginning when the revised Commitment, Survey, or Exception Document(s) is delivered to Buyer.

- E. TITLE NOTICES:
 - (1) ABSTRACT OR TITLE POLICY: Broker advises Buyer to have an abstract of title covering the Property examined by an attorney of Buyer's selection, or Buyer should be furnished with or obtain a Title Policy. If a Title Policy is furnished, the Commitment should be promptly reviewed by an attorney of Buyer's choice due to the time limitations on Buyer's right to object.
 - (2) MEMBERSHIP IN PROPERTY OWNERS ASSOCIATION(S): The Property is is not subject to mandatory membership in a property owners association(s). If the Property is subject to mandatory membership in a property owners association(s), Seller notifies Buyer under §5.012, Texas Property Code, that, as a purchaser of property in the residential community identified in Paragraph 2 in which the Property is located, you are obligated to be a member of the property owners association(s). Restrictive covenants governing the use and occupancy of the Property and all dedicatory instruments governing the establishment, maintenance, and operation of this residential community have been or will be recorded in the Real Property Records of the county in which the Property is located. Copies of the restrictive covenants and dedicatory instruments may be obtained from the county clerk. **You are obligated to pay assessments to the property owners association(s). The amount of the assessments is subject to change. Your failure to pay the assessments could result in enforcement of the association's lien on and the foreclosure of the Property.**
Section 207.003, Property Code, entitles an owner to receive copies of any document that governs the establishment, maintenance, or operation of a subdivision, including, but not limited to, restrictions, bylaws, rules and regulations, and a resale certificate from a property owners' association. A resale certificate contains information including, but not limited to, statements specifying the amount and frequency of regular assessments and the style and cause number of lawsuits to which the property owners' association is a party, other than lawsuits relating to unpaid ad valorem taxes of an individual member of the association. These documents must be made available to you by the property owners' association or the association's agent on your request.
If Buyer is concerned about these matters, the TREC promulgated Addendum for Property Subject to Mandatory Membership in a Property Owners Association should be used.

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(Address of Property)

- (3) **STATUTORY TAX DISTRICTS:** If the Property is situated in a utility or other statutorily created district providing water, sewer, drainage, or flood control facilities and services, Chapter 49, Texas Water Code, requires Seller to deliver and Buyer to sign the statutory notice relating to the tax rate, bonded indebtedness, or standby fee of the district prior to final execution of this contract.
- (4) **TIDE WATERS:** If the Property abuts the tidally influenced waters of the state, §33.135, Texas Natural Resources Code, requires a notice regarding coastal area property to be included in the contract. An addendum containing the notice promulgated by TREC or required by the parties must be used.
- (5) **ANNEXATION:** If the Property is located outside the limits of a municipality, Seller notifies Buyer under §5.011, Texas Property Code, that the Property may now or later be included in the extraterritorial jurisdiction of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and extraterritorial jurisdiction. To determine if the Property is located within a municipality's extraterritorial jurisdiction or is likely to be located within a municipality's extraterritorial jurisdiction, contact all municipalities located in the general proximity of the Property for further information.
- (6) **PROPERTY LOCATED IN A CERTIFICATED SERVICE AREA OF A UTILITY SERVICE PROVIDER:** Notice required by §13.257, Water Code: The real property, described in Paragraph 2, that you are about to purchase may be located in a certificated water or sewer service area, which is authorized by law to provide water or sewer service to the properties in the certificated area. If your property is located in a certificated area there may be special costs or charges that you will be required to pay before you can receive water or sewer service. There may be a period required to construct lines or other facilities necessary to provide water or sewer service to your property. You are advised to determine if the property is in a certificated area and contact the utility service provider to determine the cost that you will be required to pay and the period, if any, that is required to provide water or sewer service to your property. The undersigned Buyer hereby acknowledges receipt of the foregoing notice at or before the execution of a binding contract for the purchase of the real property described in Paragraph 2 or at closing of purchase of the real property.
- (7) **PUBLIC IMPROVEMENT DISTRICTS:** If the Property is in a public improvement district, §5.014, Property Code, requires Seller to notify Buyer as follows: As a purchaser of this parcel of real property you are obligated to pay an assessment to a municipality or county for an improvement project undertaken by a public improvement district under Chapter 372, Local Government Code. The assessment may be due annually or in periodic installments. More information concerning the amount of the assessment and the due dates of that assessment may be obtained from the municipality or county levying the assessment. The amount of the assessments is subject to change. Your failure to pay the assessments could result in a lien on and the foreclosure of your property.
- (8) **TEXAS AGRICULTURAL DEVELOPMENT DISTRICT:** The Property is is not located in a Texas Agricultural Development District. For additional information, contact the Texas Department of Agriculture.
- (9) **TRANSFER FEES:** If the Property is subject to a private transfer fee obligation, §5.205, Property Code requires Seller to notify Buyer as follows: The private transfer fee obligation may be governed by Chapter 5, Subchapter G of the Texas Property Code.
- (10) **PROPANE GAS SYSTEM SERVICE AREA:** If the Property is located in a propane gas system service area owned by a distribution system retailer, Seller must give Buyer written notice as required by §141.010, Texas Utilities Code. An addendum containing the notice approved by TREC or required by the parties should be used.
- (11) **NOTICE OF WATER LEVEL FLUCTUATIONS:** If the Property adjoins an impoundment of water, including a reservoir or lake, constructed and maintained under Chapter 11, Water Code, that has a storage capacity of at least 5,000 acre-feet at the impoundment's normal operating level, Seller hereby notifies Buyer: "The water level of the impoundment of water adjoining the Property fluctuates for various reasons, including as a result of: (1) an entity lawfully exercising its right to use the water stored in the impoundment; or (2) drought or flood conditions."

7. PROPERTY CONDITION:

- A. **ACCESS, INSPECTIONS AND UTILITIES:** Seller shall permit Buyer and Buyer's agents access to the Property at reasonable times. Buyer may have the Property inspected by inspectors selected by Buyer and licensed by TREC or otherwise permitted by law to make inspections. Seller at Seller's expense shall immediately cause existing utilities to be turned on and shall keep the utilities on during the time this contract is in effect.

NOTICE: Buyer should determine the availability of utilities to the Property suitable to satisfy Buyer's needs.

- B. **ACCEPTANCE OF PROPERTY CONDITION:** "As Is" means the present condition of the Property with any and all defects and without warranty except for the warranties of title and the warranties in this contract. Buyer's agreement to accept the Property As Is under Paragraph 7B (1) or (2) does not preclude Buyer from inspecting the Property under Paragraph 7A, from negotiating repairs or treatments in a subsequent amendment, or from terminating this contract during the Option Period, if any.

(Check one box only)

- (1) Buyer accepts the Property As Is.
- (2) Buyer accepts the Property As Is provided Seller, at Seller's expense, shall complete the following specific repairs and treatments: _____

(Do not insert general phrases, such as "subject to inspections" that do not identify specific repairs and treatments.)

- C. **COMPLETION OF REPAIRS:** Unless otherwise agreed in writing: (i) Seller shall complete all agreed repairs and treatments prior to the Closing Date; and (ii) all required permits must be obtained, and repairs and treatments must be performed by persons who are licensed to provide such repairs or treatments or, if no license is required by law, are commercially engaged in the trade of providing such repairs or treatments. At Buyer's election, any transferable warranties received by Seller with respect to the repairs and treatments will be transferred to Buyer at Buyer's expense. If Seller fails to complete any agreed repairs and treatments prior to the Closing Date, Buyer may exercise remedies under Paragraph 15 or extend the Closing Date up to 5 days, if necessary, for Seller to complete repairs and treatments.
- D. **ENVIRONMENTAL MATTERS:** Buyer is advised that the presence of wetlands, toxic substances, including asbestos and wastes or other environmental hazards, or the presence of a threatened or endangered species or its habitat may affect Buyer's intended use of the Property. If Buyer is concerned about these matters, an addendum promulgated by TREC or required by the parties should be used.
- E. **SELLER'S DISCLOSURES:** Except as otherwise disclosed in this contract, Seller has no knowledge of the following:
 - (1) any flooding of the Property which has had a material adverse effect on the use of the Property;
 - (2) any pending or threatened litigation, condemnation, or special assessment affecting the Property;
 - (3) any environmental hazards that materially and adversely affect the Property;
 - (4) any dumpsite, landfill, or underground tanks or containers now or previously located on the Property;
 - (5) any wetlands, as defined by federal or state law or regulation, affecting the Property; or
 - (6) any threatened or endangered species or their habitat affecting the Property.
- 8. **BROKERS' FEES:** All obligations of the parties for payment of brokers' fees are contained in separate written agreements.
- 9. **CLOSING:**
 - A. The closing of the sale will be on or before June 19, 2020, or within 7 days after objections made under Paragraph 6D have been cured or waived, whichever date is later (Closing Date). If either party fails to close the sale by the Closing Date, the non-defaulting party may exercise the remedies contained in Paragraph 15.
 - B. At closing:
 - (1) Seller shall execute and deliver a general warranty deed conveying title to the Property to Buyer and showing no additional exceptions to those permitted in Paragraph 6 and furnish tax statements or certificates showing no delinquent taxes on the Property.
 - (2) Buyer shall pay the Sales Price in good funds acceptable to the escrow agent.
 - (3) Seller and Buyer shall execute and deliver any notices, statements, certificates, affidavits, releases, loan documents and other documents reasonably required for the closing of the sale and the issuance of the Title Policy.
 - (4) There will be no liens, assessments, or security interests against the Property which will not be satisfied out of the sales proceeds unless securing the payment of any loans assumed by Buyer and assumed loans will not be in default.
- 10. **POSSESSION:**
 - A. **Buyer's Possession:** Seller shall deliver to Buyer possession of the Property in its present or required condition upon closing and funding.
 - B. **Leases:**
 - (1) After the Effective Date, Seller may not execute any lease (including but not limited to mineral leases) or convey any interest in the Property without Buyer's written consent.
 - (2) If the Property is subject to any lease to which Seller is a party, Seller shall deliver to Buyer copies of the lease(s) and any move-in condition form signed by the tenant within 7 days after the Effective Date of the contract.
- 11. **SPECIAL PROVISIONS:** (Insert only factual statements and business details applicable to the sale. TREC rules prohibit license holders from adding factual statements or business details for which a contract addendum or other form has been promulgated by TREC for mandatory use.)
Buyer may obtain survey at any time at buyer's expense.

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12. SETTLEMENT AND OTHER EXPENSES:

- A. The following expenses must be paid at or prior to closing:
- (1) Expenses payable by Seller (Seller's Expenses):
 - (a) Releases of existing liens, including prepayment penalties and recording fees; release of Seller's loan liability; tax statements or certificates; preparation of deed; one-half of escrow fee; and other expenses payable by Seller under this contract.
 - (b) Seller shall also pay an amount not to exceed \$ N/A to be applied in the following order: Buyer's Expenses which Buyer is prohibited from paying by FHA, VA, Texas Veterans Land Board or other governmental loan programs, and then to other Buyer's Expenses as allowed by the lender.
 - (2) Expenses payable by Buyer (Buyer's Expenses): Appraisal fees; loan application fees; origination charges; credit reports; preparation of loan documents; interest on the notes from date of disbursement to one month prior to dates of first monthly payments; recording fees; copies of easements and restrictions; loan title policy with endorsements required by lender; loan-related inspection fees; photos; amortization schedules; one-half of escrow fee; all prepaid items, including required premiums for flood and hazard insurance, reserve deposits for insurance, ad valorem taxes and special governmental assessments; final compliance inspection; courier fee; repair inspection; underwriting fee; wire transfer fee; expenses incident to any loan; Private Mortgage Insurance Premium (PMI), VA Loan Funding Fee, or FHA Mortgage Insurance Premium (MIP) as required by the lender; and other expenses payable by Buyer under this contract.
- B. If any expense exceeds an amount expressly stated in this contract for such expense to be paid by a party, that party may terminate this contract unless the other party agrees to pay such excess. Buyer may not pay charges and fees expressly prohibited by FHA, VA, Texas Veterans Land Board or other governmental loan program regulations.

13. PRORATIONS AND ROLLBACK TAXES:

- A. PRORATIONS: Taxes for the current year, interest, maintenance fees, assessments, dues and rents will be prorated through the Closing Date. The tax proration may be calculated taking into consideration any change in exemptions that will affect the current year's taxes. If taxes for the current year vary from the amount prorated at closing, the parties shall adjust the prorations when tax statements for the current year are available. If taxes are not paid at or prior to closing, Buyer shall pay taxes for the current year.
- B. ROLLBACK TAXES: If this sale or Buyer's use of the Property after closing results in the assessment of additional taxes, penalties or interest (Assessments) for periods prior to closing, the Assessments will be the obligation of Buyer. If Assessments are imposed because of Seller's use or change in use of the Property prior to closing, the Assessments will be the obligation of Seller. Obligations imposed by this paragraph will survive closing.
- 14. CASUALTY LOSS:** If any part of the Property is damaged or destroyed by fire or other casualty after the Effective Date of this contract, Seller shall restore the Property to its previous condition as soon as reasonably possible, but in any event by the Closing Date. If Seller fails to do so due to factors beyond Seller's control, Buyer may (a) terminate this contract and the earnest money will be refunded to Buyer (b) extend the time for performance up to 15 days and the Closing Date will be extended as necessary or (c) accept the Property in its damaged condition with an assignment of insurance proceeds, if permitted by Seller's insurance carrier, and receive credit from Seller at closing in the amount of the deductible under the insurance policy. Seller's obligations under this paragraph are independent of any other obligations of Seller under this contract.
- 15. DEFAULT:** If Buyer fails to comply with this contract, Buyer will be in default, and Seller may (a) enforce specific performance, seek such other relief as may be provided by law, or both, or (b) terminate this contract and receive the earnest money as liquidated damages, thereby releasing both parties from this contract. If Seller fails to comply with this contract Seller will be in default and Buyer may (a) enforce specific performance, seek such other relief as may be provided by law, or both, or (b) terminate this contract and receive the earnest money, thereby releasing both parties from this contract.
- 16. MEDIATION:** It is the policy of the State of Texas to encourage resolution of disputes through alternative dispute resolution procedures such as mediation. Any dispute between Seller and Buyer related to this contract which is not resolved through informal discussion will be submitted to a mutually acceptable mediation service or provider. The parties to the mediation shall bear the mediation costs equally. This paragraph does not preclude a party from seeking equitable relief from a court of competent jurisdiction.
- 17. ATTORNEY'S FEES:** A Buyer, Seller, Listing Broker, Other Broker, or escrow agent who prevails in any legal proceeding related to this contract is entitled to recover reasonable attorney's fees and all costs of such proceeding.
- 18. ESCROW:**
- A. ESCROW: The escrow agent is not (i) a party to this contract and does not have liability for the performance or nonperformance of any party to this contract, (ii) liable for interest on the earnest money and (iii) liable for the loss of any earnest money caused by the failure of any financial institution in which the earnest money has been deposited unless the financial institution is acting as escrow agent.
 - B. EXPENSES: At closing, the earnest money must be applied first to any cash down payment, then to Buyer's Expenses and any excess refunded to Buyer. If no closing occurs, escrow

agent may: (i) require a written release of liability of the escrow agent from all parties, (ii) require payment of unpaid expenses incurred on behalf of a party, and (iii) only deduct from the earnest money the amount of unpaid expenses incurred on behalf of the party receiving the earnest money.

- C. DEMAND: Upon termination of this contract, either party or the escrow agent may send a release of earnest money to each party and the parties shall execute counterparts of the release and deliver same to the escrow agent. If either party fails to execute the release, either party may make a written demand to the escrow agent for the earnest money. If only one party makes written demand for the earnest money, escrow agent shall promptly provide a copy of the demand to the other party. If escrow agent does not receive written objection to the demand from the other party within 15 days, escrow agent may disburse the earnest money to the party making demand reduced by the amount of unpaid expenses incurred on behalf of the party receiving the earnest money and escrow agent may pay the same to the creditors. If escrow agent complies with the provisions of this paragraph, each party hereby releases escrow agent from all adverse claims related to the disbursement of the earnest money.
 - D. DAMAGES: Any party who wrongfully fails or refuses to sign a release acceptable to the escrow agent within 7 days of receipt of the request will be liable to the other party for (i) damages; (ii) the earnest money; (iii) reasonable attorney's fees; and (iv) all costs of suit.
 - E. NOTICES: Escrow agent's notices will be effective when sent in compliance with Paragraph 21. Notice of objection to the demand will be deemed effective upon receipt by escrow agent.
19. REPRESENTATIONS: All covenants, representations and warranties in this contract survive closing. If any representation of Seller in this contract is untrue on the Closing Date, Seller will be in default. Unless expressly prohibited by written agreement, Seller may continue to show the Property and receive, negotiate and accept back up offers.
20. FEDERAL TAX REQUIREMENTS: If Seller is a "foreign person," as defined by Internal Revenue Code and its regulations, or if Seller fails to deliver an affidavit or a certificate of non-foreign status to Buyer that Seller is not a "foreign person," then Buyer shall withhold from the sales proceeds an amount sufficient to comply with applicable tax law and deliver the same to the Internal Revenue Service together with appropriate tax forms. Internal Revenue Service regulations require filing written reports if currency in excess of specified amounts is received in the transaction.
21. NOTICES: All notices from one party to the other must be in writing and are effective when mailed to, hand-delivered at, or transmitted by fax or electronic transmission as follows:

To Buyer
at: _____
P.O. Box 503, Blanco, TX 78606
Phone: (210)367-5339
Fax: _____
E-mail: shiela@KANDCSUPPLY.COM

To Seller
at: Blanco County, c/o Co. Judge
P.O. Box 471, Johnson City, TX 78636
Phone: (830)868-4266
Fax: _____
E-mail: cojudge@co.blanco.tx.us

22. AGREEMENT OF PARTIES: This contract contains the entire agreement of the parties and cannot be changed except by their written agreement. Addenda which are a part of this contract are (check all applicable boxes):

- | | |
|---|---|
| <input type="checkbox"/> Third Party Financing Addendum | <input type="checkbox"/> Addendum for Coastal Area Property |
| <input type="checkbox"/> Seller Financing Addendum | <input type="checkbox"/> Environmental Assessment, Threatened or Endangered Species and Wetlands Addendum |
| <input type="checkbox"/> Addendum for Property Subject to Mandatory Membership in a Property Owners Association | <input type="checkbox"/> Addendum for Property Located Seaward of the Gulf Intracoastal Waterway |
| <input type="checkbox"/> Buyer's Temporary Residential Lease | <input type="checkbox"/> Addendum for Sale of Other Property by Buyer |
| <input type="checkbox"/> Seller's Temporary Residential Lease | <input type="checkbox"/> Addendum for Property in a Propane Gas System Service Area |
| <input type="checkbox"/> Addendum for Reservation of Oil, Gas and Other Minerals | <input type="checkbox"/> Other (list): _____ |
| <input type="checkbox"/> Addendum for "Back-Up" Contract | _____ |
| <input type="checkbox"/> Addendum Concerning Right to Terminate Due to Lender's Appraisal | _____ |

Contract Concerning Ridge Road Blanco, 78606 Page 7 of 9 2-12-18
(Address of Property)


23. TERMINATION OPTION: For nominal consideration, the receipt of which is hereby acknowledged by Seller, and Buyer's agreement to pay Seller \$ N/A (Option Fee) within 3 days after the Effective Date of this contract, Seller grants Buyer the unrestricted right to terminate this contract by giving notice of termination to Seller within _____ days after the Effective Date of this contract (Option Period). Notices under this paragraph must be given by 5:00 p.m. (local time where the Property is located) by the date specified. If no dollar amount is stated as the Option Fee or if Buyer fails to pay the Option Fee to Seller within the time prescribed, this paragraph will not be a part of this contract and Buyer shall not have the unrestricted right to terminate this contract. If Buyer gives notice of termination within the time prescribed, the Option Fee will not be refunded; however, any earnest money will be refunded to Buyer. The Option Fee will will not be credited to the Sales Price at closing. **Time is of the essence for this paragraph and strict compliance with the time for performance is required.**

24. CONSULT AN ATTORNEY BEFORE SIGNING: TREC rules prohibit real estate license holders from giving legal advice. READ THIS CONTRACT CAREFULLY.


Buyer's Attorney is: _____	Seller's Attorney is: _____
Phone: _____	Phone: _____
Fax: _____	Fax: _____
E-mail: _____	E-mail: _____

COPY

EXECUTED the _____ day of _____, _____ (Effective Date).
(BROKER: FILL IN THE DATE OF FINAL ACCEPTANCE.)

DocuSigned by:

 Buyer 49A2745A8176425 Seller _____
Sheila West Felps County of Blanco

Buyer _____ Seller _____



The form of this contract has been approved by the Texas Real Estate Commission. TREC forms are intended for use only by trained real estate license holders. No representation is made as to the legal validity or adequacy of any provision in any specific transactions. It is not intended for complex transactions. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, (512) 936-3000 (<http://www.trec.texas.gov>) TREC NO. 9-13. This form replaces TREC NO. 9-12.

OPTION FEE RECEIPT

Receipt of \$xxxxxxxxxxxxxxxx (Option Fee) in the form of xxxxxxxxxxxxxxxxxxxxxxxxxxxx
is acknowledged.

xx
Seller or Listing Broker Date
xx
xx

EARNEST MONEY RECEIPT

Receipt of \$ _____ Earnest Money in the form of _____
is acknowledged.

Escrow Agent _____ Received by _____ Email Address _____ Date/Time _____

Address _____ Phone _____

City _____ State _____ Zip _____ Fax _____

COPY

CONTRACT RECEIPT

Receipt of the Contract is acknowledged.

Escrow Agent _____ Received by _____ Email Address _____ Date _____

Address _____ Phone _____

City _____ State _____ Zip _____ Fax _____

ADDITIONAL EARNEST MONEY RECEIPT

Receipt of \$ _____ additional Earnest Money in the form of _____
is acknowledged.

Escrow Agent _____ Received by _____ Email Address _____ Date/Time _____

Address _____ Phone _____

City _____ State _____ Zip _____ Fax _____

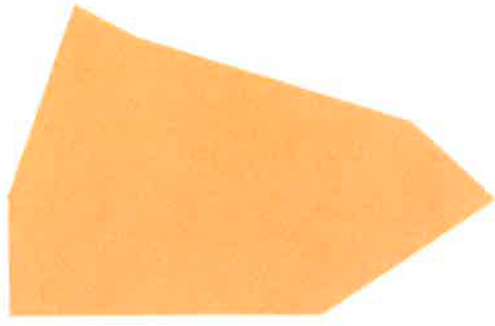
Self-Response by County

Click icon to open or close the share menu

This map features self-response rates from households that responded to the 2020 Census online, by mail, or by phone. Rates can be viewed in [rankings here](#).

Final 2010 Self-response: 50.6%

Texas Self-Response
Blanco Self-Response
54.9% 40.0%



© 2020 Mapbox © OpenStreetMap



- Select Mode
- Total
- Select State
- Texas
- Select County
- Blanco

Geographies

Return to State

County

Census Tract

City

Congressional District

Town and Township

Tribal Area



Operational Updates



Historical Data

Shape your future START HERE >

Email us at responsesrateremap@census.gov
Responses received as of 5/27/2020
[Click here for technical details](#)

United States
Census 2020

Self-Response by City

Click icon to open or close the share menu

This map features self-response rates from households that responded to the 2020 Census online, by mail, or by phone. Rates can be viewed in [rankings here](#).

Final 2010 Self-response: 64.2%

Texas Self-Response
Blanco Self-Response
54.9% 33.9%



- Select Mode
- Total
- Select State
- Texas
- Select City
- Blanco

Geographies

Return to State

County

City

Census Tract

Congressional District

Town and Township

Tribal Area



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United States
Census 2020

Self-Response by City

Click icon to open or close the share menu

This map features self-response rates from households that responded to the 2020 Census online, by mail, or by phone. Rates can be viewed in [rankings here](#).

Final 2010 Self-response: 64.9%

Texas Self-Response

54.9%

Johnson City Self-Response

31.3%



Select Mode
Total

Select State
Texas

Select City
Johnson City

Geographies

Return to State

County

City

Census Tract

Congressional District

Town and Township

Tribal Area

Self-Response Rate (%)

0-15 16-30 31-40 41-50 51-56 57-62 63-68 69-74 75-85 86-100

Johnson City, Texas Self-Response Rate

Total 31.3%

Internet 25.5%



Operational Updates



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Responses received as of 5/27/2020
[Click here for technical details](#)

Self-Response by City

Click icon to open or close the share menu

This map features self-response rates from households that responded to the 2020 Census online, by mail, or by phone. Rates can be viewed in [rankings here](#).

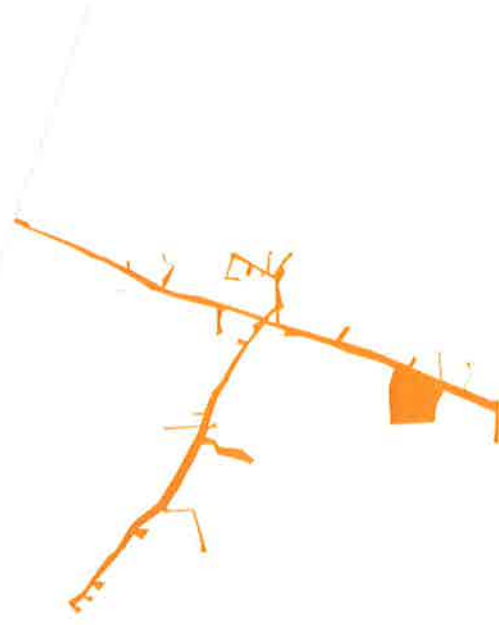
Final 2010 Self-response: 59%

Texas Self-Response

54.9%

Round Mountain Self-Response

29.6%



Select Mode
Total

Select State
Texas

Select City
Round Mountain

Geographies

Return to State

County

City

Census Tract

Congressional District

Town and Township

Tribal Area

Self-Response Rate (%)

0-15 16-30 31-40 41-50 51-56 57-62 63-68 69-74 75-85 86-100

Round Mountain, Texas Self-Response Rate

Total 29.6%

Internet 22.5%



Operational Updates



Historical Data

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Responses received as of 5/27/2020
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Shape your future START HERE >

Email us at responseratemap@census.gov
Responses received as of 5/27/2020
[Click here for technical details](#)

REPORT OF EXAMINATION

**NORTH BLANCO COUNTY
EMERGENCY SERVICES
DISTRICT NO. 1**

Johnson City, Texas

**For the Year Ended
September 30, 2019**

NORTH BLANCO COUNTY EMERGENCY SERVICES DISTRICT NO. 1
BASIC FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2019

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditors' Report.....	1
Management's Discussion and Analysis.....	3
Statement of Net Position and Governmental Funds Balance Sheet.....	9
Statement of Activities and Governmental Funds Revenues, Expenditures, and Changes in Fund Balances.....	10
Notes to Financial Statements.....	11
<u>Supplementary Information</u> -	
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund.....	25

NEFFENDORF & KNOPP, P.C.
Certified Public Accountants

P.O. BOX 874 · 736 S. WASHINGTON ST.
FREDERICKSBURG, TEXAS 78624-0874
(830) 997-3348

FAX: (830) 997-3333
email: info@nkpcpa.com

MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

MEMBER
TEXAS SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

**Report on Basic Financial Statements Accompanied
by Required Supplementary Information**

INDEPENDENT AUDITOR'S REPORT

Board of Emergency Service Commissioners
North Blanco County Emergency Services District No. 1
Johnson City, TX 78636

We have audited the accompanying financial statements of the governmental activities of North Blanco County Emergency Services District No. 1 as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the North Blanco County Emergency Services District No. 1, as of September 30, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 9 to the financial statements, the District joined the Texas County and District Retirement System in October, 2017. The District implemented the measurement criteria and reporting provisions in accordance with Governmental Accounting Standards Board (GASB) Statement No. 68. 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 the management's discussion and analysis on pages 3 – 7 and the budgetary comparison information on page 25 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Neffendorf + Knopp, P.C.

NEFFENDORF & KNOPP, P.C.
Fredericksburg, Texas

May 28, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the North Blanco County Emergency Services District, we offer readers of the District's financial statements this narrative overview and analysis of the financial statements of the District for the year ended September 30, 2019. Please read it in conjunction with the independent auditors' report on page 1, and District's Basic Financial Statements which begin on page 9.

FINANCIAL HIGHLIGHTS

- The assets of the District exceeded its liabilities at the close of the most recent fiscal year by \$1,382,825 (net position). Of this amount, \$960,015 (unrestricted net position) may be used to meet the District's ongoing obligations to citizen's and creditors.
- The District's net position increased by \$529,630 as a result of this year's operations.
- At September 30, 2019, the District's general fund reported an ending fund balance of \$930,323, an increase of \$158,640 in comparison with the prior year.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The government-wide financial statements include the Statement of Net Position and the Statement of Activities (on pages 9 and 10). These provide information about the activities of the District as a whole and present a longer-term view of the District's property and debt obligations and other financial matters. They reflect the flow of total economic resources in a manner similar to the financial reports of a business enterprise.

Fund financial statements (also on pages 9 & 10) report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. For governmental activities, these statements tell how services were financed in the short term as well as what resources remain for future spending. They reflect the flow of current financial resources and supply the basis for tax levies and the appropriations budget.

The notes to the financial statements (starting on page 11) provide narrative explanations or additional data needed for full disclosure in the government-wide statements or the fund financial statements.

The Budgetary Comparison Schedule (general fund) is presented as a required supplemental schedule on page 25.

Reporting the District as a Whole

The Statement of Net Position and the Statement of Activities

The analysis of the District's overall financial condition and operations begins on page 9. Its primary purpose is to show whether the District is better off or worse off as a result of the year's activities. The Statement of Net Position includes all the District's assets and liabilities at the end of the year while the Statement of Activities includes all the revenues and expenses generated by the District's operations during the year. These apply the accrual basis of accounting which is the basis used by private sector companies.

All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. All the District's assets are reported whether they serve the current year or future years. Liabilities are considered regardless of whether they must be paid in the current or future years.

These two statements report the District's net position and changes in them. The District's net position (the difference between assets and liabilities) provide one measure of the District's financial health, or financial position. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating. To fully assess the overall health of the District, however, you should consider other factors as well, such as changes in the District's property tax base and the condition of the District's capital assets.

Reporting the District's Most Significant Funds

Fund Financial Statements

The fund financial statements on pages 9 & 10 and provide detailed information about the most significant funds - not the District as a whole. Governmental fund types include the general fund.

➤ Governmental funds - All of the District's basic services are reported in governmental funds. They use modified accrual accounting (a method that measures the receipt and disbursement of cash and all other financial assets that can be readily converted to cash) and report balances that are available for future spending. The governmental fund statements provide a detailed short-term view of the District's general operations and the basic services it provides. We describe the differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in the adjustments column and Note 3 to the financial statements.

Net position of the District's governmental activities increased from \$853,195 to \$1,382,825. Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements - was \$960,015 at September 30, 2019. This increase in governmental net position was the result of five factors. First, the District's revenues exceeded the expenditures by \$158,640. Second, the District adjusted the difference in unavailable revenues for property taxes (convert from modified accrual to accrual basis). Third, the District acquired capital assets in the amount of \$360,927. Fourth, the District recorded depreciation expense in the amount of \$3,117. Fifth, the District recorded the net pension asset accounts in relation to TCDRS in the amount of \$6,700.

Table I
North Blanco County Emergency Services District
NET POSITION

	Governmental Activities	
	2019	2018
Current and Other Assets	\$ 988,398	\$ 838,325
Capital Assets	422,810	65,000
Net Pension Asset	412	-
Total Assets	\$ 1,411,620	\$ 903,325
Deferred Outflow of Resources	\$ 6,388	\$ -
Long-Term Liabilities	\$ -	\$ -
Current Liabilities	35,083	50,130
Total Liabilities	\$ 35,083	\$ 50,130
Deferred Inflow of Resources	\$ 100	\$ -
Net Position:		
Invested in Capital Assets		
Net of Related Debt	\$ 422,810	\$ 65,000
Unrestricted	960,015	788,195
Total Net Position	\$ 1,382,825	\$ 853,195

Table II
North Blanco County Emergency Services District

CHANGES IN NET POSITION

	Governmental Activities	
	2019	2018
Revenues:		
Maintenance & Operations Taxes	\$ 832,564	\$ 753,386
Investment Earnings	3,088	4,006
Miscellaneous	51,844	1,045
Sales Tax	364,392	286,061
Total Revenues	\$ 1,251,888	\$ 1,044,498
Expenses:		
Johnson City VFD	\$ 144,975	\$ 267,920
Round Mountain VFD	101,916	57,942
North Blanco County EMS	438,101	638,750
Appraisal District	18,693	20,383
Professional Fees	10,058	4,738
Other Operating	5,398	2,574
Depreciation	3,117	
Total Expenses	\$ 722,258	\$ 992,307
Net Income	\$ 529,630	\$ 52,191

THE DISTRICT'S FUNDS

As the District completed the year, its general fund (as presented in the balance sheet on page 9) reported a fund balance of \$930,323, which is more than last year's total of \$771,683. Revenues were more than expenditures by \$158,640 for the general fund.

The District adopted the General Fund Budget. Actual revenues were more than budgeted amounts and expenditures were more than budgeted amounts.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2019, the District had the following capital assets in operation:

Capital Assets at Year End

	<u>9/30/19</u>
Land & Building	\$ 425,927
Computers	<u>1,134</u>
TOTAL CAPITAL ASSETS	\$ 427,061
Accumulated Depreciation	<u>(4,251)</u>
TOTAL NET CAPITAL ASSETS	<u>\$ 422,810</u>

More detailed information about the District's capital assets is presented in the Notes to Financial Statements (Note 8).

Debt Administration

At September 30, 2019, the District did not have any outstanding debt.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The District's elected and appointed officials considered many factors when setting the fiscal-year 2020 budget and tax rates. Factors considered in establishing a budget are the funding needs of the District operations and programs necessary to meet the objectives of the District. Amounts available for appropriation in the General Fund budget are \$1,249,667 and expenditures are estimated to be \$840,253.

If these estimates are realized, the District's budgetary General fund balance is expected to increase by the close of 2020.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District's Board President or Treasurer at P.O. Box 494, Johnson City, Texas 78636.

BASIC FINANCIAL STATEMENTS

NORTH BLANCO COUNTY EMERGENCY SERVICES DISTRICT NO. 1
STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS BALANCE SHEET -
SEPTEMBER 30, 2019

	General Fund	Total	Adjust- ments (Note 3)	Statement of Net Position September 30,	
				2019	2018
ASSETS					
Cash in Bank	\$ 495,522	\$ 495,522	\$ -	\$ 495,522	\$ 331,987
Certificates of Deposit	437,863	437,863	-	437,863	465,540
Receivables:					
Taxes	24,202	24,202	-	24,202	17,381
Allowance for Uncollectible Accounts	(1,210)	(1,210)	-	(1,210)	(869)
Appraisal District/Sales Tax	32,021	32,021	-	32,021	24,286
Capital Assets (Net of Accumulated Depreciation)	-	-	422,810	422,810	65,000
Net Pension Asset	-	-	412	412	-
Total Assets	\$ 988,398	\$ 988,398	423,222	1,411,620	903,325
DEFERRED OUTFLOW OF RESOURCES					
Deferred Outflows Related to TCDRS	-	-	6,388	6,388	-
LIABILITIES					
Accounts Payable	35,083	35,083	-	35,083	50,130
Total Liabilities	35,083	35,083	-	35,083	50,130
DEFERRED INFLOW OF RESOURCES					
Unavailable Revenues - Property Taxes	22,992	22,992	(22,992)	-	-
Deferred Inflows Related to TCDRS	-	-	100	100	-
Total Deferred Inflow of Resources	22,992	22,992	(22,892)	100	-
FUND BALANCES/NET POSITION					
Fund Balances:					
Unassigned	930,323	930,323	(930,323)	-	-
Total Fund Balances	930,323	930,323	(930,323)	-	-
Total Liabilities & Fund Balances	\$ 988,398	\$ 988,398			
Net Position:					
Invested in Capital Assets			422,810	422,810	65,000
Unrestricted			960,015	960,015	788,195
Total Net Position			\$ 1,382,825	\$ 1,382,825	\$ 853,195

The accompanying notes are an integral part of this financial statement.

NORTH BLANCO COUNTY EMERGENCY SERVICES DISTRICT NO. 1
 STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE FOR THE YEAR ENDED - SEPTEMBER 30, 2019

	General Fund		Adjustments (Note 3)	Statement of Activities September 30,	
				2019	2018
Revenues:					
Property Taxes	\$ 818,631	\$ 818,631	\$ 6,480	\$ 825,111	\$ 745,156
Penalty and Interest	7,453	7,453	-	7,453	8,230
Interest on Investments	3,088	3,088	-	3,088	4,006
Appraisal District Refund/Other	51,844	51,844	-	51,844	1,045
Sales Tax	364,392	364,392	-	364,392	286,061
Total Revenues	1,245,408	1,245,408	6,480	1,251,888	1,044,498
Expenditures/Expenses:					
Salary- EMS	275,804	275,804	-	275,804	-
Payroll Tax - EMS	88,546	88,546	-	88,546	-
Worker's Comp - EMS	11,339	11,339	-	11,339	-
Health Insurance - EMS	27,048	27,048	-	27,048	-
Retirement - EMS	8,583	8,583	(6,700)	1,883	-
Payroll Expense - EMS	2,077	2,077	-	2,077	-
Appraisal District	18,693	18,693	-	18,693	20,383
Attorney Fees	4,858	4,858	-	4,858	640
Bonds and Insurance	2,172	2,172	-	2,172	840
Clerical and Auditing	5,200	5,200	-	5,200	4,738
Postage and Box Rent	71	71	-	71	56
Publications and Notices	158	158	-	158	98
Office/Computer	870	870	-	870	940
Conferences	2,127	2,127	-	2,127	-
Volunteer Fire Departments -					
Johnson City VFD	144,975	144,975	-	144,975	267,920
Round Mountain VFD	101,916	101,916	-	101,916	57,942
Emergency Medical Services -					
North Blanco County EMS	31,404	31,404	-	31,404	638,750
Capital Outlay	360,927	360,927	(360,927)	-	-
Depreciation	-	-	3,117	3,117	-
Total Expenditures/Expenses	1,086,768	1,086,768	(364,510)	722,258	992,307
Excess (Deficiency) of Revenues over Expenditures	158,640	158,640	(158,640)	-	-
Change in Net Position			529,630	529,630	52,191
Fund Balance/Net Position:					
Beginning of the Year	771,683	771,683	81,512	853,195	801,004
End of the Year	\$ 930,323	\$ 930,323	\$ 452,502	\$ 1,382,825	\$ 853,195

The accompanying notes are an integral part of this financial statement.

NORTH BLANCO COUNTY EMERGENCY SERVICES DISTRICT NO. 1
NOTES TO THE FINANCIAL STATEMENT
SEPTEMBER 30, 2019

NOTE 1. CREATION OF DISTRICT

The North Blanco County Emergency Services District No. 1 was approved by voters in May, 1989 and operates under Article III, Section 48E, of the Texas Constitution. The Blanco County Commissioners Court appoints five members to the Board of Emergency Service Commissioners. The District is a political subdivision of the State and has full authority to carry out the objects of its creation, including fire prevention, fire-fighting services, emergency medical services and ambulance services.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of North Blanco County Emergency Services District No. 1 conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies:

A. Reporting Entity

The District has developed criteria to determine if the activities of any outside agencies or organizations should be included within its financial statements. The criteria includes the amount of oversight responsibility exercised by the District over the activities of an agency or organization, the scope of public service of an agency or organization, and the nature of any special financing relationships which may exist between the District and an agency or organization. Oversight responsibility includes financial interdependency, selection of the governing authority, designation of management, the ability to significantly influence operations, and accountability for fiscal matters. The District's financial statements include all funds over which the District exercises oversight responsibility. The District does not exercise oversight responsibility over any other reporting entity. Also, The District is not included as a part of any other reporting entity.

B. Government-Wide and Fund Financial Statements

The Statement of Net Position and the Statement of Activities are government-wide financial statements. They report information on all of the North Blanco County Emergency Services District No. 1 nonfiduciary activities. *Governmental activities* include sources supported by taxes, fees and interest on investments.

The Statement of Activities demonstrates how other people or entities that participate in services the District operates have shared in the payment of the direct costs.

C. 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. 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.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

The modified accrual basis of accounting recognizes revenues in the accounting period in which they become both measurable and available, and it recognizes expenditures in the accounting period in which the fund liability is incurred, if measurable, which is recognized when due. The expenditures related to certain claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources. The District considers all revenues available if they are collectible within 60 days after year end.

Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from customers are recognized under the susceptible-to-accrual concept. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available.

The government reports the following major governmental funds:

The general fund is the government's operating fund and accounts for all financial resources of the general government.

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

D. Assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position

1. Deposits and investments

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

Temporary investments are stated at cost.

2. Capital Assets

Capital assets, which include computers, are reported in the governmental activities columns in the government-wide financial statements. Assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Depreciable assets of the District are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Computer	5

3. Fund Equity

The District has implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

- Non-spendable fund balance – amounts that are not in non-spendable form (such as inventory) or are required to be maintained intact.
- Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- Committed fund balance – amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority (i.e. Board of Directors). To be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest-level action to remove or change the constraint.
- Assigned fund balance – amounts the District intends to use for a specific purpose. Intent can be expressed by the Board of Directors or by an official or body to which the Board of Directors delegates the authority.
- Unassigned fund balance – amounts that are available for any purpose. Positive amounts are reported only in the general fund.

The Board of Directors establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). Assigned fund balance is established by the Board of Directors through adoption or amendment of the budget as intended for specific purpose (such as the purchase of fixed assets, construction, debt service, or other purposes).

4. Budget

The Board of Directors annually adopt a budget for the general fund (usually in September of each year).

5. Deferred Outflows of Resources and Deferred Inflows of Resources

The District has implemented new GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. Under GASB 63, amounts previously reported as deferred charges as a part of total assets and deferred amounts from refunded debt have been reported in a separate section as deferred outflows of resources and amounts previously reported as deferred revenue as a part of total liabilities have been reported in a separate section as deferred inflows of resources.

6. Pensions

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

7. Use of Estimates

The presentation 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.

NOTE 3. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position

Total Fund Balance - Governmental Fund	\$ 930,323
1. Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds. At the beginning of the year, the cost of these assets was \$66,134 and the accumulated depreciation was \$1,134. The effect of including the beginning balances for capital assets (net of depreciation) in the governmental activities is to increase net position.	65,000
2. The 2019 depreciation expense increases accumulated depreciation. The net effect of the current year's depreciation is to decrease net position.	(3,117)
3. Current year capital outlays are expenditures in the fund financial statements, but they should be shown as increases in capital assets in the government-wide financial statements. The net effect of including the 2019 capital outlays is to increase net position.	360,927
4. Reclassification of deferred revenues for property taxes to revenues in the government-wide statements (convert from modified accrual basis to accrual basis)	22,992
5. Deferred outflow of resources related to pension is not recorded in the fund financial statements.	6,388
6. Net pension asset is not recorded in the fund financial statements.	412
7. Deferred inflows of resources related to pension is not recorded in the fund financial statements.	(100)
Net Position of Governmental Activities	<u>\$ 1,382,825</u>

Reconciliation of the Governmental Fund Statement of Revenues, Expenditure,
and Changes in Fund Balance to the Statement of Activities

Total Net Change in Fund Balances - Governmental Funds	\$ 158,640
1. Current year capital outlays are expenditures in the fund financial statements, but they should be shown as increases in capital assets in the government-wide financial statements. The net effect of removing the 2019 capital outlays is to increase net position.	360,927
2. Depreciation is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The net effect of the current year's depreciation is to decrease net position.	(3,117)
3. Revenues in the government-wide Statement of Activities that do not provide current financial resources are not reported as revenues in the fund (convert from modified accrual basis to accrual basis).	6,480
4. Change in net pension asset and related accounts is not recorded on the governmental funds.	<u>6,700</u>
Change in Net Position of Governmental Activities	<u>\$ 529,630</u>

NOTE 4. DEPOSITS AND INVESTMENTS

The funds of the District must be deposited and invested under the terms of a contract, contents of which are set out in the **Depository Contract Law**. The depository bank places approved pledged securities for safekeeping and trust with the District's agent bank in an amount sufficient to protect District 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.

At September 30, 2019, the carrying amount of the District's deposits was \$495,522 and the bank balance was \$495,522. The District's cash deposits at September 30, 2019 were entirely covered by FDIC insurance.

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

The District's temporary investments at September 30, 2019, are shown below:

Name	Carrying Amount	Market Value	FDIC Coverage	Pledged Securities
Certificates of Deposit -				
Johnson City Bank	\$ 247,317	\$ 247,317	\$ -	\$ 500,000
Bandera Bank	-	-	-	- 0 -
Lone Star Capital Bank	190,546	190,546	-	- 0 -
TOTAL	<u>\$ 437,863</u>	<u>\$ 437,863</u>	<u>\$ -</u>	<u>- 0 -</u>

Policies Governing Deposits and Investments

In compliance with the **Public Funds Investment Act**, the District discloses the following risks:

Custodial Credit Risk - Deposits: This is the risk that in the event of bank failure, the District's deposits may not be returned to it. The District was not exposed to custodial credit risk since its deposits at year-end were covered by depository insurance or by pledged collateral held by the District's agent bank in the District's name.

Custodial Credit Risk - Investments: This is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's investments (certificates of deposit) were secured by FDIC insurance and pledged securities.

Other Credit Risk: There is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. At September 30, 2019, the District was not exposed to concentration of credit risk, interest rate risk or foreign currency risk.

NOTE 5. PROPERTY TAXES

The District levies taxes on real property within the District on October 1 each year, which is the lien date. Such taxes become delinquent the following February 1. On January 1 of each year, a tax lien attaches to the property to secure the payment of all taxes, penalties and interest ultimately imposed. Property tax revenues are considered available when they become due or past due and receivable within the current period. The Blanco County Appraisal District appraises and collects taxes for the District. The District can levy a tax not to exceed .10 (10 cents) per 100 valuation. For the 2018 tax roll, the tax rate was \$0.10 per \$100 valuation and the total property valuation was \$829,154,000. A summary of taxes receivable by years appears below:

Tax Roll	Taxes Receivable 10/01/18	Taxes Assessed	Collections and Adjustments	Taxes Receivable 9/30/19
2018	\$ -	\$ 829,154	\$ 811,418	\$ 17,736
2017	12,000	-	8,476	3,524
2016	2,197	-	1,067	1,130
2015	1,319	-	484	835
2014	1,269	-	687	582
2013	156	-	86	70
2012 & Prior	440	-	115	325
Totals	<u>\$ 17,381</u>	<u>\$ 829,154</u>	<u>\$ 822,333</u>	<u>\$ 24,202</u>

NOTE 6. BONDS & INSURANCE

The District has a Public Employee Dishonesty Bond with a \$25,000 blanket limit. The District also has general commercial liability in the general aggregate of \$3,000,000 and management liability in the general aggregate of \$3,000,000.

NOTE 7. CONTRACTS

The District has contracted with the Johnson City and Round Mountain Volunteer Fire Departments (VFD) for fire-fighting services. For the year ended September 30, 2019, the District paid \$144,975 to the Johnson City VFD (monthly budgeted expenditures of \$144,975) and \$101,916 to the Round Mountain VFD (\$57,769 budgeted expenditures, \$22,500 First Responder Truck and \$21,647 loan for Brush Truck).

The District has contracted with the North Blanco County EMS for emergency medical services. For the year ended September 30, 2019 the District paid \$31,404 to the North Blanco County EMS (monthly budgeted expenditures of \$31,404).

NOTE 8. CAPITAL ASSET ACTIVITY

Capital asset activity for the District for the year September 30, 2019, was as follows:

	Primary Government			Ending Balance
	Beginning Balance	Additions	Retirements	
Governmental Activities -				
Land & Building	\$ 65,000	\$ 360,927	\$ -	\$ 425,927
Computer	1,134	-	-	1,134
Totals	\$ 66,134	\$ 360,927	\$ -	\$ 427,061
Less Accumulated Depreciation	(1,134)	(3,117)	-	(4,251)
Capital Assets, Net	\$ 65,000	\$ 357,810	\$ -	\$ 422,810

NOTE 9. EMPLOYEE RETIREMENT PLAN

Plan Description

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

- a. North Blanco County Emergency Services District No. 1 participates in the Texas County & District Retirement System (TCDRS), which is a statewide, agent multiple-employer, public employee retirement system.
- b. A brief description of benefit terms:
 - 1) All full-and part-time non-temporary employees participate in the plan, regardless of the number of hours they work in a year. Employees in a temporary position are not eligible for membership.
 - 2) The plan provides retirement, disability and survivor benefits.
 - 3) TCDRS is a savings-based plan. For the district's plan, 4% of each employee's pay is deposited into his or her TCDRS account. By law, employee accounts earn 7% interest on beginning of year balances annually. At retirement, the account is matched at an employer set percentage (current match is 125%) and is then converted to an annuity.
 - 4) There are no automatic COLAs. Each year, the district may elect an ad hoc COLA for its retirees (if any). There are two COLA types, each limited by actual inflation.

- 5) Benefit terms are established under the TCDRS Act. They may be amended as of January 1 each year, but must remain in conformity with the Act.
- c. Membership information is shown in the chart below.
- d. The district's contribution rate is calculated annually on an actuarial basis, although the employer may elect to contribute at a higher rate. The North Blanco County Emergency Services District No. 1 contribution rate is based on the TCDRS funding policy adopted by the TCDRS Board of Trustees and must conform with the TCDRS Act. The employee contribution rates are set by the district and are currently 4%. Contributions to the pension plan from the district for 2018 are shown in the Schedule of Employer Contributions.
- e. The most recent comprehensive annual financial report for TCDRS can be found at the following link, www.tcdrs.org.

Members covered by benefit terms.

At the December 31, 2018 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	0
Inactive employees entitled to but not yet receiving benefits	0
Active employees	<u>10</u>
	10

Contributions

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

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

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

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

The contribution rate payable by the employee members for calendar year 2018 is the rate of 4% as adopted by the governing body of the employer. The employee contribution rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act. The District's contributions to TCDRS for the year ended September 30, 2019 were \$6,944, and were equal to the required contributions.

Net Pension Liability

The District's Net Pension Liability (NPL) was measured as of December 31, 2018, 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 December 31, 2018 actuarial valuation was determined using the following actuarial assumptions:

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.
Actuarial Cost Method	Entry Age Normal (1)
Amortization Method	
Recognition of Economic/Demographic Gains or Losses	Straight-Line amortization over Expected Working Life
Recognition of Assumptions, Changes or Inputs	Straight-Line amortization over Expected Working Life
Asset Valuation Method	
Smooth Period	5 years
Recognition Method	Non-asymptotic
Corridor	None
Inflation	2.75%
Salary Increases	The annual salary increase rates assumed for individual members vary by length of service and by entry-age group. The annual rates consist of a general wage inflation component of 3.25% (made up of 2.75% inflation and 0.5% productivity increase assumptions) and a merit, promotion and longevity component that on average approximates 1.6% per year for a career employee.
Investment Rate of Return	8.10% (Gross of administrative expenses)
Cost of Living Adjustments	Cost-of-Living Adjustments for North Blanco County Emergency Services District No. 1 are not considered to be substantively automatic under GASB 68. Therefore, no assumption for future cost-of-living adjustments is included in the GASB calculations. No assumption for future cost-of-living adjustments is included in the funding valuation.
Retirement Age	Deferred members are assumed to retire (100% probability) at the later of: a) age 60; b) earliest retirement eligibility.
Turnover	New employees are assumed to replace any terminated members and have similar entry ages.
Mortality	RP-2014 Mortality Tables

(1) Individual entry age normal cost method, as required by GASB 68, used for GASB calculations. Note that a slightly different version of the entry age normal cost method is used for the funding actuarial valuation.

The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS' investment consultant, Cliffwater LLC. The numbers shown are based on January 2019 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 2017. See Milliman's TCDRS Investigation of Experience report for the period January 1, 2013 – December 31, 2016 for more details.

Asset Class	Benchmark	Target Allocation ⁽¹⁾	Geometric Real Rate of Return ⁽²⁾
U.S. Equities	Dow Jones U.S. Total Stock Market Index	10.50%	5.40%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index ⁽³⁾	18.00%	8.40%
Global Equities	MSCI World (Net) Index	2.50%	5.70%
International Equities – Developed Markets	MSCI World Ex USA (Net) Index	10.00%	5.40%
International Equities – Emerging Markets	MSCI Emerging Markets (Net) Index	7.00%	5.90%
Investment – Grade Bonds	Bloomberg Barclays U.S. Aggregate Bond Index	3.00%	1.60%
Strategic Credit	FTSE High-Yield Cash-Pay Capped Index	12.00%	4.39%
Direct Lending	S&P/ LSTA Leveraged Loan Index	11.00%	7.95%
Distressed Debt	Cambridge Associates Distressed Securities Index ⁽⁴⁾	2.00%	7.20%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% S&P Global REIT (Net) Index	2.00%	4.15%
Master Limited Partnerships (MLPs)	Alerian MLP Index	3.00%	5.35%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index ⁽⁵⁾	6.00%	6.30%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	13.00%	3.90%

⁽¹⁾ Target asset allocation adopted at the April 2019 TCDRS Board meeting

⁽²⁾ Geometric real rates of return equal the expected return minus the assumed inflation rate of 1.70%, per Cliffwater's 2019 capital market assumptions.

⁽³⁾ Includes vintage years 2006 – present of Quarter Pooled Horizon IRRs.

⁽⁴⁾ Includes vintage years 2005 – present of Quarter Pooled Horizon IRRs.

⁽⁵⁾ Includes vintage years 2007 – present of Quarter Pooled Horizon IRRs.

Discount Rate

The discount rate used to measure the Total Pension Liability was 8.10%. 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 pensions 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.

Changes in Net Pension Liability / (Asset)

Changes in Net Pension Liability / (Asset)	Increase/(Decrease)		
	Total Pension Liability	Fiduciary Net Position	Net Pension Liability/ (Asset)
	(a)	(b)	(a)-(b)
Balances as of December 31, 2017	\$ -	\$ -	\$ -
Changes for the Year:			
Service Cost	1,355		1,355
Interest on Total Pension Liability ⁽¹⁾	110		110
Effect of Plan Changes ⁽²⁾			
Effects of Economic/Demographic - Gains or Losses	(109)		(109)
Effect of Assumptions Changes or Inputs			
Refund of Contributions			
Administrative Expenses		(1)	1
Member Contributions		1,104	(1,104)
Net Investment Income		19	(19)
Employer Contributions		596	(596)
Other ⁽³⁾		50	(50)
Balances as of December 31, 2018	\$ <u>1,356</u>	\$ <u>1,768</u>	\$ <u>(412)</u>

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

⁽²⁾ No plan changes valued.

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

Sensitivity Analysis

The following presents the net pension liability of the district, calculated using the discount rate of 8.10%, as well as what the North Blanco County Emergency Services District No. 1 net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (7.10%) or 1 percentage point higher (9.10%) than the current rate.

	1% Decrease <u>7.10%</u>	Current Discount Rate <u>8.10%</u>	1% Increase <u>9.10%</u>
Total Pension Liability	\$ 1,641	\$ 1,356	\$ 1,149
Fiduciary Net Position	<u>1,768</u>	<u>1,768</u>	<u>1,768</u>
Net Pension Liability/(Asset)	<u>\$ (127)</u>	<u>\$ (412)</u>	<u>\$ (619)</u>

Pension Expense / (Income)

<u>Prepaid Expense/(Income)</u>	<u>January 1, 2018 to December 31, 2018</u>
Service Cost	\$ 1,355
Interest on Total Pension Liability ⁽¹⁾	110
Effect of Plan Changes	-
Administrative Expenses	1
Member Contributions	(1,104)
Expected Investment Return Net of Investment Expenses	(69)
Recognition of Deferred Inflows/Outflows of Resources	
Recognition of Economic/Demographic Gains or Losses	(9)
Recognition of Assumption Changes or Inputs	-
Recognition of Investment Gains or Losses	10
Other ⁽²⁾	<u>(51)</u>
Pension Expense/(Income)	<u>\$ 243</u>

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

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

As of December 31, 2018, the deferred inflows and outflows of resources are as follows:

Deferred Inflows / Outflows of Resources	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>
Differences between expected and actual experience	\$ 100	\$ 0
Changes of assumptions	-	0
Net difference between projected and actual earnings	-	40
Contributions made subsequent to measurement date	N/A	6,348

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

<u>Year ended December 31</u>	
2019	\$ 1
2020	1
2021	1
2022	1
2023	(9)
Thereafter ⁽¹⁾	(55)

⁽¹⁾ Total remaining balance to be recognized in future years, if any. Note that additional future deferred inflows and outflows of resources may impact these numbers.

NOTE 10. SALES TAX ELECTION

In a special election on November 3, 2015, the District's voters approved the adoption of a Sales and Use Tax at a rate of one percent. For the fiscal year ended September 30, 2019, the District collected \$364,392 in sales tax.

NOTE 11. EXCESS OF EXPENDITURES OVER BUDGET

Actual expenditures exceeded the budgeted amounts for two line items (Capital Outlay and North Blanco County EMS) and in total.

NOTE 12. SUBSEQUENT EVENTS

The District has evaluated subsequent events through May 28, 2020, the date which the financial statements were available to be issued. The District is not aware of any subsequent events that materially impact the financial statements.

SUPPLEMENTARY INFORMATION

NORTH BLANCO COUNTY EMERGENCY SERVICES DISTRICT NO. 1
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual Amounts (GAAP Basis)	Variance With Final Budget Positive (Negative)
	Original	Final		
	<u>Revenues</u>			
Property Taxes	\$ 809,990	\$ 809,990	\$ 818,631	\$ 8,641
Penalty & Interest	5,500	5,500	7,453	1,953
Interest on Investments	3,500	3,500	3,088	(412)
Appraisal District Refund/Other	56,000	56,000	51,844	(4,156)
Sales Tax	250,000	250,000	364,392	114,392
Total Revenues	<u>\$ 1,124,990</u>	<u>\$ 1,124,990</u>	<u>\$ 1,245,408</u>	<u>\$ 120,418</u>
<u>Expenditures</u>				
Appraisal District	\$ 21,000	\$ 21,000	\$ 18,693	\$ 2,307
Attorney Fees	6,000	6,000	4,858	1,142
Bonds & Insurance	2,000	2,000	2,172	(172)
Clerical & Auditing	8,000	8,000	5,200	2,800
Memberships/Registration	100	100	-	100
Postage & Box Rental	125	125	71	54
Publications & Notices	250	250	158	92
Office Supplies/Computer	1,200	1,200	870	330
Internet	850	850	-	850
Volunteer Fire Departments -				
Johnson City VFD	197,128	197,128	144,975	52,153
Round Mountain VFD	87,050	87,050	101,916	(14,866)
Emergency Medical Services -				
North Blanco County EMS	539,124	539,124	444,801	94,323
Board Training	3,000	3,000	2,127	873
Contract Labor	-	-	-	-
Capital Outlay	-	-	360,927	(360,927)
Total Expenditures	<u>\$ 865,827</u>	<u>\$ 865,827</u>	<u>\$ 1,086,768</u>	<u>\$ (220,941)</u>
Excess of (Deficit) Revenues Over (Under) Expenditures	\$ 259,163	\$ 259,163	\$ 158,640	\$ (100,523)
Fund Balance - October 1, 2018	<u>771,683</u>	<u>771,683</u>	<u>771,683</u>	<u>-</u>
Fund Balance - September 30, 2019	<u>\$ 1,030,846</u>	<u>\$ 1,030,846</u>	<u>\$ 930,323</u>	<u>\$ (100,523)</u>

NEFFENDORF & KNOPP, P.C.
Certified Public Accountants

P.O. BOX 874 · 736 S. WASHINGTON ST.
FREDERICKSBURG, TEXAS 78624-0874
(830) 997-3348

FAX: (830) 997-3333
email: info@nkpccpa.com

MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

MEMBER
TEXAS SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

May 28, 2020

To the Board of Emergency Services Commissioners
North Blanco County Emergency Services District No. 1
Johnson City, TX 78636

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of North Blanco County Emergency Services District No. 1 for the year ended September 30, 2019. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and OMB Circular A-133), as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by North Blanco County Emergency Services District No. 1 are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2019. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no significant accounting estimates.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated May 28, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Prior Year Recommendations

Budget Amendments

The Districts' actual expenditures exceeded the budgeted amount in total. We again recommend the District amend the budget when actual expenditures exceed the budgeted amounts.

This information is intended solely for the use of the Board of Directors and management of North Blanco County Emergency Services District No. 1 and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

Neffendorf & Knopp, P.C.

NEFFENDORF & KNOPP, P.C.
Fredericksburg, Texas



RESOLUTION

Whereas, The Commissioners Court of Blanco County finds it in the best interest of the citizens of Blanco County to seek grant funding from the Office of the Governor Criminal Justice Division Coronavirus Emergency Supplemental Funding Program (CESF), 2020 to offset the expenses for equipment and expendables for the Blanco County Sheriff's Office and Jail; and

Whereas, Blanco County agrees to provide required matching funds for this grant project as required by the Office of the Governor Criminal Justice Division; and

Whereas, The Commissioners Court of Blanco County agrees that in the event of loss or misuse of grant funds, the Commissioners Court of Blanco County assures that the funds will be returned to the Office of the Governor Criminal Justice Division in full; and

Whereas, The Commissioners Court of Blanco County designates the County Judge for Blanco County as the grantees' authorized official. The authorized official is given the power to apply for, accept, reject, alter or terminate the grant on behalf of Blanco County. Blanco County will maintain all equipment purchased under this grant as may be required by the Office of the Governor, and funding to support maintenance will be budgeted annually.

Now Therefore, Be it Resolved that The Commissioners Court of Blanco County approves submission of the electronic grant application to the Office of the Governor Criminal Justice Division Coronavirus Emergency Supplemental Funding Program for reimbursement of expenditures made for supplies and equipment for the Blanco County Sheriff's Office and Jail.

Signed: _____
Brett G. Bray, County Judge

Passed and Approved this _____ day of _____, 2020



PROCLAMATION
Flag Day and Week

WHEREAS, the Second Continental Congress adopted the American Flag on June 14, 1777; and

WHEREAS, June 14, 2019 marks over 243 years of displaying our American Flag; and

WHEREAS, it is fitting and proper to officially recognize “Old Glory” as a symbol of hope, inspiration and pride for the people of the United States and around the world; and

WHEREAS, in order to commemorate the adoption of our flag, on August 3, 1949, the Congress, by joint resolution, designated June 14 of each year as “Flag Day” and requested that the President issue an annual proclamation designating the week in which June 14 occurs as “National Flag Week” and call upon citizens of the United States to display the flag during that week; and

WHEREAS, the Hill County Chapter, National Society Daughters of the American Revolution, is hereby recognized for its ongoing efforts to honor and support National Flag Day and Week;

NOW, THEREFORE, I, Brett Bray, by the power vested in me as County Judge of Blanco County, Texas, and on behalf of the Citizens of Blanco County, do hereby proclaim the week of June 14 - 20, 2020 as

“NATIONAL FLAG WEEK”

in the County of Blanco, Texas and ask our citizens to reaffirm the ideals of our County by displaying our American Flag at their homes and throughout the Country.

**Given under my hand and seal this _____
day of June, 2020.**

Brett Bray, County Judge

COPY

TRACT 6

N80°37'E 152.50'

S81°54'E 467.88'

before

TRACT 5
19.998 ACRES

TRACT 4

TRACT 7

N07°42'W 1126.47'

S02°03'W 1821.58'

N06°02'E 206.16'

N07°42'W 497.67'

N82°25'W 356.76'

EXISTING

BLUE ROCK TRAIL
50' ROAD EASEMENT PER PLAT

NOT TO SCALE

TRACT 6

N79°00'14"E 153.32'
S83°30'46"E 253.67'
S83°30'46"E 216.72'

TRACT 5A

TRACT 5B

10.037 ACRES

10.035 ACRES

after

N09°18'34"W 1126.19'

S08°59'42"W 493.68'
S03°58'05"E 366.68'

S90°00'00"E 266.02'
N90°00'00"W 233.65'

TRACT 7

TRACT 4

S00°32'20"W 1821.32'

N04°41'27"E 206.12'

S03°58'05"E 774.20'

N00°32'20"E 1043.88'
30' ROADWAY EASEMENT

N09°17'57"W 471.89'

N84°02'09"W 175.87'

30'

30.13'

N84°02'09"W 356.93'

BLUE ROCK TRAIL

LINE TABLE		
LINE NO.	DIRECTION	LENGTH
L1	N86°01'55"E	25.00'
L2	S03°58'05"E	176.00'
L3	S86°01'55"W	25.00'
L4	N09°17'57"W	25.91'

ROADWAY EASEMENT NOTE

THE 30' ROADWAY EASEMENT CREATED BY THIS REPLAT BE THE ONLY INGRESS AND EGRESS USED FROM AND TO ROCK TRAIL FOR THE LOTS CREATED BY THIS REPLAT.



Austin
826 Linger Ln.
Austin, Texas 78721

Beaumont
4895 Romeda Rd
Beaumont, Texas 77705

Houston
10217 Wallisville Rd.
Houston, Texas 77013

Blanco County

20191564

To:

Judge Brett Bray
Blanco County
maintenance@co.blanco.tx.us
8302253728

Prepared by:

Bobby Villanueva

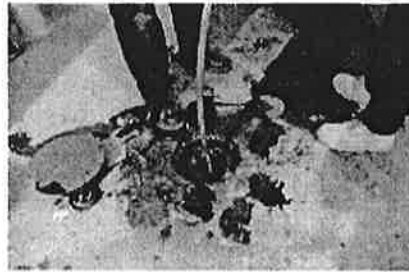
Wastewater Transport Services
bobby@wastewaterts.com
512-973-8484

Proposal Date: May 14, 2020

Our Service

Our Service Sets Us Apart

- High Pressure Cleaning of Your Inlet & Outlet
- 24/7 Customer Service
- Volume Discounts
- 100% Environmental Compliance
- No Surcharges or Hidden Fees
- Digital Manifest Storage & Emailed Copies
- Cancel Anytime
- We also clean Lift Stations & Septic Systems

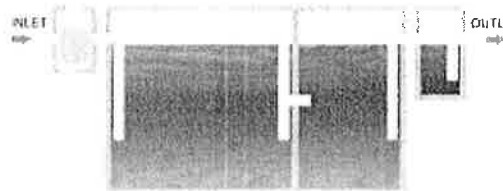
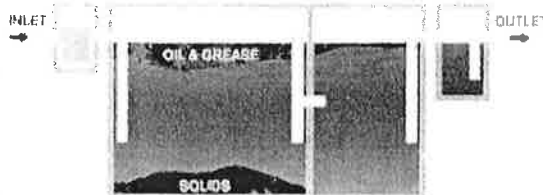


Service In A Nutshell

When we arrive the interceptor/trap will be filled with fats, oils and grease (FOG) build up in the primary chamber.

After the interceptor is serviced it will fill back with water. The City tests grease traps for FOG levels and can assess a fine or surcharge if the level is high. Additionally, during

your service, we can hydro jet the lines between your kitchen and the trap. This will help cut down on any build up in the lines and keep the grease where it belongs, not backing up in your kitchen



Proposal for Service

Name	Quantity	Price	Total
GREASE TRAP CLEANING-Amount billed will vary based on the capacity of your trap	2000	\$0.28 / Gallon	\$560
<ul style="list-style-type: none">• Service includes one hour of on-site labor and jetting every other service• Payment will be NET 30• Price above is for scheduled work only• Pricing is based on recurring service with a minimum frequency of every 90-days• Weekend, holiday and/or unscheduled service will be billed at an additional fee unless otherwise negotiated prior to service			
		Total	\$560

*Price above is for scheduled work only. Weekend, holiday and/or unscheduled service will be billed at an additional fee unless otherwise noted above.

Pricing Agreement

THIS PRICING AGREEMENT (this "Agreement") is made and entered into as of N/A, by Judge Brett Bray an AGENT or PRINCIPLE of Blanco County "Customer" and Wastewater Transport Services, LLC "Company".

WHEREAS, Company is recognized as the provider of service

WHEREAS, Customer desires to retain Company to provide services related to and

in support of efforts in which Company has expertise

NOW, THEREFORE, in consideration of the premises and the mutual conditions

herein contained, the parties hereto agree as follows:

- **Compensation:** In consideration of the services performed by the Company under this Agreement, the Customer shall pay the rate(s) listed above on the Proposal page of Blanco County 1247463.
- **Payment:** Customer agrees to pay at the time of service unless otherwise arranged.
- **Representations and Warranties:** The Company will make no representations, warranties, or commitments binding the Customer without the Customer's prior consent.
- **Governing Law, Severability:** This agreement shall be governed by the laws of the State of Texas, the invalidity or unenforceability of any provisions of the Agreement shall not affect the validity or enforceability of any other portion.

IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the date first written below.

Judge Brett Bray
Blanco County
maintenance@co.blanco.tx.us
N/A

Payment Options

AutoPay

Sign up for AutoPay and we will charge your credit card or bank account automatically for your service.

Net 30

We require a credit application for any customer who does not enroll in AutoPay or pays at the time of service.

COD

You can of course pay at the time of service, but this will effect the hours we are able to service your location, as someone has to be present.

Our technicians can accept, CASH, CHECK, and MONEY ORDERS

Axon Enterprise, Inc.

Protect Life.

17800 N 85th St.
 Scottsdale, Arizona 85255
 United States
 Phone: (800) 978-2737
 Fax: (480) 999-6152

Robert Woodring
 (830) 868-7104
 rwoodring@co.blanco.tx.us



Quotation

Quote: Q-254469-2
Date: 5/11/2020 1:46 PM
Quote Expiration: 6/30/2020
Contract Start Date*: 6/30/2020
Contract Term: 1 year

AX Account Number:
 121103

COPY

Bill To:
 Blanco County Sheriff's Office - TX
 400 S US 281
 JOHNSON CITY, TX 78636
 US

Ship To:
 Robert Woodring
 Blanco County Sheriff's Office - TX
 400 S US 281
 JOHNSON CITY, TX 78636
 US

SALESPERSON	PHONE	EMAIL	DELIVERY METHOD	PAYMENT METHOD
Joshua Taylor	(480) 463-2155	jotaylor@taser.com	Fedex - Ground	Net 30

*Note this will vary based on the shipment date of the product.

Hardware Due Net 30

QTY	ITEM #	DESCRIPTION	UNIT PRICE	TOTAL BEFORE DISCOUNT	DISCOUNT (\$)	NET TOTAL
3	22003	YELLOW X2 CEW, HANDLE	USD 1,275.00	USD 3,825.00	USD 0.00	USD 3,825.00
3	22010	PPM, STANDARD BATTERY PACK, X2/ X26P	USD 68.00	USD 204.00	USD 0.00	USD 204.00
3	22501	RIGHT-HAND HOLSTER, X2, BLACKHAWK	USD 81.75	USD 245.25	USD 0.00	USD 245.25
3	22014	WARRANTY, 4 YEAR, X2	USD 396.00	USD 1,188.00	USD 0.00	USD 1,188.00

Hardware Due Net 30 Total Before Discounts: USD 5,462.25

Hardware Due Net 30 Net Amount Due: USD 5,462.25

Grand Total: USD 5,462.25

Hardware Shipping Estimate

Typically, hardware shipment occurs between 4 – 6 weeks after purchase date. Product availability for new or high demand products may impact delivery time.

**Axon Enterprise, Inc.'s Sales Terms and Conditions
for Direct Sales to End User Purchasers**

By signing this Quote, you are entering into a contract and you certify that you have read and agree to the provisions set forth in this Quote and the Master Services and Purchasing Agreement, as amended, between Blanco County and Axon Enterprise, Inc. dated September 7, 2017. You represent that you are lawfully able to enter into contracts and if you are entering into this agreement for an entity, such as the company, municipality, or government agency you work for, you represent to Axon that you have legal authority to bind that entity. If you do not have this authority, do not sign this Quote.

Signature:

Date:

Name (Print):

Title:

PO# (if needed):

COPY

Quote: Q-254469-2

Please sign and email to Joshua Taylor at jotaylor@taser.com or fax to (480) 999-6152

THANK YOU FOR YOUR BUSINESS!

‘Protect Life’[®] and TASER[®] are registered trademarks of Axon Enterprise, Inc, registered in the U.S.
© 2013 Axon Enterprise, Inc. All rights reserved.

**INTERLOCAL COOPERATION AGREEMENT
BETWEEN CITY OF AUSTIN
AND BLANCO COUNTY, TEXAS**

COPY

For

**INSTALLATION, CONFIGURATION, MAINTENANCE, AND REPAIR
OF PUBLIC SAFETY EQUIPMENT AND SYSTEMS**

I. Recitals

- A. This interlocal agreement (“Agreement”) is authorized and governed by the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. Each party represents and warrants that in the performance of its respective obligations as set forth in this Agreement, it is carrying out a duly authorized governmental function, which it is authorized to perform individually under the applicable statutes of the State of Texas and/or its charter. Each party represents and warrants that the compensation to be made to the performing party contemplated in this Agreement are in amounts that fairly compensate the performing party for the services or functions described herein, and are made from current revenues available to the paying party.
- B. Recognizing 1) the importance of the City of Austin’s (“City”) and Blanco County, Texas collectively the “Parties” participation in the Greater Austin-Travis County Regional Radio System (“GATRRS”) which provides radio communications for public safety agencies in the Austin-Travis County region, 2) the City’s role as GATRRS Program Manager, and 3) the public purpose of promoting and ensuring public safety through consistent maintenance and repair of GATRRS member video/audio systems, the Parties hereby agree to enter into this video/audio system maintenance agreement (“Agreement”) as follows:

II. Term

The initial term of this Agreement is from the latest date of final execution of the Agreement to September 30, 2020. Following this initial term, the Agreement shall automatically renew each October 1st (the “Renewal Date”) each year unless terminated pursuant to the terms of this Agreement. It is the intent and understanding of the Parties that the obligations of each party under this Agreement shall remain effective only so long as and provided that each party has fully appropriated funds for performing such obligations for the party’s current fiscal year. If, for any fiscal year of any party, funds are not appropriated for such party’s performance of its obligations under this Agreement, this Agreement shall become void and such party shall promptly give notice to the other parties of the nonappropriation of funds.

III. Services

- A. City shall install, configure, maintain, and repair the following equipment at Blanco County's request: mobile, portable, and fixed two-way radios and other wireless devices, antennas, speakers, and ancillary equipment, sirens, light bars, controllers, in-vehicle video systems, mobile data computers and related hardware and cabling, pagers, and any other similar or related public safety emergency response equipment.
- B. City shall provide primary maintenance services for the equipment at the City Wireless Communication Services Division radio repair facility (or facilities). The service shall include the regular inspection of the equipment and any maintenance or repair necessary to maintain it in good working order. Upon request, the City shall also install and remove equipment from vehicles for reuse or disposal.

IV. Rates, Billing, & Payments

- A. The rates for service are detailed in Schedule 1 to this Agreement. City may revise Schedule 1 to adjust service rates as needed without further action by the Austin City Council or Blanco County provided that City shall provide not less than sixty (60) days advance written notice to Blanco County before any revision to Schedule 1 is effective.
- B. Estimated total billing is \$5,000 per year. Billing will be from the 21st of the month through the 20th of the following month.
- C. City's billing period is from the 21st day of each month through the 20th day of the following month. City will invoice Blanco County no later than the 14th day of the month following the end of each billing period, with the invoice dated on the day it is sent. Blanco County will pay City within thirty (30) days of receipt of any invoice for services under this Agreement.

V. Termination

Either Party may terminate this Agreement in whole or in part if the other Party fails to comply with any term or condition of the Agreement, including the inability of City to conform to changes required by federal, state, or local laws or regulations. The terminating Party shall notify the other Party of the decision to terminate this Agreement at least sixty (60) days before the effective date of termination, and in the case of a partial termination, the portion of the Agreement to be terminated. The other Party may avoid termination by correcting the reasons for termination prior to the effective date of termination stated in the notice to the satisfaction of the terminating Party. In the event that City notifies Blanco

County of a change in rates that is not acceptable to Blanco County, Blanco County shall notify City and provide at least sixty (60) days notice of the effective date of termination. If either Party terminates this Agreement, City has the right to receive payment for all parts, labor, or additional services provided before the effective date of termination. Without waiving any legal rights, the parties agree to voluntary mediation of any disputes.

VI. Disclaimer of Warranty and Limitation of Liability

- A. **Disclaimer of Warranties.** CITY OF AUSTIN MAKES NO WARRANTY WHATSOEVER WITH RESPECT TO THE SERVICES, INCLUDING ANY (i) WARRANTY OF MERCHANTABILITY; OR (ii) WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; OR (iii) WARRANTY OF TITLE; OR (iv) WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY; WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE.
- B. **Limitation of Liability.** (a) IN NO EVENT SHALL CITY OF AUSTIN BE LIABLE TO UNIVERSITY OR TO ANY THIRD PARTY FOR ANY LOSS OF USE, REVENUE OR PROFIT (OR LOSS OF DATA OR DIMINUTION IN VALUE), OR FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL OR PUNITIVE DAMAGES WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE AND WHETHER OR NOT AUSTIN HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.
- (b) IN NO EVENT SHALL AUSTIN'S LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE AGGREGATE AMOUNT PAID OR PAYABLE TO CITY OF AUSTIN PURSUANT TO THE APPLICABLE SERVICE ORDER GIVING RISE TO THE CLAIM.

VII. Notices

Any notices to be given under this Agreement shall be considered delivered (i) upon personal service upon the person designated in this Agreement for such notice; (ii) within three (3) days of deposit if mailed by first-class United States mail, postage prepaid, registered or certified, and addressed to the person designated for receipt of notice; or (iii) one business day after being sent for overnight delivery by a reputable commercial courier having the ability to track shipping and delivery of the notices. In cases where there is an emergency or other need for immediate notice to be given, written notice may be faxed to

the person designated for service, provided a written copy of such notice is also delivered promptly to such designated person by one of the three means identified above. The Parties designate the following persons for receipt of notice:

If to Blanco County

Name: Lt. Robert Woodring
Title: Blanco County Sheriff's Office
Address: 400 South US 281
Johnson City, TX 78636
Phone: 803.868.7104
Email: rwoodring@co.blanco.tx.us

If to City of Austin:

Name: Robert Turner (or successor)
Title: Acting Wireless Communication Services Manager, City of Austin
Address: City of Austin Wireless Communication Services Division
1006 Smith Road
Austin, TX 78721
Phone: (512) 972-3209
Email: robert.turner@austintexas.gov

The Parties may change the person designated for receipt of notice from time to time by giving notice in writing to the other parties, identifying the new person designated for receipt of service and identifying his/her name, title, address for notice and phone number.

VIII. Miscellaneous

- A. This is the complete agreement by and between the Parties on the subject matter of the Agreement. It supersedes any other agreement or understanding between the Parties, written or oral, and any other commitments, promises, undertakings, understandings, proposals or representations of the Parties to each other, written or oral, concerning the subject matter of this Agreement.
- B. This Agreement may be modified only by a writing duly executed by each of the Parties. Neither any representation or promise made after the execution of this Agreement, nor any modification or amendment of this Agreement, shall be binding on the Parties unless made in writing and duly executed by each of the Parties.

AGREED AND APPROVED:

Blanco County

By: _____
Name:
Title:

Date: _____

CITY OF AUSTIN

By: _____
Stephen Elkins
Chief Information Officer

Date: _____

**SCHEDULE 1
WIRELESS COMMUNICATION SERVICES
RATE OF PAY**

**CITY OF AUSTIN FISCAL YEAR 2020
(October 1, 2019, through September 30, 2020)**

Labor

1. \$78.92 per hour for work performed during Regular Business Hours.
2. \$118.38 per hour for work performed outside Regular Business Hours when customer requests work to be performed during these hours.
3. A per-visit response vehicle fee to customer's stationary wireless equipment sites of \$39.44. This includes only the cost to send a service van and equipment to the customer's service call location, and does not include the cost of labor. Labor will be billed at standard hourly labor rates to cover the travel time of technicians "to" and "from" the customer's service call location.

Parts

4. Parts and supplies used in the performance of maintenance or repair services billed at the City's documented vendor's invoiced cost to City, plus 15%.