# Rockwall County, Texas

## Comprehensive Annual Financial Report

For The Fiscal Year Ended
September 30, 2018

Lisa Constant Wylie
County Auditor

## ROCKWALL COUNTY, TEXAS

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# INTRODUCTORY SECTION

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**LISA CONSTANT WYLIE**
***County Auditor***

March 28, 2019

The Honorable District Judges
Brett Hall, 382nd Judicial District
David Rakow, 439th Judicial District

The Honorable Commissioners Court, Rockwall County, Texas
David Sweet, County Judge
Cliff Sevier, County Commissioner, Precinct 1
Lee Gilbert, County Commissioner, Precinct 2
Dennis Bailey, County Commissioner, Precinct 3
David Magness, County Commissioner, Precinct 4

The Citizens of Rockwall County

Ladies and Gentlemen:

Local Government Code of the State of Texas requires that Rockwall County publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Per that requirement, we hereby issue the comprehensive annual financial report of the Rockwall County for the fiscal year ended September 30, 2018.

This report consists of management's representations concerning the finances of Rockwall County. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed the anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. As financial management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Pattillo, Brown & Hill, L.L.P., a firm of licensed certified public accountants, has audited Rockwall County financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended September 30th are free of material misstatements. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing principles used and significant estimates made by management; and evaluating the overall financial presentation. Pattillo, Brown & Hill has issued an unmodified ("clean") opinion on Rockwall County's financial statements for the year ended September 30, 2018. The independent auditor's report is located at the front of the financial section of this report.



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**lconstantwylie@rockwallcountytexas.com**

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

Profile of the Government

Rockwall County was organized in 1873 and is located approximately 25 miles east of the City of Dallas, on the eastern shore of Lake Ray Hubbard. The County's population has grown by 82% over the 2000 census to the 2010 census. The 2010 census population for the County is approximately 78,337, while the estimated 2020 population is 118,546. The County has a land area of approximately 149 square miles. The City of Rockwall is the County Seat.

Rockwall County operates as specified under the Constitution of the State of Texas and its statutes which provide for a Commissioners Court consisting of the County Judge and four Commissioners, one for each of four geographical commissioners precincts. The County Judge is elected for a term of four years and the Commissioners for four year staggered terms. Other major County elected officers include the County Clerk and the County Treasurer. The County Auditor is appointed for a term of two years by and serves at the will of the District Judges whose courts are located in Rockwall County.

Rockwall County provides essential elements that make our communities livable: county roads and bridges, public improvements, juvenile probation and education, law enforcement and corrections, a court system to protect our legal rights, secure storage of our important public records and protection against threats to public health, to include providing health care to the indigent. Rockwall County shares, along with its cities, the expense to provide emergency medical services and fire protection services that adds to the safety for local residents.

The County Judge serves as budget officer for the Commissioners Court of the county. The County Judge is responsible for preparing an annual budget for all funds. The County Judge assisted by the County Auditor shall prepare a budget to cover all proposed expenditures of the county government for the succeeding fiscal year. The annual budget serves as the foundation for the County of Rockwall's financial planning and control. All County funds, including special revenue funds, are annually appropriated and have their budgets adopted. The budget is prepared by fund, function (e.g., public safety) and department (e.g., County Sheriff). The budget must show as definitively as possible the purpose of each expenditure and the amount of money to be spent. Rockwall County's budget is adopted on a basis consistent with generally accepted accounting principles. The totals for Personnel Services, Operating Costs, Other Services and Charges, Travel & Training, Capital Outlay and Debt Service are considered budget line items and over-expenditures of these line items will not occur.

In preparing the budget, the County Judge and County Auditor estimate the revenue to be derived from taxes that will be levied and collected in the succeeding fiscal year and shall include that revenue in the estimate of funds available to cover the proposed budget.

When the County Judge has completed the preparation of the budget, the Judge shall file a copy of the proposed draft budget with the County Clerk. The copy shall be available for inspection by any person. The proposed draft budget shall also be available on the county's internet website.

The Commissioners Court will hold a public hearing to allow any taxpayer of the County to attend and participate in the hearing. The Commissioners Court may make any changes in the proposed budget that it considers warranted by law and required in the best interest of the taxpayers. The Commissioners Court may levy taxes only in accordance with the budget. After final approval of the budget, the County Auditor shall file the budget with the County Clerk. Expenditures of county funds will be made only in strict compliance with the budget, unless an emergency is authorized. The Commissioners Court may authorize an emergency expenditure as an amendment to the original budget only in a case of grave public necessity to meet an unusual and unforeseen condition that could not have been included in the original budget through the use of reasonably diligent thought and attention. If the Court amends the original budget to meet an emergency, the Court files a copy of its order amending the budget with the County Clerk. The clerk attaches the copy to the original budget.

The Commissioners Court, by order, may transfer an amount budgeted for one item to another budgeted item or department. However, the legal level of control is the department level within a fund, meaning that the level at which charges to appropriations may not legally exceed appropriations.

State law requires counties to adopt a budget before they adopt a tax rate. Chapter 26 of the Property Tax Code requires taxing units to comply with truth in taxation laws in setting the tax rates. This law has two purposes: to make the taxpayers more knowledgeable about tax rate proposals and, in certain cases, to allow taxpayers to roll back or limit a tax increase.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which Rockwall County operates.

Local Economy. Rockwall County continues to be one of the fastest growing counties in the state, the county includes the cities of Rockwall, Heath, Fate, McLendon-Chisholm, and portions of the cities of Royse City, Rowlett and Wylie. According to the North Texas Council of Governments, the City of Fate took seventh place in the 10 Fastest Growing Cities in Texas for 2018. The City of Fate saw a 70% growth rate increase from its current population compared to the 2010 census. Rockwall County is the perfect place to grow business, raise your family and enjoy unrivaled quality of life.

Rockwall County's growth has been fueled by its location on I-30 and close proximity to Dallas, Texas, a major urban metroplex. The County's economic base is home to many industries, including manufacturing, healthcare and higher education.

Rockwall County has two major hospitals, Texas Health Presbyterian Hospital and Baylor Scott & White Medical Center – Lake Pointe. The County houses many after hour emergency medical facilities as well.

Long-Term Financial Planning

Rockwall County continues to address mobility improvements necessary to adapt to the County's growth. The Commissioners Court has been an integral part of a countywide consortium of all the cities within the county and the County itself to complete a prioritized list of road projects. . In 2004 ($17,250,000) and in 2008 ($100,000,000) bond programs were overwhelmingly approved by our voters. To date, over $85 million has been issued and projects are in the works to remedy road congestion and mobility.

Rockwall County addresses safety for our citizens and our law enforcement officers and has finalized the purchase and implementation of a new P25 Radio Interoperability Network. The network provides near to 100% coverage of the entire county and links all police agencies on the same network. Each participating city will utilize the network and fund their future/ongoing maintenance costs.

Rockwall County has faced an overwhelming increase in inmate population in the past several fiscal years. The current facility was not able to meet the County's ongoing needs. The County Commissioners Court hired a firm to conduct a thorough needs assessment study to facilitate the best course of action for the needs of the county jail. In November of 2018, the voters were given the opportunity to decide on the future plans for the County Jail and Law Enforcement Center expansion and remodeling project. The vote passed 55-45% to authorize the Commissioners Court to go forward with the expansion.

Relevant Financial Policies

The Rockwall County Commissioners Court ensures financial stability within the county government by adopting conservative and responsible policies that allow the County to meet the necessary needs of the county but to also continue to increase capacity and grow fund balance.

The County's Debt Management Policy was adopted to ensure that all debt financing required to provide the capital that is needed for equipment and infrastructure improvements will be undertaken only after careful consideration of the following:

- the need is a priority,
- the impact of the funding requirements on the debt capacity,
- the requirement for major infrastructure needs have been communicated to the taxpaying public,
- the forecast amortization of the debt does not disrupt the relationship between the maintenance & operation and debt service portions of the overall tax rate,
- the obligations have been timed for issuance and delivery so that proceeds are spent in an efficient manner and,
- the factors are taken into consideration as to arbitrage and,
- the existence of a climate favorable to the issuance of long term and/or short term debt is present.

The County's Financial Reserve Policy was adopted as a policy to maintain an appropriate yet conservative level of fund balance. The County's governing body has set this policy to achieve and maintain a reserve balance providing for four to six months of its annual budgeted expenditures. The use of available funds in the reserve shall be determined by deliberative action of the Commissioners Court based upon consideration of the current and economic environment at the time the expenditure is established, the impact of the projected operating and capital expenditures on the cash needs of the County, the acknowledgement of the difference between operating and capital needs, the methods of alternative financing and lastly to manage the tax rate so as to avoid undue financial hardship on the County's taxpayers.

The County's Tax Abatement Policy was established due to the rapid growth of the County which placed current and future operating and capital demands on the County's resources. Since the County is committed to the promotion of high quality development in all parts of the County and the County is committed to the ongoing improvement of the quality of life for its citizens, the governing body is careful to consider the pros and cons of each application for tax abatement. The maximum term for any tax abatement agreement granted by the County shall be ten years and any agreement granted shall be subject to review and evaluation over its duration to ensure that the proposed benefits are achieved.

The County's Investment Policy directs funds of the County will be invested in accordance with federal and state laws. The County will follow investment strategies appropriate to each type of fund. Safety of principal is the primary objective of any investment transaction. The County's investment portfolio must be structured in conformance with an asset/liability management plan that provides for the liquidity necessary to pay obligations as they become due. The County will also diversify its portfolio to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer or a specific class of investments. The investment officer shall always select investments that provide for stability of income and reasonable liquidity. It will also be an objective of the County to earn the maximum rate of return allowed on its investments within the policy and that the portfolio maturity will be structured to meet the obligations of the County first and then to achieve the highest return of interest.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Rockwall County for its comprehensive annual financial report (CAFR) for the fiscal year ended September 30, 2017. This was the fourth consecutive year that Rockwall County has received this prestigious award.

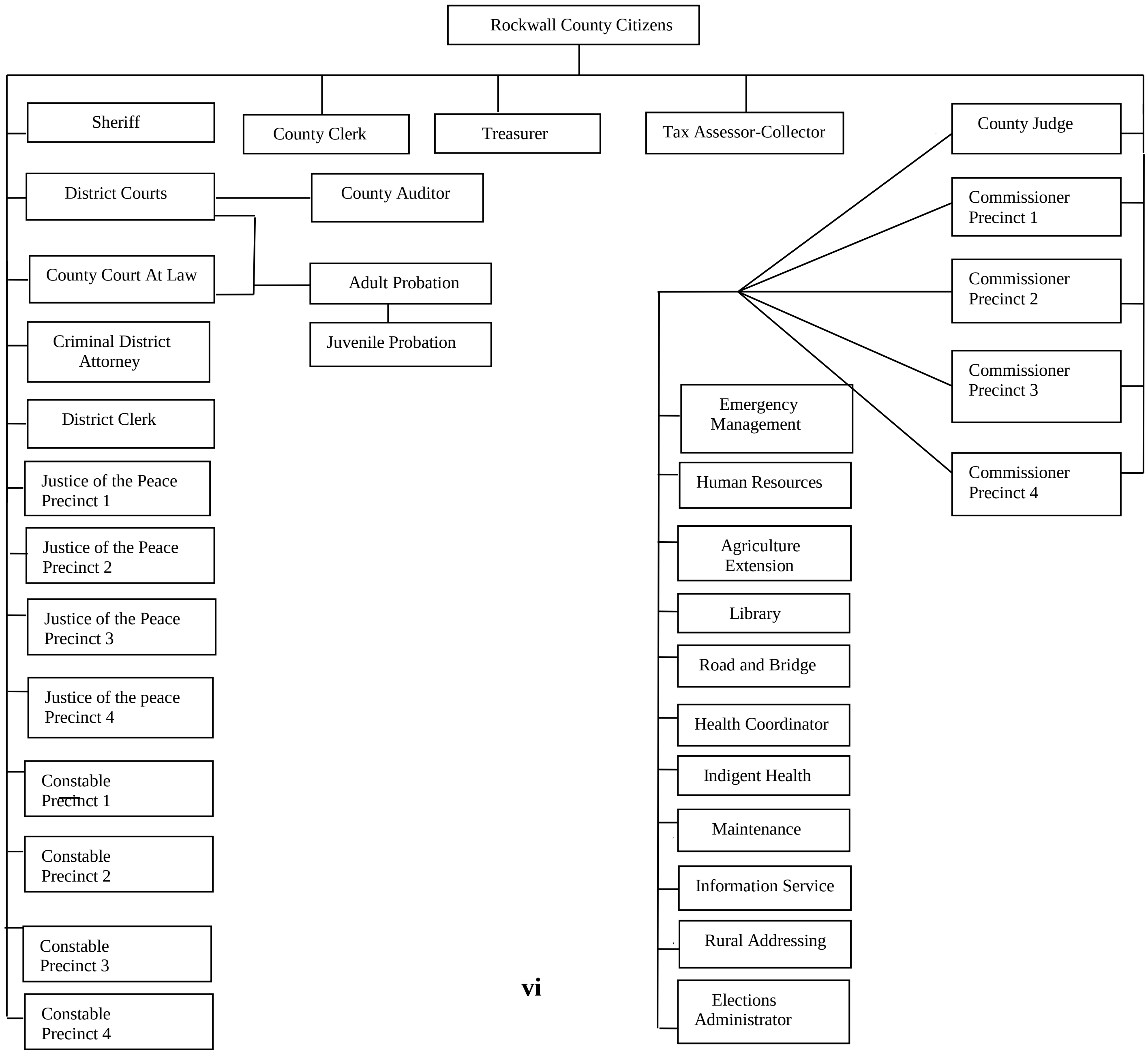
I would like to extend my gratitude to our outside audit firm, Pattillo, Brown & Hill for their efficient and dedicated service to Rockwall County. In addition, I would like to express my appreciation to the Commissioners Court for providing the resources necessary to maintain the integrity of the County's financial affairs. And lastly, to all the elected officials and our County employees for their cooperation and efforts toward another successful year of service to our citizens.

Respectfully submitted,

Lisa Constant Wylie

Lisa Constant Wylie
County Auditor
Rockwall County, Texas

# Rockwall County Organizational Chart – 2018



# ROCKWALL COUNTY, TEXAS

## PRINCIPAL OFFICIALS

## SEPTEMBER 30, 2018

| Name | Title |
|---|---|
| **Commissioners' Court:** | |
| David Sweet | County Judge |
| Cliff Sevier | Commissioner, Precinct 1 |
| Lee Gilbert | Commissioner, Precinct 2 |
| Dennis Bailey | Commissioner, Precinct 3 |
| David Magness | Commissioner, Precinct 4 |
| **Board of District Judges:** | |
| Brett Hall | 382nd District Court |
| David Rakow | 439th District Court |
| **County Judges:** | |
| Brian Williams | County Court at Law |
| Jack James | Justice of the Peace, Precinct 1 |
| Nancy Beaty | Justice of the Peace, Precinct 2 |
| Mark Russo | Justice of the Peace, Precinct 3 |
| Liana Whitten | Justice of the Peace, Precinct 4 |
| **Law Enforcement:** | |
| Harold Eavenson | Sheriff |
| Kenda Culpepper | District Attorney |
| Angie Scalf | Director, Juvenile Probation |
| Steven Thomas | Director, Adult Probation |
| John Benedetto | Constable, Precinct 1 |
| Trey Chaney | Constable, Precinct 2 |
| Tom Egan | Constable, Precinct 3 |
| Randy Parks | Constable, Precinct 4 |
| **Administrative Officials:** | |
| Lisa Constant Wylie | County Auditor |
| Kim Sweet | Tax Assessor-Collector |
| Brian Crenshaw | Information Systems |
| David Peek | Treasurer |
| Kami Webb | Director, Human Resources |
| Ron Meritt | Environmental Health Coordinator |
| Donna Mussotter | Director, Indigent Health |
| Pat NeSmith | Road and Bridge Administrator |
| Barry Compton | Maintenance Administrator |
| **Recording Officials:** | |
| Shelli Miller | County Clerk |
| Lea Carlson | District Clerk |

Government Finance Officers Association

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

**Rockwall County**

**Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

**September 30, 2017**

Christopher P. Morrill

Executive Director/CEO

# FINANCIAL SECTION

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# INDEPENDENT AUDITORS' REPORT

To the Honorable County Judge
and County Commissioners
Rockwall County, Texas

## Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Rockwall County, Texas, as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise Rockwall County, Texas' 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.

### *Auditors' Responsibility*

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

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

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

***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Rockwall County, Texas, as of September 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Change in Accounting Principle***

As discussed in the notes to the financial statements, in fiscal year 2018 the County adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. 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, budgetary comparison information – General Fund, and pension and OPEB information 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 Rockwall County, Texas' basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2019, on our consideration of the Rockwall County, Texas' 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 Rockwall County Texas' internal control over financial reporting and compliance.

Pattillo, Brown & Hill, L.L.P.

Waco, Texas
March 28, 2019

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# MANAGEMENT'S DISCUSSION AND ANALYSIS

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# MANAGEMENT'S DISCUSSION AND ANALYSIS

The *Management's Discussion and Analysis* of the County of Rockwall, Texas' (the "County") Comprehensive Annual Financial Report presents a discussion and analysis of the County's financial performance during the fiscal year that ended September 30, 2018. Readers should consider the information in this section when reading the overall report, including the transmittal letter, financial statements and accompanying notes.

## FINANCIAL HIGHLIGHTS

As illustrated in Figure A-1, the government-wide financial statements provide information about the County as a whole using the economic resources measurement focus and accrual basis of accounting.

- The assets and deferred outflows of resources of Rockwall County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by $18,575,469 (net position).

- The County's total net position decreased by $90,977.

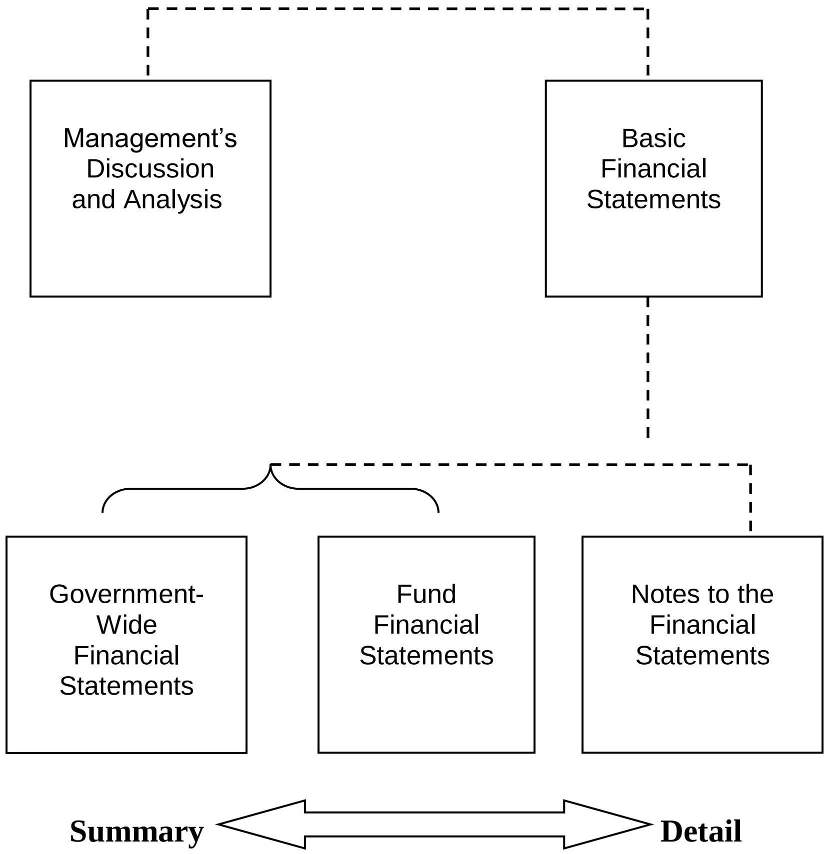
- As of the close of the current fiscal year, Rockwall County's governmental funds reported combined ending fund balances of $34,960,722, an increase of $5,133, in comparison with the prior year. Of this amount, $17,387,379 is available for spending at the County's discretion (unassigned fund balance).

- At the end of the current fiscal year, the unassigned fund balance for the General Fund was $17,640,776, or 59% of total General Fund expenditures.

## OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements and (3) notes to the financial statements. The basic financial statements present two different views of the County through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of Rockwall County.

**Figure A-1**
**Required Components of**
**Rockwall County's Comprehensive Annual Financial Report**




### Basic Financial Statements

The first two statements in the basic financial statements are the *government-wide financial statements*. They provide both short and long-term information about the County's financial status.

The next statements are *fund financial statements*. These statements focus on the activities of the individual parts of the County's government. These statements provide more detail than the government-wide statements. After the notes, *supplemental information* is provided to show details about the County's individual funds. Budgetary information required by the general statutes also can be found in this part of the statements.

**Government-wide Financial Statements** – The government-wide financial statements, are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business. The government-wide statements provide short and long-term information about the County's financial status as a whole.

The two government-wide statements report the County's net position and how they have changed. Net position is the difference between the County's total assets and total liabilities. Measuring net position is one way to gauge the County's financial condition.

The Statement of Net Position represents the difference between assets, deferred outflows (inflows) of resources and liabilities. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The Statement of Activities presents information showing how the County's net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

Both the government-wide financial statements distinguish functions of Rockwall County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business activities). The governmental activities of the County include general government, public safety, judicial, and community services.

**Fund Financial Statements –** The fund financial statements provide a more detailed look at the County's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Rockwall County, like all other governmental entities in Texas, uses fund accounting to ensure and reflect compliance (or noncompliance) with finance-related legal requirements, such as the general statutes or the County's budget ordinance. All of the funds of the County can be divided into two categories: governmental funds and proprietary funds.

**Governmental Funds –** Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the County's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting* which provides a short-term spending focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the County's programs. The relationship between government activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

The County of Rockwall, Texas adopts an annual budget for its General Fund, as required by the general statutes. The budget is a legally adopted document that incorporates input from the citizens of the County, the management of the County, and the decisions of the Commissioners' Court about which services to provide and how to pay for them. It also authorizes the County to obtain funds from identified sources to finance these current period activities. The budgetary schedule provided for the General Fund demonstrates how well the County complied with the budget ordinance and whether or not the County succeeded in providing the services as planned when the budget was adopted. The budgetary comparison schedule uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document.

**Proprietary Funds –** Rockwall County, Texas maintain one type of proprietary fund. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among Rockwall County's various functions. Rockwall County, Texas uses internal service funds to account for the management of its self-insured health insurance plan. Because this service predominantly benefits governmental rather than business-type functions, it has been included within *governmental activities* in the government-wide financial statements.

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

**Notes to the Financial Statements –** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other Information –** In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning the County's progress in funding its obligation to provide pension benefits to its employees, progress in funding its post-retirement health care benefit plan and budget to actual schedule for the General Fund.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information.

## GOVERNMENTAL-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition; Figure A-2 provides a one-year comparison. The total assets and deferred outflows of Rockwall County exceeded its liabilities and deferred inflows by $18,575,469 as of September 30, 2018. The County's net position decreased by $90,977 for the fiscal year ended September 30, 2018. However, a large portion, (139.9%) reflects the County's investment in capital assets (e.g. land, buildings, machinery and equipment) less any related debt still outstanding that was issued to acquire those items. Rockwall County uses these capital assets to provide services to citizens: consequently, these assets are not available for future spending. Although Rockwall County's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities.

## Figure A-2
## ROCKWALL COUNTY'S NET POSITION

| | Governmental Activities 2018 | Governmental Activities 2017 |
|---|---|---|
| Current and other assets | $ 65,598,909 | $ 62,367,267 |
| Capital assets | 68,187,120 | 67,827,077 |
| Total assets | 133,786,029 | 130,194,344 |
| Deferred outflow of resources | 2,044,032 | 5,250,074 |
| Total deferred outflow of resources | 2,044,032 | 5,250,074 |
| Long-term liabilities | 113,004,573 | 113,428,601 |
| Other liabilities | 2,980,577 | 2,672,674 |
| Total liabilities | 115,985,150 | 116,101,275 |
| Deferred inflow of resources | 1,269,442 | 676,697 |
| Total deferred inflow of resources | 1,269,442 | 676,697 |
| Net position: | | |
| Net investment in capital assets | 25,995,894 | 23,007,978 |
| Restricted | 8,267,388 | 7,651,207 |
| Unrestricted | ( 15,687,813) | ( 11,992,739) |
| Total net position | $ 18,575,469 | $ 18,666,446 |

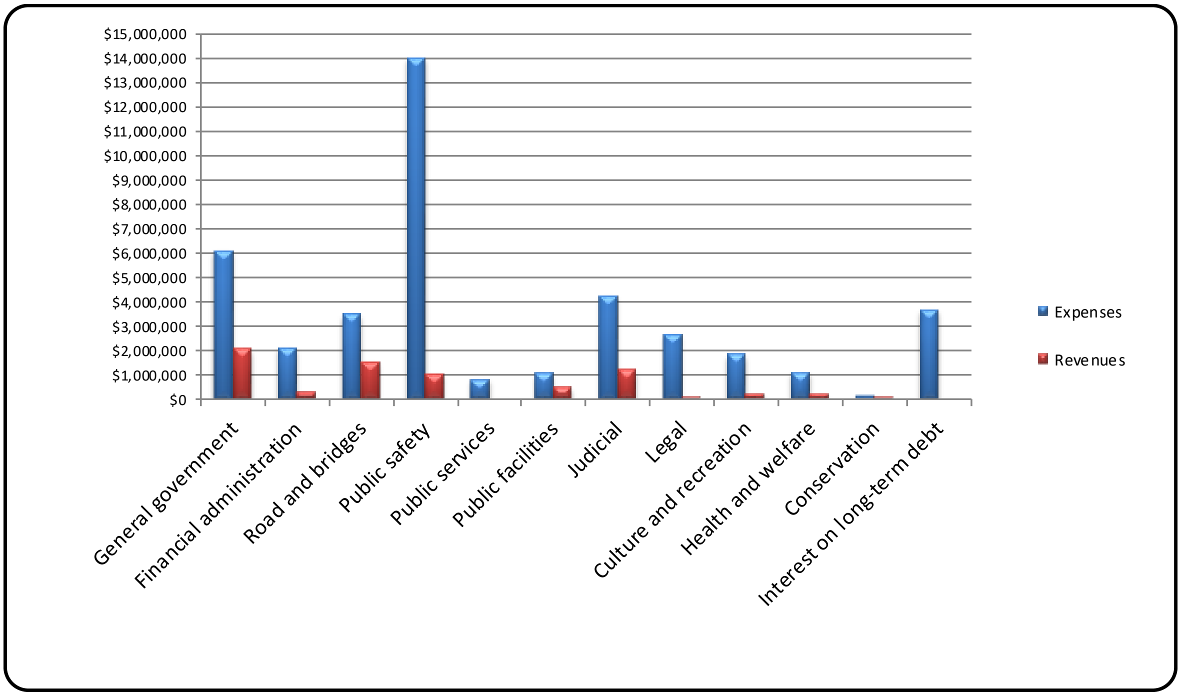
**Analysis of the County's Operations** – Figure A-3 provides a summary of the County's operations for the year ended September 30, 2018, and comparative data from 2017.

## Figure A-3
## ROCKWALL COUNTY'S NET POSITION

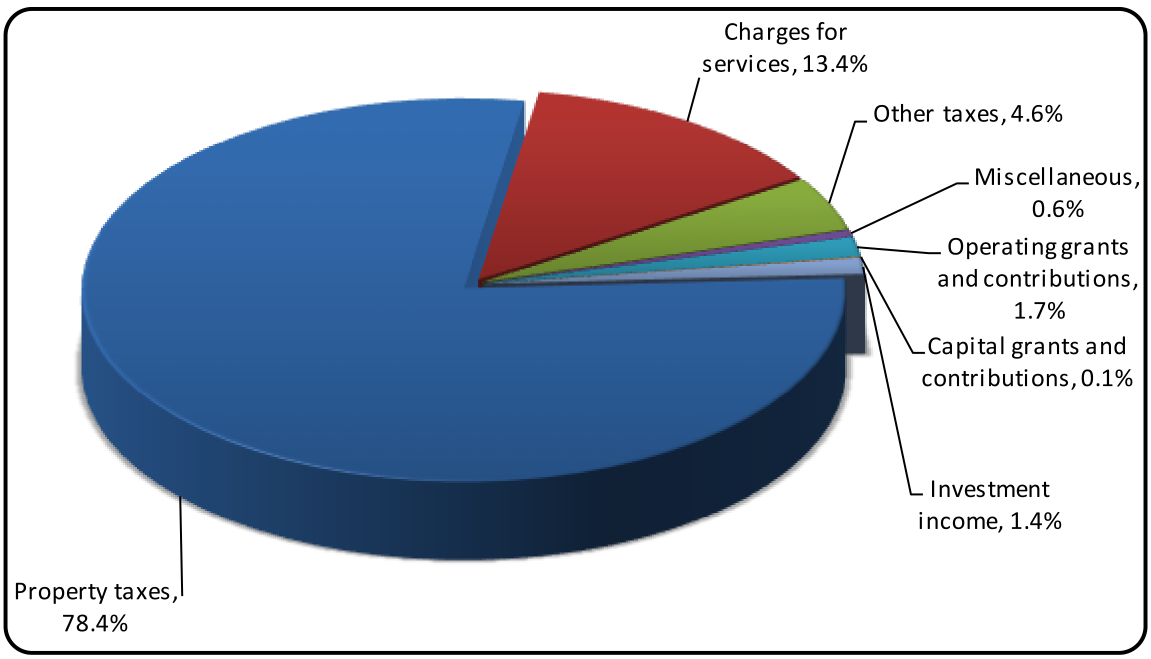
| | Governmental Activities | |
|---|---|---|
| | 2018 | 2017 |
| **REVENUES** | | |
| Program revenues: | | |
| Charges for services | $ 6,226,956 | $ 6,248,278 |
| Operating grants and contributions | 774,482 | 1,131,442 |
| Capital grants and contributions | 24,541 | 48,701 |
| General revenues: | | |
| Property taxes | 36,513,148 | 35,050,145 |
| Mixed drink taxes | 357,099 | 336,503 |
| Sales tax | 1,767,996 | 1,646,932 |
| Investment earnings | 650,927 | 424,441 |
| Gain on sale of assets | - | 1,358 |
| Miscellaneous | 266,540 | 258,249 |
| Total revenues | 46,581,689 | 45,146,049 |
| **EXPENSES** | | |
| General government | 6,071,664 | 5,486,832 |
| Financial administration | 2,080,089 | 2,056,110 |
| Roads and bridges | 3,493,923 | 3,660,720 |
| Public safety | 14,018,186 | 13,413,995 |
| Public services | 790,417 | 743,607 |
| Public facilities | 1,037,047 | 1,435,505 |
| Judicial | 4,220,591 | 4,044,502 |
| Legal | 2,674,909 | 2,520,203 |
| Culture and recreation | 1,833,884 | 1,652,450 |
| Health and welfare | 1,097,099 | 1,300,656 |
| Conservation | 112,282 | 115,418 |
| Interest on long-term debt | 3,674,108 | 3,935,608 |
| Total expenditures | 41,104,199 | 40,365,606 |
| **INCREASE IN NET POSITION** | 5,477,490 | 4,780,443 |
| **NET POSITION, BEGINNING** | 18,666,446 | 13,886,003 |
| **PRIOR PERIOD ADJUSTMENT** | ( 5,568,467) | - |
| **NET POSITION, ENDING** | $ 18,575,469 | $ 18,666,446 |

**Governmental-type Activities –** Governmental-type activities decreased the County's net position by $90,977. The decrease in net position of $90,977 was mostly caused by the implementation of GASB 75. The standard required a prior period adjustment during the 2018 fiscal year.

## Expenses and Program Revenues – Governmental Activities




## Revenues by Source – Governmental Activities



## FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

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

The General Fund is the chief operating fund of Rockwall County. At the end of the current fiscal year, unassigned fund balance of the General Fund was $17,640,776. As a measure of the General Fund's liquidity, it may be useful to compare the unassigned fund balance to total fund expenditures. Unassigned fund balance represents 59% of total General Fund expenditures.

The County maintains individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the following major funds:

- General Fund
- Road Improvement Bond 2008 Fund
- Debt Service Fund

Each of these funds is considered to be a major fund. Financial results from the other government funds are combined into a single, aggregated presentation and included in the total. Individual fund data for each of these nonmajor governmental funds are provided in the combining and individual fund statements and schedules.

A budgetary comparison statement is provided for County governmental funds, where a budget is adopted, to demonstrate compliance with the approved budget. Budgetary comparison statements for major governmental funds are presented as required supplementary information in the basic financial statements.

Although the General Fund has increases in property and sales taxes of $1,517,415 over FY 2017, the total fund balance increased by $561,244. This was mainly due to a decrease in transfers out compared to the prior year.

The Road Improvements Bond 2008 Fund had a decrease of fund balance of $1,132,300. This was due to spending the proceeds from the debt issued in FY 2016.

The Debt Service Fund had an increase of fund balance of $357,298.

**General Fund Budgetary Highlights –** During the fiscal year, the County revised the budget on several occasions. Generally, budget amendments fall into one of three categories: (1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; (2) amendments made to recognize new funding amounts from external sources, such as federal and state grants; and (3) increases in appropriations that become necessary to maintain services. Revenues were less than the budgeted amount in the area of fines and forfeitures. However, expenditures were generally in line with or less than budgeted amounts.

**Proprietary Funds –** Currently, the County has only one type of proprietary fund – an Internal Service fund. Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The services provided benefit the various government functions they support, which is why they have been included within governmental activities in the government-wide financial statements. The County uses Internal Service funds to account for the following activities:

- Insurance Claims
- Employee Benefits Paid

Proprietary funds provide the same type of information as the government-wide financial statements, but with more detail. Internal Service Funds are combined into a single aggregated presentation in the proprietary fund financial statements. Individual fund data for the Internal Service Fund is provided in the combining and individual fund statements and schedules.

**Fiduciary Funds –** The County's fiduciary fund consists of one trust fund and several agency funds. Agency funds are separate accounts and transactions related to money received that is collected for and remitted to another entity. For example, the County collects traffic fines; a portion of the fines belong to the state. After collection, the monies owed to the other entities are remitted to those entities on a periodic basis.

**Notes to the Financial Statements –** The notes to the financial statements provide additional information essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes disclose other pertinent information that, when taken in whole with the financial statements, provide a more detailed picture of the state of the finances of the County.

**Other Information –** In addition to the basic financial statements accompanying notes to those financial statements, also presented in this report are certain required supplementary information schedules with additional information regarding the results of the County's financial activities.

The combining statements and individual fund schedules are presented immediately following the required supplementary information.

## CAPITAL ASSETS

Rockwall County's investment in capital assets for its governmental activities as of September 30, 2018, totals $68,187,120 (net of accumulated depreciation). These assets include buildings, roads and bridges, land, machinery and equipment.

Major capital asset transactions during the year include the following events:

- Continued progress on the integrated judicial system and radio interoperability project.

- Purchased several new vehicles and pieces of equipment mainly including sheriff vehicles, and some equipment for the library.

### ROCKWALL COUNTY'S CAPITAL ASSETS AT YEAR-END

| | Governmental Activities | |
|---|---|---|
| | 2018 | 2017 |
| Land and improvements | $ 6,246,813 | $ 6,246,813 |
| Machinery and equipment | 10,942,849 | 9,353,824 |
| Buildings | 59,937,477 | 61,640,372 |
| Infrastructure | 5,232,656 | 5,232,656 |
| Construction in progress | 8,962,402 | 7,474,807 |
| Less: accumulated depreciation | ( 23,135,077) | ( 22,121,395) |
| Total | $ 68,187,120 | $ 67,827,077 |

Additional information on the County's capital assets can be found in Note C in the notes to the financial statements.

## DEBT ADMINISTRATION

**Long-term Debt –** As of September 30, 2018, Rockwall County had total bonded debt outstanding of $99,520,000.

### ROCKWALL COUNTY'S OUTSTANDING BONDS AS OF SEPTEMBER 30, 2018

| | Beginning Balance | Additions | Reductions | Ending Balance |
|---|---|---|---|---|
| Tax Notes | $ 98,120,000 | $ - | $ 12,720,000 | $ 85,400,000 |
| Refunding Bond | 7,285,000 | 7,620,000 | 785,000 | 14,120,000 |
| | $ 105,405,000 | $ 7,620,000 | $ 13,505,000 | $ 99,520,000 |

Rockwall County's bonded debt decreased by $5,885,000, or 5.58%, during the current fiscal year.

Additional information or the County's long-term debt can the found in Note E in the notes to the financial statements.

## GENERAL FUND BUDGET HIGHLIGHTS FOR FISCAL YEAR ENDING SEPTEMBER 30, 2019

**Governmental Activities** – In preparation for the fiscal year 2019 budget, the County lowered the ad valorem tax rate to $0.3284 per $100 assessed value. The M&O rate went from $0.25587 to $0.24270 and the debt service rate went from $0.09393 to $0.08570. Total budgeted revenues for FY2019 in the General Fund are $33,003,749. Total budgeted expenditures for FY 2019 are $33,003,749.

## REQUESTS FOR INFORMATION

This report is designed to provide an overview of the County's finances for those with an interest in this area. Questions concerning the information found in this report or requests for additional information should be directed to the Treasurer, or County Auditor, in Rockwall County, Texas.

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# BASIC
# FINANCIAL STATEMENTS

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# ROCKWALL COUNTY, TEXAS
## STATEMENT OF NET POSITION
## SEPTEMBER 30, 2018

| | |
|---|---|
| **ASSETS** | |
| Cash and investments | $ 36,915,300 |
| Receivables (net of allowance for uncollectibles) | 25,109,584 |
| Prepaid items | 374,575 |
| Interest receivable | 281 |
| Net pension asset | 3,199,169 |
| Capital assets: | |
| Non-depreciable | 15,209,215 |
| Depreciable (net) | 52,977,905 |
| Total assets | 133,786,029 |
| **DEFERRED OUTFLOWS OF RESOURCES** | |
| Deferred loss on refunding | 496,682 |
| Deferred outflows related to pensions | 1,547,350 |
| Total deferred outflows of resources | 2,044,032 |
| **LIABILITIES** | |
| Accounts payable | 1,441,772 |
| Claims payable | 331,964 |
| Accrued liabilities | 351,341 |
| Due to others | 253,834 |
| Unearned revenue | 181 |
| Interest payable | 601,485 |
| Noncurrent liabilities: | |
| Due within one year: | |
| Tax notes | 5,652,964 |
| Refunding bond | 685,000 |
| Compensated absences | 126,722 |
| Due in more than one year: | |
| Tax notes | 83,614,945 |
| Refunding bond | 13,435,000 |
| Compensated absences | 506,888 |
| Net OPEB obligation | 8,983,054 |
| Total liabilities | 115,985,150 |
| **DEFERRED INFLOWS OF RESOURCES** | |
| Deferred inflows related to pensions | 1,269,442 |
| Total deferred inflows of resources | 1,269,442 |
| **NET POSITION** | |
| Net investment in capital assets | 25,995,894 |
| Restricted for: | |
| Capital acquisition and construction | 495,660 |
| Debt service | 1,152,439 |
| Records preservation and management | 1,872,099 |
| Court security and technology | 149,586 |
| Legal | 545,218 |
| Public safety | 2,020,608 |
| Judicial | 296,740 |
| Culture and recreation | 194,028 |
| Roads and bridges | 1,454,612 |
| Elections assistance and administration | 86,398 |
| Unrestricted | ( 15,687,813) |
| Total net position | $ 18,575,469 |

The accompanying notes are an integral part of these financial statements.

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## ROCKWALL COUNTY, TEXAS
### STATEMENT OF ACTIVITIES
### FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | | Program Revenue | | | Net (Expense) Revenues and Changes in Net Position |
|---|---|---|---|---|---|
| Functions/Programs | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities |
| **Primary government** | | | | | |
| Governmental activities: | | | | | |
| General government | $ 6,071,664 | $ 1,859,658 | $ 200,606 | $ - | $( 4,011,400) |
| Financial administration | 2,080,089 | 272,824 | - | - | ( 1,807,265) |
| Roads and bridges | 3,493,923 | 1,523,478 | 166 | - | ( 1,970,279) |
| Public safety | 14,018,186 | 976,919 | 51,786 | - | ( 12,989,481) |
| Public services | 790,417 | - | - | - | ( 790,417) |
| Public facilities | 1,037,047 | 139,039 | 351,540 | - | ( 546,468) |
| Judicial | 4,220,591 | 1,133,233 | 69,293 | - | ( 3,018,065) |
| Legal | 2,674,909 | 6,356 | 46,804 | - | ( 2,621,749) |
| Culture and recreation | 1,833,884 | 160,088 | - | 24,541 | ( 1,649,255) |
| Health and welfare | 1,097,099 | 145,361 | 54,287 | - | ( 897,451) |
| Conservation | 112,282 | 10,000 | - | - | ( 102,282) |
| Interest on long-term debt | 3,674,108 | - | - | - | ( 3,674,108) |
| Total governmental activities | 41,104,199 | 6,226,956 | 774,482 | 24,541 | ( 34,078,220) |
| Total primary government | $ 41,104,199 | $ 6,226,956 | $ 774,482 | $ 24,541 | ( 34,078,220) |
| **General revenues:** | | | | | |
| Taxes: | | | | | |
| Property | | | | | 36,513,148 |
| Beverage | | | | | 357,099 |
| Sales | | | | | 1,767,996 |
| Investment earnings | | | | | 650,927 |
| Miscellaneous | | | | | 266,540 |
| Total general revenues | | | | | 39,555,710 |
| Change in net position | | | | | 5,477,490 |
| Net position - beginning | | | | | 18,666,446 |
| Prior period adjustment | | | | | ( 5,568,467) |
| Net position - ending | | | | | $ 18,575,469 |

The accompanying notes are an integral part of these financial statements.

# ROCKWALL COUNTY, TEXAS
## BALANCE SHEET
## GOVERNMENTAL FUNDS
## SEPTEMBER 30, 2018

| | General | Road Improvements Bond 2008 | Debt Service | Other Governmental Funds | Total |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| Cash and investments | $ 18,755,102 | $ 8,581,637 | $ 1,579,679 | $ 7,331,858 | $ 36,248,276 |
| Receivables (net of allowances for uncollectibles): | | | | | |
| Taxes | 635,866 | - | 172,113 | 73,030 | 881,009 |
| Accounts | 2,684,133 | 20,792,000 | 17,661 | 382,027 | 23,875,821 |
| Interest | - | - | - | 281 | 281 |
| Due from other funds | 14,405 | - | - | - | 14,405 |
| Prepaid items | 371,189 | - | - | 3,386 | 374,575 |
| Total assets | 22,460,695 | 29,373,637 | 1,769,453 | 7,790,582 | 61,394,367 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES** | | | | | |
| Liabilities: | | | | | |
| Accounts payable | 954,788 | 102,127 | 1 | 289,067 | 1,345,983 |
| Accrued liabilities | 334,694 | - | - | 14,802 | 349,496 |
| Due to others | 1,001 | - | - | 252,833 | 253,834 |
| Unearned revenue | 181 | - | - | - | 181 |
| Due to other funds | - | - | - | 14,405 | 14,405 |
| Total liabilities | 1,290,664 | 102,127 | 1 | 571,107 | 1,963,899 |
| Deferred inflows of resources: | | | | | |
| Unavailable revenue - property taxes | 492,749 | - | 165,143 | - | 657,892 |
| Unavailable revenue - court fines | 2,661,334 | - | - | - | 2,661,334 |
| Unavailable revenue - grant receivable | 3,983 | 20,792,000 | - | - | 20,795,983 |
| Unavailable revenue - lien assessments | - | - | - | 354,537 | 354,537 |
| Total deferred inflows of resources | 3,158,066 | 20,792,000 | 165,143 | 354,537 | 24,469,746 |
| Fund balances: | | | | | |
| Nonspendable: | | | | | |
| Prepaids | 371,189 | - | - | 3,386 | 374,575 |
| Restricted: | | | | | |
| Capital acquisition and construction | - | - | - | 495,660 | 495,660 |
| Debt service | - | - | 1,604,309 | - | 1,604,309 |
| Records preservation and management | - | - | - | 1,872,099 | 1,872,099 |
| Court security and technology | - | - | - | 149,586 | 149,586 |
| Legal | - | - | - | 545,218 | 545,218 |
| Public safety | - | - | - | 2,020,608 | 2,020,608 |
| Judicial | - | - | - | 296,740 | 296,740 |
| Culture and recreation | - | - | - | 194,028 | 194,028 |
| Roads and bridges | - | 8,479,510 | - | 1,454,612 | 9,934,122 |
| Elections assistance and administration | - | - | - | 86,398 | 86,398 |
| Unassigned | 17,640,776 | - | - | ( 253,397) | 17,387,379 |
| Total fund balances | 18,011,965 | 8,479,510 | 1,604,309 | 6,864,938 | 34,960,722 |
| Total liabilities, deferred inflows of resources, and fund balances | $ 22,460,695 | $ 29,373,637 | $ 1,769,453 | $ 7,790,582 | $ 61,394,367 |

The accompanying notes are an integral part of these financial statements.

# ROCKWALL COUNTY, TEXAS
## RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
## TO THE STATEMENT OF NET POSITION
## AS OF SEPTEMBER 30, 2018

| | |
|---|---|
| Total fund balances - governmental funds balance sheet | $ 34,960,722 |
| Amounts reported for governmental activities in the Statement of Net Position are different because: | |
| Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds. | 68,187,120 |
| Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds. | 24,469,746 |
| Deferred outflows of resources are not reported in the governmental funds. | |
| Pension related liabilities | 1,547,350 |
| Long-term liabilities, (such as notes payable, compensated absences, net pension liability and OPEB payable), are not due and payable in the current period and are therefore not reported in the funds. | ( 113,109,376) |
| Governmental funds report outlays for pension costs as expenditures. However, in the statement of activities the amount by which these outlays exceed the annual required contributions for the plan are not expenses. Instead these outlays are reported as an asset on the statement of net position. | 1,929,727 |
| Internal Service Funds are used by management to charge the costs of health insurance to individual funds. The assets and liabilities of the Internal Service Funds are included in governmental activities in the Statement of Net Position. | 590,180 |
| Net Position of governmental activities in the Statement of Net Position | $ 18,575,469 |

# ROCKWALL COUNTY, TEXAS
## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS
## FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | General | Road Improvements Bond 2008 | Debt Service | Other Governmental Funds | Total Governmental |
|---|---|---|---|---|---|
| **REVENUES** | | | | | |
| Property taxes | $ 26,761,459 | $ - | $ 9,796,050 | $ 10,425 | $ 36,567,934 |
| Beverage taxes | 357,099 | - | - | - | 357,099 |
| Fines and forfeitures | 773,405 | - | - | 389,985 | 1,163,390 |
| Sales taxes | 1,367,594 | - | - | 400,402 | 1,767,996 |
| Fees and commissions | 2,232,785 | - | - | 2,651,090 | 4,883,875 |
| Intergovernmental | 332,221 | - | - | 537,822 | 870,043 |
| Election | - | - | - | 82,234 | 82,234 |
| Investment earnings | 399,062 | 166,238 | 25,105 | 55,340 | 645,745 |
| Donations | - | - | - | 24,541 | 24,541 |
| Miscellaneous | 121,179 | - | 17,661 | 146,067 | 284,907 |
| Total revenues | 32,344,804 | 166,238 | 9,838,816 | 4,297,906 | 46,647,764 |
| **EXPENDITURES** | | | | | |
| Current: | | | | | |
| General government | 3,478,275 | - | - | 232,552 | 3,710,827 |
| Financial administration | 2,030,955 | - | - | - | 2,030,955 |
| Commissioner expenses | 433,676 | - | - | - | 433,676 |
| Roads and bridges | - | 1,298,538 | - | 1,831,273 | 3,129,811 |
| Public safety | 12,783,877 | - | - | 645,786 | 13,429,663 |
| Public facilities | 776,627 | - | - | - | 776,627 |
| Public services | 407,551 | - | - | 608,506 | 1,016,057 |
| Judicial | 4,057,499 | - | - | 72,685 | 4,130,184 |
| Legal | 2,556,093 | - | - | 28,008 | 2,584,101 |
| Culture and recreation | 1,106,645 | - | - | 379,021 | 1,485,666 |
| Health and welfare | 1,085,747 | - | - | - | 1,085,747 |
| Conservation | 114,028 | - | - | - | 114,028 |
| Capital outlay | 1,228,929 | - | - | 1,961,959 | 3,190,888 |
| Debt service: | | | | | |
| Principal | - | - | 5,835,000 | - | 5,835,000 |
| Interest and fiscal charges | - | - | 3,646,518 | - | 3,646,518 |
| Bond issuance cost and fees | - | - | 163,841 | - | 163,841 |
| Total expenditures | 30,059,902 | 1,298,538 | 9,645,359 | 5,759,790 | 46,763,589 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | 2,284,902 | ( 1,132,300) | 193,457 | ( 1,461,884) | ( 115,825) |
| **OTHER FINANCING SOURCES (USES)** | | | | | |
| Issuance of long-term debt | - | - | 7,620,000 | - | 7,620,000 |
| Transfers in | 67,000 | - | - | 1,796,254 | 1,863,254 |
| Transfers out | ( 1,796,254) | - | - | ( 67,000) | ( 1,863,254) |
| Premium on issuance of bonds | - | - | 623,751 | - | 623,751 |
| Payment to bond refunding escrow agent | - | - | ( 8,079,910) | - | ( 8,079,910) |
| Sale of capital assets | 5,596 | - | - | - | 5,596 |
| Total other financing sources and uses | ( 1,723,658) | - | 163,841 | 1,729,254 | 169,437 |
| **NET CHANGE IN FUND BALANCES** | 561,244 | ( 1,132,300) | 357,298 | 267,370 | 53,612 |
| **FUND BALANCES, BEGINNING** | 17,450,721 | 9,611,810 | 1,247,011 | 6,646,047 | 34,955,589 |
| **PRIOR PERIOD ADJUSTMENT** | - | - | - | ( 48,479) | ( 48,479) |
| **FUND BALANCES, ENDING** | $ 18,011,965 | $ 8,479,510 | $ 1,604,309 | $ 6,864,938 | $ 34,960,722 |

The accompanying notes are an integral part of these financial statements.

# ROCKWALL COUNTY, TEXAS

## RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | |
|---|---|
| Net change in fund balances - total governmental funds | $ 53,612 |
| Amounts reported for governmental activities in the Statement of Activities are different because: | |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period. | 360,043 |
| Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. | ( 71,257) |
| The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. | 5,454,744 |
| Certain pension expenditures are not expended in the government-wide financial statements and recorded as deferred resource outflows or inflow. This item relates to contributions made after the measurement date. Additionally, a portion of the County's unrecognized deferred resource outflows related to the pension liability were amortized. | ( 50,808) |
| Internal service funds are used by management to charge the costs of health insurance to individual funds. | ( 268,844) |
| Change in net position of governmental activities | $ 5,477,490 |

The accompanying notes are an integral part of these financial statements.

## ROCKWALL COUNTY, TEXAS
### STATEMENT OF NET POSITION - PROPRIETARY FUNDS
### SEPTEMBER 30, 2018

| | Governmental Activities |
|---|---|
| | Internal Service |
| **ASSETS** | |
| Current assets: | |
| Cash and cash equivalents | $ 667,024 |
| Receivables (net of allowances for uncollectibles) | 352,754 |
| Total assets | 1,019,778 |
| **LIABILITIES** | |
| Current liabilities: | |
| Accounts payable | 95,789 |
| Claims payable | 331,964 |
| Accrued liabilities | 1,845 |
| Total liabilities | 429,598 |
| **NET POSITION** | |
| Unrestricted | 590,180 |
| Total net position | $ 590,180 |

The accompanying notes are an integral part of these financial statements.

## ROCKWALL COUNTY, TEXAS
### STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - PROPRIETARY FUNDS
### FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Governmental Activities |
|---|---|
| | Internal Service |
| **OPERATING REVENUES** | |
| Charges for services | $ 3,684,825 |
| Total operating revenues | 3,684,825 |
| **OPERATING EXPENSES** | |
| Insurance claims | 3,099,068 |
| Stop-loss insurance premiums | 603,086 |
| Administrative and other | 256,697 |
| Total operating expenses | 3,958,851 |
| **OPERATING LOSS** | ( 274,026) |
| **NONOPERATING REVENUES (EXPENSES)** | |
| Investment income | 5,182 |
| Total nonoperating revenues (expenses) | 5,182 |
| **CHANGE IN NET POSITION** | ( 268,844) |
| **NET POSITION, BEGINNING** | 859,024 |
| **NET POSITION, ENDING** | $ 590,180 |

The accompanying notes are an integral part of these financial statements.

# ROCKWALL COUNTY, TEXAS
## STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
## FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Governmental Activities<br>Internal Service |
|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | |
| Cash received from users | $ 3,370,389 |
| Cash paid to employees | ( 257,383) |
| Cash paid to suppliers | ( 3,553,185) |
| Net cash used by operating activities | ( 440,179) |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | |
| Interest income | 5,182 |
| Net cash provided by investing activities | 5,182 |
| **NET DECREASE IN CASH AND CASH EQUIVALENTS** | ( 434,997) |
| **CASH AND CASH EQUIVALENTS, BEGINNING** | 1,102,021 |
| **CASH AND CASH EQUIVALENTS, ENDING** | 667,024 |
| **RECONCILIATION OF OPERATING INCOME TO NET CASH USED BY OPERATING ACTIVITIES** | |
| Operating loss | ( 274,026) |
| Change in assets and liabilities: | |
| Decrease (increase) in receivables | ( 314,436) |
| Increase (decrease) in accounts payable | 26,389 |
| Increase (decrease) in claims payable | 122,580 |
| Increase (decrease) in accrued liabilities | ( 686) |
| Total adjustments | ( 166,153) |
| Net cash used by operating activities | $( 440,179) |

The accompanying notes are an integral part of these financial statements.

# ROCKWALL COUNTY, TEXAS
## STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS
## SEPTEMBER 30, 2018

| | Indigent Health Care Private-Purpose Trust | Agency Funds |
|---|---|---|
| **ASSETS** | | |
| Cash and investments | $ 60,455 | $ 5,725,817 |
| Receivables | 300 | - |
| Prepaid expenditures | 119 | - |
| Total assets | 60,874 | 5,725,817 |
| **LIABILITIES** | | |
| Accounts payable | 1 | - |
| Accrued expenses | 2,729 | - |
| Due to others | - | 4,430,535 |
| Due to other governments | - | 1,295,282 |
| Total liabilities | 2,730 | 5,725,817 |
| **NET POSITION** | | |
| Held in trust | 58,144 | - |
| Total net position | $ 58,144 | $ - |

The accompanying notes are an integral part of these financial statements.

# ROCKWALL COUNTY, TEXAS
## STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
## FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Indigent Health Care Private-Purpose Trust |
|---|---|
| **ADDITIONS** | |
| County contributions | $ 250,000 |
| Interest earnings | 62 |
| Total additions | 250,062 |
| **DEDUCTIONS** | |
| Administrative expenses | 210,282 |
| Total deductions | 210,282 |
| **CHANGES IN NET POSITION** | 39,780 |
| **NET POSITION, BEGINNING** | 18,364 |
| **NET POSITION, ENDING** | $ 58,144 |

The accompanying notes are an integral part of these financial statements.

## I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### A. Reporting Entity

Rockwall County (the "County") was founded in 1873 and operates under the laws of the State of Texas and subsequent court orders providing the following services: public safety (law enforcement and detention facilities, contracts for fire and ambulance service), public welfare (social services, public health), highways and streets, judicial administration and records, library, public improvements, and general administrative services.

The accompanying financial statements present the County and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the County's operations. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the County. Currently the County does not have any entities that meet the criteria of blended or discretely presented component units.

### B. Government-wide and Fund Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function or segment. Certain indirect costs have been included as part of the program expenses reported for the various functional activities. Program revenue includes 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenue are reported instead as general revenue. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

## C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The County considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after year-end. The primary revenue sources susceptible to accrual are property taxes, which are recognized as deferred revenue until cash is received, and grant income, which is accrued when the legal and contractual requirements of the individual programs are met. Expenditures are recorded when incurred. However, expenditures for principal and interest on general long-term debt, compensated absences, and claims and judgments are recorded when due. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources.

The agency funds have no measurement focus but utilize the accrual basis of accounting for reporting its assets and liabilities.

The County reports the following major governmental funds:

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

The ***Road Improvements Bond 2008 Fund*** accounts for the planning, engineering and construction of roads within Rockwall County. Bonds will be issued to finance this project.

The ***Debt Service Fund*** accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

Additionally, the County reports the following fund types:

***Special Revenue Funds*** account for the revenue sources that are designated to finance particular functions or activities or are legally restricted to expenditures for specified purposes.

***Capital Projects Funds*** account for the County's acquisition and construction of major capital facilities.

***Internal Service Funds*** account for the County's self-insurance program and employees benefit fund.

***Private-purpose Trust Fund*** accounts for resources legally held in trust by a not-for-profit organization devoted to providing indigent health care. All resources of the fund may be used for the organization's activities.

***Agency Funds*** are used to account for monies held for other and then it is disbursed to the appropriate group of held in a custodial capacity. These resources include funds for individual in accordance with court decrees by the County or District Clerk, other taxing entities within the County, and the State of Texas. Fiduciary Fund Financial Statements include a Statement of Net Position. The County's Fiduciary fund represent Agency Funds, which are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Agency funds are accounted for on the accrual basis of accounting. Accordingly, all assets and liabilities are included on the Statement of Net Position. Because the assets are held in an agent capacity and are not available to support County programs, these funds are not included in the government-wide statements.

## D. Assets, Liabilities and Net Position or Equity

### Cash and Cash Equivalents

For purposes of the statement of cash flows for the proprietary fund types, the County considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

### Investments

Investments for the County are reported at fair value, except for the position in investment pools. The County's investment in pools are reported at the net asset value per share (which approximates fair value) even though it is calculated using the amortized cost method.

### Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds." The effect of interfund activity has been eliminated from the government-wide financial statements. All trade and property tax receivables are shown net of an allowance for uncollectable.

### Prepaid Items

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

## Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the governmental activities column in the government-wide financial statements. All capital assets are valued at their historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at acquisition value, which is the price that would be paid to acquire an asset with equivalent service potential at the acquisition date. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset lives are not capitalized. Improvements which extend asset lives are capitalized and depreciated over the useful lives of the related assets, as applicable. Capital assets are capitalized if they have an original cost of $5,000 or more and an expected useful life of over one year. When property or equipment is retired from service or otherwise disposed of, the cost and related accumulated depreciation are removed and any resulting gain or loss is reported in the statement of activities.

Infrastructure capital assets, such as streets, built and/or acquired since fiscal year 1960 are included.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which range as follows:

| Assets | Years |
|---|---|
| Infrastructure | 10 - 40 |
| Buildings | 10 - 40 |
| Improvements | 5 - 40 |
| Equipment | 5 - 10 |

## Long-term Obligations

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

For governmental fund types, bond premiums and discounts, as well as bond issuance costs, are recognized during the current period in the fund financial statements. Bond proceeds are reported as an “other financing source.” Bond issuance costs, whether or not withheld from the actual net proceeds received, are reported as debt service expenditures.

## Compensated Absences

A liability for unused paid time off and compensatory time for all fulltime employees is calculated and reported in the government-wide financial statements. For financial reporting, the following criteria must be met to be considered as compensated absences: a) leave or compensation is attributable to services already rendered, and b) leave or compensation is not contingent on a specific event (such as illness).

County employees earn annual leave up to a maximum of 20 days per year based on months of service. Fulltime regular employees earn 10 days of sick leave per year. There is no liability for unpaid accumulated sick leave since the County does not have a policy to pay any amounts when employees separate from service with the County. Employees who have been employed for six months or more are eligible to be paid for all unused annual leave up to the maximum allowed at their regular rate of pay upon termination of employment. Vacation pay is accrued when incurred in the government-wide and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignation and retirements.

**Property Taxes**

Property subject to taxation is real property and certain personal property situated in the County. Certain properties of religious, educational and charitable organizations are exempt from taxation. In addition, other special exemptions are allowed by the Commissioners' Court of the County.

The County's ad valorem taxes are levied and become a legal enforceable claim, on October 1 on 100% of assessed valuation at a rate of $.3498 ($.255870 for the maintenance and operations and $.093930 for interest and sinking fund) per $100 valuation as of the preceding January 1. These taxes are due and payable from October 1 of the year in which levied until January 31 of the following year without interest or penalty. Taxes paid after February 1 of each year are subject to interest and penalty charges.

The County's taxes on real property are a lien (as of the date of levy) against such property until paid. The County may foreclose on real property upon which it has a lien for unpaid taxes. Delinquent taxes on property not otherwise collected are generally paid when there is a sale or transfer of the title to the property.

Any liens and subsequent suits against the taxpayer for payment of delinquent personal property taxes are barred unless instituted within four years from the time such taxes became delinquent. Unlike real property, the sale or transfer of most personal property does not require any evidence that taxes thereon are paid.

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows our resources. This separate financial statement element, *deferred outflows our resources,* represents a consumption of net position that applied to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The county has the following items that qualify for this category:

- Deferred charges on refundings – A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

- Pension Contributions After Measurement Date – These contributions are deferred and recognized in the following year.

- Difference in Expected and Actual Pension Experience – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.

- Changes in Actuarial Assumptions – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applied to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has three types of items that qualify for reporting in this category.

- Unavailable revenue is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from four sources: property taxes, court fines, grant receivable, and lien assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

- Difference in Expected and Actual Pension Experience – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.

- Difference in Projected and Actual Earnings on Pension Assets – This difference is deferred and amortized over a closed five year period.

**Fund Balance**

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. Nonspendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.

- Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

- Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by the Commissioners' Court, the County's highest level of decision making authority. These amounts cannot be used for any other purpose unless the Commissioners' Court removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

- Assigned: This classification includes amounts that are constrained by the County's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the County Auditor. This action can occur during the budget process or throughout the year in the normal course of business.

- Unassigned: This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

**Net Position Flow Assumption**

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

It is the County's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

**Fund Balance Flow Assumptions**

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

**Pensions**

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

## II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

### A. Budgetary Information

The County Judge serves as the budget officer for the Commissioners' Court and submits the annual budget for approval where the legal level of control is the department level within a fund. Amendments to the budget and additional appropriations must be approved by Commissioners' Court. Following is a summary of the budget calendar:

- The proposed budget is filed with the County Clerk and made available for public inspection.

- The Commissioners' Court holds a public hearing on the proposed budget and subsequently makes changes and approves the budget including the adoption of a property tax levy which is effective on October 1 preceding the beginning of the fiscal year.

- The approved budget is filed with the County Clerk.

- During the course of the budget year, it may be necessary to amend the budget. The Commissioners' Court may, by order, authorize an emergency expenditure as an amendment to the original budget only in a case of grave public necessity to meet an unusual and unforeseen condition that could not have been included in the original budget through the use of reasonable diligent thought and attention. The Commissioners' Court may issue an order to amend the budget by transferring an amount budgeted for one line item to another budgeted line item without authorizing an emergency expenditure.

### B. Deficit Fund Balance

At year-end the Cities Readiness Initiative and Sheriff Pending Forfeiture fund has a deficit fund balance of $564 and $252,833. The General Fund will ultimately cover any deficits that are not made up by the Cities Readiness Initiative and Sheriff Pending forfeiture fund.

## III. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

The governmental fund balance sheet includes reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains, "Some liabilities, (such as notes payable, capital lease contract payable, long-term compensated absences, and bond payable), are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position." The details of this $(113,109,376) difference are as follows:

| | |
|---|---|
| Tax notes | $( 85,400,000) |
| Refunding Bond | ( 14,120,000) |
| Premium on bonds | ( 3,867,909) |
| Deferred charge on refunding | 496,682 |
| Accrued interest payable | ( 601,485) |
| Compensated absences | ( 633,610) |
| Net OPEB obligation | ( 8,983,054) |
| Net adjustment to reduce *fund balance - total governmental funds* to arrive at *net position - governmental activities* | $( 113,109,376) |

### B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund statement of revenue, expenditures and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental fund and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains, "Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this $360,043 difference are as follows:

| | |
|---|---|
| Capital outlay | $ 2,810,847 |
| Capital asset retirements | ( 6,077) |
| Depreciation expense | ( 2,444,727) |
| Net adjustment to decrease *net changes in fund balances - total governmental funds* to arrive at *changes in net position of governmental activities* | $ 360,043 |

Another element of that reconciliation states, "Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds." The details of this $(71,257) difference are as follows:

| | | |
|---|---|---|
| Property taxes | $( | 54,786) |
| Adjudicated fines | | 205,435 |
| Other | ( | 221,906) |
| Net adjustment to increase *net changes in fund balances - total governmental funds* to arrive at *changes in net position of governmental activities* | $( | 71,257) |

Another element of that reconciliation states, "The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities." The details of this $5,454,744 difference are as follows:

| | | |
|---|---|---|
| Principal repayments | $ | 5,835,000 |
| Debt issuance | ( | 7,620,000) |
| Interest payable | | 59,538 |
| Bond discount/premium | ( | 864,065) |
| Bond refunding escrow agent | | 8,079,910 |
| Deferred charges | | 317,027 |
| Compensated absences | | 185,432 |
| OPEB obligation | ( | 538,098) |
| Net adjustment to increase *net changes in fund balances - total governmental funds* to arrive at *changes in net* position *of governmental activities* | $ | 5,454,744 |

## IV. DETAILED NOTES ON ALL FUNDS

### A. <u>Cash and Investments</u>

State statutes authorize the County to invest in (1) obligations of the United States or its agencies and instrumentalities; (2) direct obligations of the State of Texas or its agencies; (3) other obligations, the principal of and interest on which are unconditionally guaranteed by the State of Texas or the United States; (4) obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent; (5) certificates of deposit by state and national banks domiciled in this state that are (a) guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor; or (b) secured by obligations that are described by (1) – (4); (6) fully collateralized direct repurchase agreements having a defined termination date, secured by obligations described by (1), pledged with a third party selected or approved the County, and placed through a primary government securities dealer.

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. As of September 30, 2018, the County held the following fair value measurements:

| | | Fair Value Measurement Using | | | Percent of Total | Weighted Average Maturity |
|---|---|---|---|---|---|---|
| | 9/30/2018 | (Level 1) | (Level 2) | (Level 3) | Portfolio | (Days) |
| **Primary government** | | | | | | |
| **Cash and cash equivalents** | | | | | | |
| Cash deposits - County | $ 2,061,018 | $ - | $ - | $ - | 4.83% | |
| Cash deposits - trust and agency | 5,725,817 | - | - | - | 13.41% | |
| **Total cash and cash equivalents** | 7,786,835 | - | - | - | | |
| **Investments measured at net asset value per share:** | | | | | | |
| Investment pools: | | | | | | |
| Texas CLASS | $ 5,735,953 | $ - | $ - | $ - | 13.43% | 22 |
| TexPool | 4,611,204 | - | - | - | 10.80% | 28 |
| TexStar | 662,609 | - | - | - | 1.55% | 32 |
| LOGIC | 8,644,810 | - | - | - | 20.24% | 31 |
| **Investments by fair value level:** | | | | | | |
| Debt securities: | | | | | | |
| Busey Bank | 199,875 | - | 199,875 | - | 0.47% | 4 |
| Fannie Mae | 995,600 | - | 995,600 | | 2.33% | 10 |
| Federal Farm Credit Bank | 3,945,633 | - | 3,945,633 | - | 9.24% | 225 |
| Federal Home Loan Bank | 4,988,246 | 1,010,103 | 3,978,143 | - | 11.68% | 320 |
| Freddie Mac | 4,930,979 | 995,592 | 3,935,387 | - | 11.55% | 456 |
| Goldman Sachs Bank USA | 199,828 | - | 199,828 | - | 0.47% | 1 |
| **Total investments** | 34,914,737 | 2,005,695 | 13,254,466 | - | | |
| **Total cash and investments of the primary government** | $ 42,701,572 | $ 2,005,695 | $ 13,254,466 | $ - | | |
| Portfolio weighted average maturity (days) | | | | | | |

The County has the following recurring fair value measurements as of September 30, 2018:

Busey Bank of $199,875 are valued using a present value of expected future cash flow model (Level 2 inputs).

U.S. Agency Bonds of $2,005,695 are valued using a documented trade history in exact security (Level 1 inputs).

U.S. Agency Bonds of $6,441,886 are valued using a documented trade history in exact security (Level 2 inputs).

U.S. Agency Bonds of $487,227 are valued using a present value of expected future cash flow model (Level 2 inputs).

U.S. Agency Bonds of $5,925,650 are valued using an option-adjusted discounted cash flow model (Level 2 inputs).

Goldman Sachs Bank USA of $199,828 are valued using a present value of expected future cash flow model (Level 2 inputs).

Investment pools are not categorized as to investment risk since specific securities relating to the government cannot be identified. Investments in pools are valued based upon the value of pool shares. No investments are reported at amortized cost. The County currently invests in three pools, the Texas Local Government Investment Pool (TexPool), Texas Short Term Asset Reserve Program (TexStar), and the Texas Cooperative Liquid Assets Securities System Trust (Texas CLASS).

Under the TexPool Participation Agreement, administrative and investment services to TexPool are provided by Federated Investors, Inc. through an agreement with the State of Texas Comptroller of Public Accounts. The State Comptroller is the sole officer, director, and shareholder of the Texas Treasury Safekeeping Trust Company authorized to operate TexPool. MBIA CLASS was created under the Texas Government Code Ch. 2256. Municipal Investors Service Corporation (MBIA) is the plan administrator. The Custodian and the Board of Trustees shall conduct the trust's activities. The Board of Trustees shall be made up of all the Trustees elected by the participants. The fair value of the County's position in these pools is the same as the value of the pool shares.

J. P. Morgan Fleming Asset Management (USA), Inc. ("JPMFAM") and First Southwest Asset Management, Inc. ("FSAM") serve as co-administrators for TexStar under an agreement with the TexStar board of directors. JPMFAM provides investment service and FSAM provides participant services and marketing. Custodial, transfer agency, fund accounting and depository services are provided by J. P. Morgan Chase Bank and/or its subsidiary, J. P. Morgan Investor Services Co. TexStar bylaws provide for a five-member board of directors consisting of three representatives of participants and one member designated by each of the co-administrators.

***Interest Rate Risk.*** As a means of minimizing risk of loss due to interest rate fluctuations, the Investment Policy requires that the maximum allowable stated maturity of any individual investment held in the General Fund shall not exceed 60 months nor shall the invested amount in such securities exceed 15% of the General Fund operating reserve. The maximum allowable stated maturity of any individual investment held in all other funds shall not exceed 24 months.

***Custodial Credit Risk.*** In the case of deposits, this is the risk that in the event of a bank failure, the County's deposits may not be returned to it. State statutes require that all deposits in financial institutions be fully collateralized by U. S. Government obligations or its agencies and instrumentalities or direct obligations of Texas or its agencies and instrumentalities that have a fair value of not less than the principal amount of deposits. As of September 30, 2018, the County's deposit balance was fully collateralized with securities held by the pledging financial institution in the County's name or by FDIC insurance.

***Credit Risk.*** State law and county policy limit investments in local government investment pools to those rated no lower than AAA or an equivalent rating by at least one nationally recognized rating service. The County's investments as of September 30, 2018, were rated as follows:

| Investment Type | Rating | Rating Agency |
|---|---|---|
| TexPool | AAAm | Standard & Poor's |
| MBIA Texas Class | AAAm | Standard & Poor's |
| TexStar | AAAm | Standard & Poor's |
| LOGIC | AAAm | Standard & Poor's |
| PFM funds | AAAm | Standard & Poor's |
| FHLB | AA+ | Standard & Poor's |
| FHLMC | AA+ | Standard & Poor's |

## B. Receivables

Receivables as of year-end for the County's individual major funds and nonmajor funds including the applicable allowances for uncollectible accounts, as follows:

| | Governmental Funds | | | | |
|---|---|---|---|---|---|
| | General | Road Improvements Bond 2008 | Debt Service | Nonmajor Funds | Total |
| Receivables: | | | | | |
| Taxes | $ 746,974 | $ - | $ 202,794 | $ 73,071 | $ 1,022,839 |
| Adjudicated fines | 26,613,343 | - | - | - | 26,613,343 |
| Accounts | 22,799 | - | 17,661 | 27,076 | 67,536 |
| Assessments | - | - | - | 354,951 | 354,951 |
| TxDOT funding | - | 20,792,000 | - | - | 20,792,000 |
| Interest | - | - | - | 281 | 281 |
| Gross receivables | 27,383,116 | 20,792,000 | 220,455 | 455,379 | 48,850,950 |
| Less: allowance for uncollectibles | ( 24,063,117) | - | ( 30,681) | ( 41) | ( 24,093,839) |
| Net total receivables | $ 3,319,999 | $ 20,792,000 | $ 189,774 | $ 455,338 | $ 24,757,111 |

## C. Capital Assets

Capital assets are recorded at cost or, if donated, at acquisition cost, which is the price that would be paid to acquire an asset with equivalent service potential at the acquisition date. Infrastructure assets are valued in two ways: either actual historical cost where the amount can be determined from existing records or using current cost deflated to the year of construction. Once the historical cost is determined, regardless of how it is determined, the asset is then depreciated over its useful life.

Capital asset balances and activity for the year ended September 30, 2018, are summarized as follows:

| | Beginning Balance | Increases | Decreases/ Adjustments | Ending Balance |
|---|---|---|---|---|
| **Governmental activities:** | | | | |
| Capital assets, not being depreciated: | | | | |
| Land | $ 6,246,813 | $ - | $ - | $ 6,246,813 |
| Construction in progress | 7,474,807 | 1,487,595 | - | 8,962,402 |
| Total assets not being depreciated | 13,721,620 | 1,487,595 | - | 15,209,215 |
| Capital assets, being depreciated: | | | | |
| Buildings and improvements | 61,640,372 | 340,114 | ( 2,043,009) | 59,937,477 |
| Infrastructure | 5,232,656 | - | - | 5,232,656 |
| Machinery and equipment | 9,353,824 | 983,138 | 605,887 | 10,942,849 |
| Total capital assets being depreciated | 76,226,852 | 1,323,252 | ( 1,437,122) | 76,112,982 |
| Less accumulated depreciation: | | | | |
| Buildings and improvements | ( 12,113,418) | ( 1,588,675) | 96,514 | ( 13,605,579) |
| Infrastructure | ( 3,081,729) | ( 127,050) | - | ( 3,208,779) |
| Machinery and equipment | ( 6,926,248) | ( 729,002) | 1,334,531 | ( 6,320,719) |
| Total accumulated depreciation | ( 22,121,395) | ( 2,444,727) | 1,431,045 | ( 23,135,077) |
| Total capital assets being depreciated, net | 54,105,457 | ( 1,121,475) | ( 6,077) | 52,977,905 |
| Governmental activities capital assets, net | $ 67,827,077 | $ 366,120 | $( 6,077) | $ 68,187,120 |

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

| | |
|---|---|
| Governmental activities: | |
| General government | $ 1,483,164 |
| Roads and bridges | 343,647 |
| Public safety | 270,154 |
| Public facilities | 2,503 |
| Public services | 14,280 |
| Judicial | 2,936 |
| Legal | 12,567 |
| Culture and recreation | 315,476 |
| Total depreciation expense - governmental activities | $ 2,444,727 |

## D. Interfund Receivables/Payables and Transfers

The following schedule briefly summarizes the County's interfund balances activity:

| Receivable Fund | Payable Fund | Amount |
|---|---|---|
| General | Nonmajor governmental | $ 14,405 |
| | | $ 14,405 |

The following schedule briefly summarizes the County's transfer activity:

| Transfers In | Transfers Out | Amount |
|---|---|---|
| General | Nonmajor governmental | $ 67,000 |
| Nonmajor governmental | General | 1,796,254 |
| | | $ 1,863,254 |

Transfers are used to: 1) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorization; and 2) move unrestricted revenues collected in the General Fund to nonmajor governmental funds.

## E. Long-term Liabilities

The County issues general obligation bonds and limited tax notes to finance major capital projects. General obligations debt, certificates of obligation and contractual obligations are generally payable from property tax revenues. All other obligations, including capital leases and compensated absences, are payable from revenues of the General Fund.

## Tax Notes and Refunding Bond

| | Date of Issue | Interest Rate | Principal Balance | Due Within One Year |
|---|---|---|---|---|
| $24,705,000 tax refunding note Series 2009 | 02/01/09 | 2.00%-5.00% | $ 18,600,000 | $ 820,000 |
| $10,620,000 limited tax note Series 2009 | 02/01/09 | 2.75%-5.25% | 350,000 | 350,000 |
| $2,460,000 unlimited tax Series 2010 | 06/08/10 | 4.15% | 1,870,000 | 85,000 |
| $8,815,000 limited tax refunding Series 2010 | 06/08/10 | 3.65% | 3,880,000 | 385,000 |
| $16,010,000 limited tax refunding Series 2012 | 01/01/12 | 2.75%-4.5% | 13,465,000 | 760,000 |
| $24,205,000 unlimited tax Series 2012A | 12/13/12 | 2.125%-5.00% | 19,690,000 | 1,475,000 |
| $14,845,000 limited tax refunding Series 2013 | 06/11/13 | 3.00%-4.00% | 13,535,000 | 695,000 |
| $7,370,000 permanent improvement refunding bond Series 2015 | 12/22/15 | 3.00%-4.00% | 6,620,000 | 675,000 |
| $14,010,000 limited tax road bonds Series 2016 | 03/21/16 | 3.00%-4.00% | 14,010,000 | 860,000 |
| $7,620,000 unlimited tax refunding Series 2017 | 12/28/17 | 3.00%-4.00% | 7,500,000 | 10,000 |
| | | | $ 99,520,000 | $ 6,115,000 |

The $24,705,000 Limited Tax Refunding Bonds – Series 2009, were issued to liquidate all but $5,000,000 of the $30,000,000 Tax Notes Series 2008 for the purpose of extending the amortization period to 25 years instead of the shorter seven-year period associated with the $30M Tax Notes 2008 bonds. This action had the effect of reducing the annual debt service associated with the liability and did not affect the original purpose of the funds, which is to pay for the construction of a new courthouse for the County.

$10,620,000 Limited Tax Road Bonds – Series 2009, were issued for the purpose of funding road improvement projects authorized by the voters in the 2004 $17.250M Road Bond Authorization and the 2008 $100M Road Bond Authorization. The proceeds were split with $8.120M allocated to projects authorized by the 2004 bond issue and $2.500M was allocated to projects authorized by the 2008 bond issue. During the 2018 fiscal year, $7,670,000 of the debt was refunded.

The $2,460,000 Unlimited Tax Series 2010, were issued for the purpose of providing funds for (i) permanent public improvements, to-wit: construction, maintenance and operation of macadamized, graveled or paved roads and highways, or in the aid thereof, throughout the County, including participating in the cost of joint projects with various state, city and regional council of government entities, and (ii) paying certain costs of issuing bonds. Principal maturities will occur annually beginning in February 2011. Interest payments will occur semi-annually in February and August at 4.146%. The final principal and interest payment is due February 2034.

The $8,815,000 Limited Tax Refunding Series 2010, were issued for the purpose of (i) refunding the refunded obligations and (ii) paying the costs of issuing the bonds. Principal maturities will occur annually beginning in February 2011. Interest payments will occur semi-annually in February and August at 3.653%. The final principal and interest payment is due February 2034.

The $16,010,000 Unlimited Tax Series 2012, were issued for (i) the purpose of providing funds for permanent public improvements, to-wit: construction, maintenance and operation of macadamized, graveled or paved roads and highways, or in the aid thereof, throughout the County, including participating in the cost of joint projects with various state, city and regional council of government entities, and (ii) paying certain costs of issuing the bonds. Principal maturities will occur annually beginning in February 2015. Interest payments will occur semi-annually in February and August with a range of 2.75%-4.50%. The final principal and interest payment is due February 2032.

The $24,205,000 Unlimited Tax Road Bonds – Series 2012A, were issued (i) for the construction, maintenance and operation of macadamized, graveled or paved roads and turnpikes, or in aid thereof, throughout the County, including participating in the cost of joint projects with various state, city and regional council of government entities; and (ii) to pay costs of issuance associated with the sale of the bonds. Principal maturities will occur annually beginning in February 2015. Interest payments will occur semi-annually in February and August with a range of 2.125%-5.00%. The final principal and interest payment is due February 2033.

The $14,845,000 Unlimited Tax Road Bonds – Series 2013, were issued (i) for the construction, maintenance and operation of macadamized, graveled or paved roads and turnpikes, or in aid thereof, throughout the County, including participating in the cost of joint projects with various state, city and regional council of government entities; and (ii) to pay costs of issuance associated with the sale of the bonds. Principal maturities will begin in February 2015 and occur annually beginning in February 2017. Interest payments will occur semi-annually in February and August with a range of 3.00%-4.00%. The final principal and interest payment is due February 2033.

The $7,370,000 Permanent Improvement Refunding Bond – Series 2015 were issued for the purpose of (i) refunding the Series 2007 Permanent Improvement Limited Tax Notes and (ii) paying the costs of issuing the bonds. Principal maturities will occur annually beginning in February 2017. Interest payments will occur semi-annually in February and August at 2.010%. The final principal and interest payment is due February 2027. As a result, the refunded notes are considered to be defeased and the liability has been removed from the governmental activates column of the statement of net assets.

The $14,010,000 Limited Tax Road Bond – Series 2016 were issued for the purpose of (i) for the construction, maintenance and operation macadamized, graveled or paved roads and turnpikes, or in aid thereof, throughout the County, including participating in the cost of joint projects with various state, city and regional council of government entities; and (ii) to pay costs of issuance associated with the sale of the bonds. Principal maturities will begin in February 2019 and interest payments beginning February 2017. Interest payments will occur semi-annually in February and August with a range of 3.00%-5.00%. The final principal and interest payment is due February 2036.

The $7,620,000 Unlimited Tax Refunding Series 2017, were issued for the purpose of (i) refunding the refunded obligations and (ii) paying the costs of issuing the bonds. Principal maturities will occur annually beginning in February 2019. Interest payments will occur semi-annually in February and August with a range of 4.00%-4.875%. The final principal and interest payment is due February 2034. The net carrying amount of the old debt exceed the reacquisition price by $326,483. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is the same as the life of the net debt issued. The refunding was undertaken to reduce future debt service payments. The refunding transaction resulted in a reduction of $2,572,448 in the County's aggregate future debt service payments, and an economic gain to the County of $2,025,980. As of September 30, 2018, $7,670,000 of the debt is considered defeased and outstanding.

The requirements to amortize all tax notes and refunding bonds outstanding, as of September 30, 2018, are summarized as follows:

| Fiscal Year Ending September 30, | Tax Notes Principal | Tax Notes Interest | Tax Notes Total |
|---|---|---|---|
| 2019 | $ 6,115,000 | $ 3,521,359 | $ 9,636,359 |
| 2020 | 6,505,000 | 3,279,329 | 9,784,329 |
| 2021 | 5,880,000 | 3,033,065 | 8,913,065 |
| 2022 | 6,515,000 | 2,804,503 | 9,319,503 |
| 2023 | 5,980,000 | 2,593,621 | 8,573,621 |
| 2024-2028 | 31,825,000 | 9,784,795 | 41,609,795 |
| 2029-2033 | 31,115,000 | 4,208,050 | 35,323,050 |
| 2034-2038 | 5,585,000 | 214,788 | 5,799,788 |
| Total | $ 99,520,000 | $ 29,439,510 | $ 128,959,510 |

## F. Changes in Long-term Debt

The following is a summary of long-term debt transactions of the County for the fiscal year ended September 30, 2018:

| Description | Amounts Outstanding October 1, 2017 | Issued | Retired | Amounts Outstanding September 30, 2018 | Due Within One Year |
|---|---|---|---|---|---|
| Tax Notes | $ 98,120,000 | $ - | $ 12,720,000 | $ 85,400,000 | $ 5,430,000 |
| Refunding Bonds | 7,285,000 | 7,620,000 | 785,000 | 14,120,000 | 685,000 |
| Bond Premiums/discounts | 3,413,754 | 623,751 | 169,596 | 3,867,909 | 222,964 |
| Compensated absences | 819,042 | 277,211 | 462,643 | 633,610 | 126,722 |
| | $ 109,637,796 | $ 8,520,962 | $ 14,137,239 | $ 104,021,519 | $ 6,464,686 |

For governmental activities, the compensated absences are generally liquidated by the General Fund.

## G. <u>Defined Benefit Pension Plan</u>

**Plan Description.** The County participates in a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System ("TCDRS"). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent, multiple-employer, public employee retirement system consisting of nontraditional defined benefit pension plans. TCDRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.tcdrs.org.

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.

**Benefits Provided.** TCDRS provides retirement, disability and survivor benefits for all eligible employees. Benefit terms are established by the TCDRS act. The benefit terms may be amended as of January 1, each year, but must remain in conformity with the Act.

Members can retire at age 60 and above with 8 or more years of service, with 20 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after eight years of service, but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer.

Benefit amounts are determined by the sum of the employee's contributions to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the employer within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute. By law, employee accounts earn 7% interest. At retirement, death or disability, the benefit is calculated by converting the sum of the employee's accumulated contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

***Employees covered by benefit terms***

At the December 31, 2017 valuation and measurement date, the following employees were covered by the benefit terms:

| | |
|---|---|
| Inactive employees or beneficiaries currently receiving benefits | 137 |
| Inactive employees entitled to but not yet receiving benefits | 186 |
| Active employees | 323 |
| | 646 |

**Contributions.** The contribution rates for employees in TCDRS are either 4%, 5%, 6%, or 7% of employee gross earnings, 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. Under the state law governing TCDRS, the contribution rate for each entity is determined annually by the actuary and approved by the TCDRS Board of Trustees. The replacement life entry age actuarial cost method is used in determining the contribution rate. The actuarially determined rate is the estimated amount necessary to fund benefits in an orderly manner for each participate over his or her career so that sufficient funds are accumulated by the time benefit payments begin, with an additional amount to finance any unfunded accrued liability.

Employees for the County were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the County were 9% in calendar years 2017 and 2018. The County's contributions to TCDRS for the year ended September 30, 2018, were $1,518,239, and were equal to the required contributions.

**Net Pension Asset.** The County's Net Pension Asset (NPA) was measured as of December 31, 2017, and the Total Pension Liability (TPL) used to calculate the Net Pension Asset was determined by an actuarial valuation as of that date.

***Actuarial Assumptions***

The Total Pension Liability in the December 31, 2017, actuarial valuation was determined using the following actuarial assumptions:

| | |
|---|---|
| Inflation | 2.75% per year |
| Overall payroll growth | 4.9% per year |
| Investment rate of return | 8%, net of pension plan investment expense, including inflation |

The County has no automatic cost-of-living adjustments ("COLA") and one is not considered to be substantively automatic. Therefore, no assumption for future cost-of-living adjustments is included in the actuarial valuation. Each year, the County/District may elect an ad-hoc COLA for its retirees.

Mortality rates for active members, retirees, and beneficiaries were based on the following:

| | |
|---|---|
| Depositing members | 90% of the RP-2014 Active Employee Mortality Table for males and 90% of the RP-2014 Active Employee Mortality Table for females, projected with 110% of the MP-2014 Ultimate scale after 2014. |
| Service retirees, beneficiaries and non-depositing members | 130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014. |
| Disabled retirees | 130% of the RP-2014 Disabled Annuitant Mortality Table for males and 115% of the RP-2014 Disabled Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014 |

Updated mortality assumptions were adopted in the actuarial valuation of December 31, 2017. All other actuarial assumptions that determined the total pension liability as of December 31, 2017, were based on the results of an actuarial experience study for the period January 1, 2013, through December 31, 2016.

The long-term expected rate of return on pension plan investments is 8.0%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TCDRS Board of Trustees.

The long-term expected rate of return on TCDRS is determined by adding inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions and information below are based on January 2018 information for a 10-year time horizon. 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. The target allocation and best estimates of geometric real rates return for each major asset class are summarized in the following table:

| Asset Class | Benchmark | Target Allocation [1] | Geometric Real Rate of Return (Expected minus Inflation) [2] |
|---|---|---|---|
| US Equities | Dow Jones U.S. Total Stock Market Index | 11.50% | 4.55% |
| Private Equity | Cambridge Associates Global Private Equity & Venture Capital Index [3] | 16.00% | 7.55% |
| Global Equities | MSCI World (net) Index | 1.50% | 4.85% |
| International Equities - Developed | MCSI World Ex USA (net) | 11.00% | 4.55% |
| International Equities - Emerging | MCSI World Ex USA (net) | 8.00% | 5.55% |
| Investment-Grade Bonds | Bloomberg Barclays U.S. Aggregate Bond Index | 3.00% | 0.75% |
| Strategic Credit | FTSE High-Yield Cash-Pay Capped Index | 8.00% | 4.12% |
| Direct Lending | S&P/LST A Leveraged Loan Index | 10.00% | 8.06% |
| Distressed Debt | Cambridge Associates Distressed Securities Index [4] | 2.00% | 6.30% |
| REIT Equities | 67% FTSE NAREIT Equity REITs Index + 33% FRSE EPRA/NAREIT Global Real Estate Index | 2.00% | 4.05% |
| Master Limited Partnerships (MLPs) | Alerian MLP Index | 3.00% | 6.00% |
| Private Real Estate Partnerships | Cambridge Associates Real Estate Index [5] | 6.00% | 6.25% |
| Hedge Funds | Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index | 18.00% | 4.10% |

(1) *Target asset allocation adopted at the April 2018 TCDRS Board meeting.*

(2) *Geometric real rates of return equal the expected return minus the assumed inflation of 1.95% per Cliffwater's 2018 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 8.1%. 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 statue. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the Total Pension Liability.

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

| | Increase (Decrease) | | |
|---|---|---|---|
| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability/ (Asset) (a) - (b) |
| Balance at 12/31/2016 | $ 55,911,704 | $ 55,045,867 | $ 865,837 |
| Changes for the year: | | | |
| Service cost | 2,158,628 | - | 2,158,628 |
| Interest on total pension liability [(1)] | 4,608,335 | - | 4,608,335 |
| Effect of economic/demographic gains or losses | ( 448,718) | - | ( 448,718) |
| Effect of assumptions changes or inputs | 218,907 | - | 218,907 |
| Refund of contributions | ( 330,165) | ( 330,165) | - |
| Benefit payments | ( 2,071,209) | ( 2,071,209) | - |
| Administrative expenses | - | ( 42,061) | 42,061 |
| Member contributions | - | 1,138,978 | ( 1,138,978) |
| Net investment income | - | 8,038,032 | ( 8,038,032) |
| Employer contributions | - | 1,464,399 | ( 1,464,399) |
| Other [(2)] | - | 2,810 | ( 2,810) |
| Balance at 12/31/2017 | $ 60,047,482 | $ 63,246,651 | $( 3,199,169) |

[(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.*

### *Sensitivity Analysis*

The following presents the net pension liability of the County, calculated using the discount rate of 8.1%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.1%) or 1-percentage-higher (9.1%) than the current rate:

| | 1% Decrease 7.10% | Current Discount Rate 8.10% | 1% Increase 9.10% |
|---|---|---|---|
| Total pension liability | $ 68,595,904 | $ 60,047,482 | $ 52,955,561 |
| Fiduciary net position | 63,246,651 | 63,246,651 | 63,246,651 |
| Net pension liability/(asset) | $ 5,349,253 | $( 3,199,169) | $( 10,291,090) |

### *Pension Plan Fiduciary Net Position*

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TCDRS financial report. The report may be obtained on the Internet at www.tcdrs.org.

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

For the year ended September 30, 3018, the County recognized pension expense of $1,568,937. At September 30, 2018, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Differences between expected and actual economic experience | $ 3,518 | $ 812,600 |
| Changes in actuarial assumptions | 397,365 | - |
| Difference between projected and actual investment earnings | - | 456,842 |
| Contributions subsequent to the measurement date | 1,146,467 | - |
| Total | $ 1,547,350 | $ 1,269,442 |

$1,146,467 reported as deferred outflows of resources related to pension resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2019. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expenses as follows:

| Year Ended September 30, | |
|---|---|
| 2019 | $ 366,879 |
| 2020 | 217,738 |
| 2021 | ( 692,643) |
| 2022 | ( 760,533) |

## H. <u>Post-Employment Benefits Other Than Pension Benefits</u>

### Plan Participants

Eligible plan participants are retirees retiring within 8 years of service with Rockwall at the date of retirement and receiving benefits from the TCDRS are eligible for a $300 monthly stipend that may be used to continue medical coverage. TCDRS retirement is available to employees meeting one of three criteria: (a) age 60 with 8 year of service (b) age plus year of service equal to 75 or (c) 30 years of service. Must have at least 8 years of service with Rockwall.

At the September 30, 2018 valuation and measurement date, the following employees were covered by the benefit terms:

| | |
|---|---|
| Inactive employees or benficiaries currently receiving benefits | 69 |
| Active members | 252 |
| Surviving spouse | 2 |
| Total | 323 |

The County's contributions to the Retiree Health plan for the year ended September 30, 2018 were $294,572.

*Actuarial Methods and Assumptions*

Significant methods and assumptions were as follows:

| | |
|---|---|
| Actuarial cost method | Individual Entry Age |
| Inflation rate | 3.00% |
| Salary increases | 3.50% |
| Demographic assumptions | Based on the experience study covering the four year period ending December 31, 2016 as conducted for the Texas County and District Retirement System (TCDRS). |
| Mortality | RP-2014 Healthy Annuitant Mortality Table for males and females, both projected with the MP-2018. |
| Health care cost trend rates | Level 5.0% |
| Participation rates | It was assumed that 100% of retirees who are eligible for the County subsidy and 50% of those who are not eligible for the County subsidy would choose to receive health care benefits through the County. |
| Discount rate | 4.06% as of September 30, 2018. |

Projections of health benefits are based on the plan as understood by the County and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the County and its employees to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

A Single Discount Rate of 4.06% was used to measure the total OPEB liability. This Single discount Rate was based on the municipal bond rates as of the measurement date. The source of the municipal bond rate was Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of September 30, 2018.

*Changes in Total OPEB Liability*

The County's total OPEB liability of $8,983,054 was measured as of September 30, 2018 and was determined by an actuarial valuation as of September 30, 2018.

| | Total OPEB Liability |
|---|---|
| Balance at 10/1/2017 | $ 8,444,974 |
| Changes for the year: | |
| Service Cost | 476,423 |
| Interest on the total liability | 356,229 |
| Benefit payments | ( 294,572) |
| Net changes | 538,080 |
| Balance at 9/30/2018 | $ 8,983,054 |

*Discount Rate Sensitivity Analysis*

The following schedule shows the impact of the total OPEB liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (4.06%) in measuring the total OPEB liability.

| | 1% Decrease in Discount Rate (3.06%) | Discount Rate (4.06%) | 1% Increase in Discount Rate (5.06%) |
|---|---|---|---|
| Total OPEB liability | $ 10,660,189 | $ 8,983,054 | $ 7,672,376 |

*Healthcare Cost Trend Rate Sensitivity Analysis*

The following schedule shows the impact of the total OPEB liability if Healthcare Cost Trend Rate used was 1% less than and 1% greater than what was used in measuring the total OPEB liability.

| | 1% Decrease | Current Healthcare Cost Trend Rate Assumption | 1% Increase |
|---|---|---|---|
| Total OPEB liability | $ 7,716,943 | $ 8,983,054 | $ 10,701,471 |

*OPEB Expense*

For the year ended September 30, 2018, the County recognized OPEB expense of $832,652.

## I. <u>Risk Management</u>

During the year ended September 30, 2018, employees of the County were covered by a health insurance plan (the “Plan”). The County contributed $11,121 per year per employee. Employees, at their option, authorized payroll withholdings to pay contributions for dependents. All contributions were paid into the County’s Insurance Trust Fund. The Plan was authorized by Article 3.51-2, Texas Insurance Code and was documented by contractual agreement.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred, but not reported (IBNRs). Claim liabilities are calculated considering the effects of inflation, recent claim settlement tends including frequency and amount of payouts and other economic and social factors. The liability for claims and judgments is reported in the Internal Service Fund. An excess coverage policy begins once Rockwall County has expended $70,000 per participant annually. Changes in the balances of claims liabilities during the past two years are as follows:

| | Years Ended | |
|---|---|---|
| | 9/30/2018 | 9/30/2017 |
| Unpaid claims at beginning of year | $ 209,380 | $ 351,644 |
| Incurred claims (including IBNRs) | 3,702,154 | 3,420,272 |
| Claim payments | ( 3,579,570) | ( 3,562,536) |
| Unpaid claims at end of year | $ 331,964 | $ 209,380 |

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets, errors and omissions and natural disasters for which the County carries commercial insurance. The County participates in a risk management program through Texas Association of Counties for workers' compensation coverage. The County currently provides health benefits for its employees.

The County has not had any significant reductions in insurance coverage from coverage in the prior year. The amount of settlements has not exceeded insurance coverage in any of the previous three years.

## J. Commitments and Contingencies

The County is the defendant in a number of lawsuits arising principally in the normal course of operations. In the opinion of management, the outcome of these lawsuits will not have a material adverse effect on the accompanying combined financial statements and, accordingly, no provision for losses has been recorded.

The County participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustments by the grantor agencies; therefore, to the extent that the County has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at September 30, 2018, may be impaired. In the opinion of the County, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying combined financial statements for such contingencies.

## K. Prior Period Adjustment

During fiscal year 2018, the County adopted GASB Statement No. 75, *Accounting and Reporting for Post-Employment Benefits Other Than Pensions*. With GASB 75, the County must assume its Total OPEB Liability. Adoption of GASB 75 required a prior period adjustment to report the effect of the standard retroactively. As such, beginning net position was restated by $5,519,988 for governmental activities.

In the prior year, revenues were overstated by $48,479. As a result, fund balance was restated at the beginning of the year for the special revenue fund.

## L. Subsequent Event

In December 2018, the County issued Limited Tax Refunding Bonds, Series 2018 in the amount of $16,710,000. Principal amounts range from $215,000 to $1,480,000 with interest rates ranging from 3.5% to 5.0%. The purpose of the debt issuance is to refund obligations and payment of the costs of issuing the bonds.

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# REQUIRED
# SUPPLEMENTARY INFORMATION

# ROCKWALL COUNTY, TEXAS
## GENERAL FUND
## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
## FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Budgeted Amounts | | | Variance with Final Budget - Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | Actual | |
| **REVENUES** | | | | |
| Property taxes | $ 26,419,232 | $ 26,419,232 | $ 26,761,459 | $ 342,227 |
| Beverage taxes | 250,000 | 250,000 | 357,099 | 107,099 |
| Fines and forfeitures | 830,000 | 830,000 | 773,405 | ( 56,595) |
| Other taxes | 1,115,000 | 1,115,000 | 1,367,594 | 252,594 |
| Fees and commissions | 1,914,500 | 1,914,500 | 2,232,785 | 318,285 |
| Intergovernmental | 335,948 | 335,947 | 332,221 | ( 3,726) |
| Investment earnings | 150,000 | 150,000 | 399,062 | 249,062 |
| Miscellaneous | 69,500 | 69,500 | 121,179 | 51,679 |
| Total revenues | 31,084,180 | 31,084,179 | 32,344,804 | 1,260,625 |
| **EXPENDITURES** | | | | |
| Current: | | | | |
| General government: | | | | |
| County judge | 139,483 | 139,483 | 133,240 | 6,243 |
| County clerk | 730,155 | 730,155 | 717,389 | 12,766 |
| Information services | 632,515 | 633,935 | 620,494 | 13,441 |
| Nondepartmental | 1,886,869 | 2,027,850 | 1,772,170 | 255,680 |
| Human resources | 57,012 | 57,012 | 54,312 | 2,700 |
| Centralized collections | 22,064 | 22,064 | 17,327 | 4,737 |
| Commissioners' court | 87,196 | 87,061 | 84,477 | 2,584 |
| Veteran Services | 81,655 | 81,655 | 78,866 | 2,789 |
| Total general government | 3,636,949 | 3,779,215 | 3,478,275 | 300,940 |
| Financial administration: | | | | |
| Tax assessor/collector | 573,885 | 573,885 | 549,984 | 23,901 |
| County treasurer | 392,857 | 392,857 | 388,791 | 4,066 |
| County auditor | 607,280 | 607,280 | 595,444 | 11,836 |
| Noncapital equipment | 400,375 | 400,375 | 367,221 | 33,154 |
| Human Resources | 134,796 | 134,796 | 129,515 | 5,281 |
| Total financial administration | 2,109,193 | 2,109,193 | 2,030,955 | 78,238 |
| Commissioner expenses: | | | | |
| County commissioner, precinct #1 | 110,606 | 110,606 | 107,476 | 3,130 |
| County commissioner, precinct #2 | 110,281 | 110,281 | 107,432 | 2,849 |
| County commissioner, precinct #3 | 111,680 | 111,680 | 108,716 | 2,964 |
| County commissioner, precinct #4 | 113,132 | 113,132 | 110,052 | 3,080 |
| Total commissioner expenses | 445,699 | 445,699 | 433,676 | 12,023 |
| Public safety: | | | | |
| Sheriff's department | 4,728,867 | 4,953,519 | 4,627,985 | 325,534 |
| County jail | 7,172,762 | 6,941,762 | 7,165,344 | ( 223,582) |
| Other law enforcement | 621,269 | 621,269 | 621,161 | 108 |
| Constable #1 | 94,925 | 94,925 | 89,475 | 5,450 |
| Constable #2 | 93,665 | 94,275 | 88,987 | 5,288 |
| Constable #3 | 94,939 | 94,939 | 93,887 | 1,052 |
| Constable #4 | 98,365 | 98,365 | 97,038 | 1,327 |
| Total public safety | 12,904,792 | 12,899,054 | 12,783,877 | 115,177 |

## ROCKWALL COUNTY, TEXAS
### GENERAL FUND
### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
### FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance with Final Budget - Positive (Negative) |
| Public facilities | | | | |
| Maintenance and operations | $ 787,504 | $ 770,194 | $ 776,627 | $( 6,433) |
| Total public facilities | 787,504 | 770,194 | 776,627 | ( 6,433) |
| Public services: | | | | |
| Election administrator | 412,483 | 412,483 | 407,551 | 4,932 |
| Total public services | 412,483 | 412,483 | 407,551 | 4,932 |
| Judicial: | | | | |
| District clerk | 842,337 | 842,337 | 825,684 | 16,653 |
| District judge | 1,497,796 | 1,497,796 | 1,368,421 | 129,375 |
| Justice of the peace, precinct #1 | 244,092 | 244,092 | 235,668 | 8,424 |
| Justice of the peace, precinct #2 | 140,744 | 234,720 | 135,674 | 99,046 |
| Justice of the peace, precinct #3 | 326,900 | 232,924 | 314,351 | ( 81,427) |
| Justice of the peace, precinct #4 | 235,967 | 235,967 | 229,611 | 6,356 |
| Court at law | 967,035 | 867,035 | 948,090 | ( 81,055) |
| Total judicial | 4,254,871 | 4,154,871 | 4,057,499 | 97,372 |
| Legal: | | | | |
| District attorney | 2,623,517 | 2,623,517 | 2,556,093 | 67,424 |
| Total legal | 2,623,517 | 2,623,517 | 2,556,093 | 67,424 |
| Culture and recreation: | | | | |
| County library | 1,142,261 | 1,142,261 | 1,106,645 | 35,616 |
| Total culture and recreation | 1,142,261 | 1,142,261 | 1,106,645 | 35,616 |
| Health and welfare: | | | | |
| County health coordinator | 179,762 | 179,762 | 175,144 | 4,618 |
| Welfare | 533,091 | 483,091 | 519,776 | ( 36,685) |
| Ambulance | 142,373 | 142,373 | 140,827 | 1,546 |
| Indigent health care | 420,000 | 420,000 | 250,000 | 170,000 |
| Total health and welfare | 1,275,226 | 1,225,226 | 1,085,747 | 139,479 |
| Conservation: | | | | |
| County agent | 118,139 | 116,700 | 114,028 | 2,672 |
| Total conservation | 118,139 | 116,700 | 114,028 | 2,672 |
| Total current expenditures | 29,710,634 | 29,678,413 | 28,830,973 | 847,440 |

## ROCKWALL COUNTY, TEXAS
### GENERAL FUND
### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
### FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance with Final Budget - Positive (Negative) |
| Noncurrent: | | | | |
| Capital outlay: | | | | |
| Capital equipment | $ 1,226,242 | $ 1,215,930 | $ 1,059,053 | $ 156,877 |
| Capital improvements | 174,050 | 174,050 | 169,876 | 4,174 |
| Total capital outlay | 1,400,292 | 1,389,980 | 1,228,929 | 161,051 |
| Total expenditures | 31,110,926 | 31,068,393 | 30,059,902 | 1,008,491 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | ( 26,746) | 15,786 | 2,284,902 | 2,269,116 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Transfers in | 74,000 | 74,000 | 67,000 | ( 7,000) |
| Transfers out | ( 1,796,254) | ( 1,796,254) | ( 1,796,254) | - |
| Proceeds from sale of assets | 25,000 | 25,000 | 5,596 | ( 19,404) |
| Total other financing sources (uses) | ( 1,697,254) | ( 1,697,254) | ( 1,723,658) | ( 26,404) |
| **NET CHANGE IN FUND BALANCE** | ( 1,724,000) | ( 1,681,468) | 561,244 | 2,242,712 |
| **FUND BALANCES, BEGINNING** | 17,450,721 | 17,450,721 | 17,450,721 | - |
| **FUND BALANCES, ENDING** | $ 15,726,721 | $ 15,769,253 | $ 18,011,965 | $ 2,242,712 |

## A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund. All annual appropriations lapse at the end of the fiscal year.

Elected officials and department heads submit requests for appropriations to the budget officer, the County Judge, so that a budget may be prepared. The proposed budget is presented to the Commissioner's Court for review by the second Monday in July. The Commissioner's Court holds public work sessions and public hearings. A final budget must be prepared and adopted no later than September 30.

The appropriated budget is prepared by fund, function and department. The County's department heads may make transfers of appropriations within a department. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level within a fund.

# ROCKWALL COUNTY, TEXAS

## SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

### FOR THE YEAR ENDED SEPTEMBER 30, 2018

| Plan Year Ended December 31 | 2014 | 2015 | 2016 | 2017 |
|---|---|---|---|---|
| **Total Pension Liability** | | | | |
| Service Cost | $ 1,980,374 | $ 2,030,428 | $ 2,249,131 | $ 2,158,628 |
| Interest total pension liability | 3,588,582 | 3,916,257 | 4,177,843 | 4,608,335 |
| Effect of plan changes | - | ( 457,555) | 146,254 | - |
| Effect of assumption changes or inputs | - | 555,598 | - | 218,907 |
| Effect of economic/demographic (gains) or losses | 17,592 | ( 1,077,942) | ( 37,415) | ( 448,718) |
| Benefit payments/refunds of contributions | ( 1,506,596) | ( 1,725,226) | ( 2,016,828) | ( 2,401,374) |
| Net change in total pension liability | 4,079,952 | 3,241,560 | 4,518,985 | 4,135,778 |
| Total pension liability - beginning | 44,071,207 | 48,151,159 | 51,392,719 | 55,911,704 |
| Total pension liability - ending (a) | $ 48,151,159 | $ 51,392,719 | $ 55,911,704 | $ 60,047,482 |
| **Plan Fiduciary Net Position** | | | | |
| Employer contributions | $ 1,330,911 | $ 1,379,293 | $ 1,387,946 | $ 1,464,399 |
| Member contributions | 1,035,153 | 1,072,787 | 1,079,512 | 1,138,978 |
| Investment income net of investment expenses | 3,132,080 | ( 898,918) | 3,748,100 | 8,038,032 |
| Benefit payments refunds of contributions | ( 1,506,596) | ( 1,725,226) | ( 2,016,828) | ( 2,401,374) |
| Administrative expenses | ( 37,619) | ( 36,512) | ( 40,741) | ( 42,061) |
| Other | ( 4,489) | 34,983 | 320,494 | 2,810 |
| Net change in plan fiduciary net position | 3,949,440 | ( 173,593) | 4,478,483 | 8,200,784 |
| Plan fiduciary net position - beginning | 46,791,537 | 50,740,977 | 50,567,384 | 55,045,867 |
| Plan fiduciary net position - ending (b) | $ 50,740,977 | $ 50,567,384 | $ 55,045,867 | $ 63,246,651 |
| Net pension liability (asset)- ending (a) - (b) | $( 2,589,818) | $ 825,335 | $ 865,837 | $( 3,199,169) |
| Fiduciary net position as a percentage of total pension liability | 105.38% | 98.39% | 98.45% | 105.33% |
| Pensionable covered payroll | $ 14,787,903 | $ 15,325,523 | $ 15,421,600 | $ 16,271,113 |
| Net pension liability as a percentage of covered payroll | -17.51% | 5.39% | 5.61% | -19.66% |

Note: This schedule is required for 10 years of information, but the information prior to 2014 is not available.

## ROCKWALL COUNTY, TEXAS

### SCHEDULE OF EMPLOYER CONTRIBUTIONS

### FOR THE YEAR ENDED SEPTEMBER 30, 2018

| Year Ending September 30, | Actuarially Determined Contribution | Actual Employer Contribution | Contribution Deficiency (Excess) | Pensionable Covered Payroll | Actual Contribution as a % of Covered Payroll |
|---|---|---|---|---|---|
| 2014 | $ 1,313,003 | $ 1,313,003 | $ - | $ 14,622,258 | 9.0% |
| 2015 | 1,363,504 | 1,363,504 | - | 15,150,043 | 9.0% |
| 2016 | 1,444,459 | 1,444,459 | - | 16,049,549 | 9.0% |
| 2017 | 1,434,729 | 1,434,729 | - | 15,941,429 | 9.0% |
| 2018 | 1,518,239 | 1,518,239 | - | 16,869,324 | 9.0% |

Note: This schedule is required for 10 years of information, but the information prior to 2014 is not available.

# ROCKWALL COUNTY, TEXAS

## NOTES TO SCHEDULE OF EMPLOYER CONTRIBUTIONS

## FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | |
|---|---|
| **Valuation Timing** | Actuarially determined contribution rates are calculated each December 31, two years prior to the end of the fiscal year in which the contributions are reported. |
| **Methods and assumptions used to determine contributions rates:** | |
| **Actuarial Cost Method** | Entry age |
| **Amortization Method** | Level percentage of payroll, closed |
| **Remaining Amortization Period** | 1.7 years (based on contribution rate calculated in 12/31/2017 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 administration and investment expenses, including inflation. |
| **Retirement Age** | Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61. |
| **Mortality** | 130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014. |
| **Changes in Assumptions and Methods Reflected in the Schedule of Employer Contributions** | 2015: New inflation, mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected. |
| **Changes in Plan Provisions Reflected in the Schedule** | 2015: No changes in plan provisions were reflected in the schedule. 2016: No changes in plan provisions were reflected in the schedule. 2017: Employer contributions reflect that a 1% flat COLA was adopted. Also, new Annuity Purchase Rates were reflected for benefits earned after 2017. |

# ROCKWALL COUNTY, TEXAS

## RETIREE HEALTH INSURANCE PLAN

## SCHEDULE OF CHANGES IN OPEB LIABILITY AND RELATED RATIOS

## FOR THE YEAR ENDED SEPTEMBER 30, 2018

| **Plan Year Ended September 30** | **2018** |
|---|---|
| **Total OPEB Liability:** | |
| Service cost | $ 476,423 |
| Interest | 356,229 |
| Benefit payments | ( 294,572) |
| Net change in total pension liability | 538,080 |
| Total OPEB liability - beginning | 8,444,974 |
| Total OPEB liability - ending (a) | $ 8,983,054 |
| Covered - employee payroll | $ 13,397,113 |
| Total OPEB liability as a percentage of covered - employee payroll | 67.05% |

Note: This schedule is intended to show ten years of information. Additional years' information will be displayed as it becomes available.

| | |
|---|---|
| **Valuation date** | September 30, 2018 |
| **Measurement date** | September 30, 2018 |
| **Methods and assumptions:** | |
| **Actuarial Method** | Individual Entry Age Normal Cost Method - Level Percentage |
| **Service Cost** | Determined for each employee as the Actuarial Present Value of Benefits allocated to the valuation year. The benefit attributed to the valuation year is that incremental portion of the total projected benefit earned during the year in accordance with the plan's benefit formula. This allocation is based on each participant's service between date of hire and date of expected termination. |
| **Total OPEB Liability** | The Actuarial Present Value of Benefits allocated to all periods prior to the valuation year. |
| **Discount Rate** | 4.06% (1.06% real rate of return plus 3.00% inflation) |
| **Health Care Cost Trend** | Level 5.00% |
| **Effect of ACA** | The excess coverage excise tax penalty of the Affordable Care Act has been postponed until the plan year beginning in 2022 and is not included in the projection of benefits in this valuation. This plan has current medical costs well under the limits in current law. Current legislative discussions include both repeal of the excise tax and postponed beyond 2022. |
| **Mortality** | RPH-2014 Total Table with Projection MP-2018 |
| **Turnover** | Rates varying based on gender, age and select and ultimate at 15 year. Rates based on the TCDRS actuarial assumptions form the 2017 retirement plan valuation report. |
| **Disability** | None assumed |
| **Retiree Contributions** | Retirees pays the remaining contribution rate above the monthly stipend of $300 paid by the County to the retiree. The retiree also pays the full cost of dental coverage. |
| **Salary Scale** | 3.50% |
| **Data Assumptions** | 100% of all retirees who currently have healthcare coverage will continue with the same coverage including continuation when eligible for Medicare. |
| **Coverage** | 50% of all actives who currently have healthcare coverage will continue with employee only coverage to age 65 upon retirement and 100% will elect the stipend. |

# COMBINING FUND
# FINANCIAL STATEMENTS

# ROCKWALL COUNTY, TEXAS
## COMBINING BALANCE SHEET
## NONMAJOR GOVERNMENTAL FUNDS
## FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Special Revenue | | | |
|---|---|---|---|---|
| | Emergency Management | Fire Code Enforcement | Court Record Preservation | District Court Records Technology |
| **ASSETS** | | | | |
| Cash and investments | $ 43,443 | $ 97,668 | $ 57,716 | $ 51,934 |
| Receivables (net of allowance for uncollectibles) | | | | |
| Taxes | - | - | - | - |
| Accounts | - | - | - | - |
| Interest | - | - | - | - |
| Prepaid items | 102 | - | - | - |
| Total assets | 43,545 | 97,668 | 57,716 | 51,934 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES** | | | | |
| Liabilities: | | | | |
| Accounts payable | 984 | 4,496 | - | - |
| Accrued expenses | 2,875 | - | - | - |
| Due to others | - | - | - | - |
| Due to other funds | - | - | - | - |
| Total liabilities | 3,859 | 4,496 | - | - |
| Deferred inflows of resources: | | | | |
| Unavailable revenue - lien assessments | - | - | - | - |
| Total deferred inflows of resources | - | - | - | - |
| Fund balances: | | | | |
| Nonspendable | | | | |
| Prepaids | 102 | - | - | - |
| Restricted for: | | | | |
| Records preservation and management | - | - | 57,716 | - |
| Court security and technology | - | - | - | 51,934 |
| Legal | - | - | - | - |
| Public safety | 39,584 | 93,172 | - | - |
| Judicial | - | - | - | - |
| Capital acquisition and construction | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Roads and bridges | - | - | - | - |
| Elections assistance and administration | - | - | - | - |
| Unassigned | - | - | - | - |
| Total fund balances | 39,686 | 93,172 | 57,716 | 51,934 |
| Total liabilities, deferred inflows of resources, and fund balances | $ 43,545 | $ 97,668 | $ 57,716 | $ 51,934 |

| Special Revenue | | | | | | |
|---|---|---|---|---|---|---|
| Law Library | County/ District Court Technology | Justice Court Building Security | D. A. State | D. A. Forfeiture | Cities Readiness Initiative | Sheriff's Abandoned Property |
| $ 118,542 | $ 9,610 | $ 31,889 | $ 3,623 | $ 149,226 | $ - | $ 18,509 |
| - | - | - | - | - | - | - |
| - | - | 149 | 15,253 | 86 | 13,280 | - |
| - | - | - | - | - | - | - |
| 5 | - | - | 1 | - | - | - |
| 118,547 | 9,610 | 32,038 | 18,877 | 149,312 | 13,280 | 18,509 |
| | | | | | | |
| 2,735 | - | - | 485 | - | 49 | - |
| 970 | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | 13,795 | - |
| 3,705 | - | - | 485 | - | 13,844 | - |
| | | | | | | |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| | | | | | | |
| 5 | - | - | 1 | - | - | - |
| - | - | - | - | - | - | - |
| - | 9,610 | 32,038 | - | - | - | - |
| 114,837 | - | - | 18,391 | 149,312 | - | - |
| - | - | - | - | - | - | 18,509 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | ( 564) | - |
| 114,842 | 9,610 | 32,038 | 18,392 | 149,312 | ( 564) | 18,509 |
| | | | | | | |
| $ 118,547 | $ 9,610 | $ 32,038 | $ 18,877 | $ 149,312 | $ 13,280 | $ 18,509 |

# ROCKWALL COUNTY, TEXAS
## COMBINING BALANCE SHEET
## NONMAJOR GOVERNMENTAL FUNDS
## FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Special Revenue | | | | |
|---|---|---|---|---|---|
| | Emergency Management Federal Grant | Errors and Omissions Insurance | Public Safety Sales Tax | Child Abuse Prevention | District Clerk Records Management |
| **ASSETS** | | | | | |
| Cash and investments | $ - | $ 113,039 | $ 555,588 | $ 37 | $ 17,233 |
| Receivables (net of allowance for uncollectibles) | | | | | |
| Taxes | - | - | 72,829 | - | - |
| Accounts | 1,211 | - | - | - | - |
| Interest | - | - | - | - | - |
| Prepaid items | - | - | - | - | 12 |
| Total assets | 1,211 | 113,039 | 628,417 | 37 | 17,245 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES** | | | | | |
| Liabilities: | | | | | |
| Accounts payable | - | - | 1,500 | 37 | 2 |
| Accrued expenses | - | - | - | - | 281 |
| Due to others | - | - | - | - | - |
| Due to other funds | 610 | - | - | - | - |
| Total liabilities | 610 | - | 1,500 | 37 | 283 |
| Deferred inflows of resources: | | | | | |
| Unavailable revenue - lien assessments | - | - | - | - | - |
| Total deferred inflows of resources | - | - | - | - | - |
| Fund balances: | | | | | |
| Nonspendable | | | | | |
| Prepaids | - | - | - | - | 12 |
| Restricted for: | | | | | |
| Records preservation and management | - | - | - | - | 16,950 |
| Court security and technology | - | - | - | - | - |
| Legal | - | - | - | - | - |
| Public safety | 601 | - | 626,917 | - | - |
| Judicial | - | 113,039 | - | - | - |
| Capital acquisition and construction | - | - | - | - | - |
| Culture and recreation | - | - | - | - | - |
| Roads and bridges | - | - | - | - | - |
| Elections assistance and administration | - | - | - | - | - |
| Unassigned | - | - | - | - | - |
| Total fund balances | 601 | 113,039 | 626,917 | - | 16,962 |
| Total liabilities, deferred inflows of resources, and fund balances | $ 1,211 | $ 113,039 | $ 628,417 | $ 37 | $ 17,245 |

| Special Revenue | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Court Reporter Service | Appellate Justice System | Justice Court Technology | CC Records Management and Preservation | CC Vital Statistics | CC Archival Fee | SCAAP Grant | Records Management and Preservation | Courthouse Security |
| $ 238,081 | $ 32,660 | $ 139,805 | $ 1,161,304 | $ 16,505 | $ 531,429 | $ 71 | $ 97,914 | $ 57,109 |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | 150 | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | - | 38 | - | - | - | - | - |
| 238,081 | 32,660 | 139,805 | 1,161,342 | 16,655 | 531,429 | 71 | 97,914 | 57,109 |
| 1,843 | 16,380 | 1,337 | 8,870 | - | - | - | 8 | 1,105 |
| 378 | - | - | 1,062 | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| 2,221 | 16,380 | 1,337 | 9,932 | - | - | - | 8 | 1,105 |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | - | 38 | - | - | - | - | - |
| - | - | - | 1,151,372 | 16,655 | 531,429 | 71 | 97,906 | - |
| - | - | - | - | - | - | - | - | 56,004 |
| 235,860 | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | 16,280 | 138,468 | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| 235,860 | 16,280 | 138,468 | 1,151,410 | 16,655 | 531,429 | 71 | 97,906 | 56,004 |
| $ 238,081 | $ 32,660 | $ 139,805 | $ 1,161,342 | $ 16,655 | $ 531,429 | $ 71 | $ 97,914 | $ 57,109 |

# ROCKWALL COUNTY, TEXAS
## COMBINING BALANCE SHEET
## NONMAJOR GOVERNMENTAL FUNDS
## FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Special Revenue | | | |
|---|---|---|---|---|
| | Election Services | Library Donation | Sheriff Forfeiture | Library |
| **ASSETS** | | | | |
| Cash and investments | $ 86,398 | $ 51,794 | $ 297,829 | $ 142,245 |
| Receivables (net of allowance for uncollectibles) | | | | |
| Taxes | - | - | - | - |
| Accounts | - | - | - | - |
| Interest | - | - | - | - |
| Prepaid items | - | 175 | - | - |
| Total assets | 86,398 | 51,969 | 297,829 | 142,245 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES** | | | | |
| Liabilities: | | | | |
| Accounts payable | - | 11 | - | - |
| Accrued expenses | - | - | - | - |
| Due to others | - | - | - | - |
| Due to other funds | - | - | - | - |
| Total liabilities | - | 11 | - | - |
| Deferred inflows of resources: | | | | |
| Unavailable revenue - lien assessments | - | - | - | - |
| Total deferred inflows of resources | - | - | - | - |
| Fund balances: | | | | |
| Nonspendable | | | | |
| Prepaids | - | 175 | - | - |
| Restricted for: | | | | |
| Records preservation and management | - | - | - | - |
| Court security and technology | - | - | - | - |
| Legal | - | - | - | - |
| Public safety | - | - | 297,829 | - |
| Judicial | - | - | - | - |
| Capital acquisition and construction | - | - | - | - |
| Culture and recreation | - | 51,783 | - | 142,245 |
| Roads and bridges | - | - | - | - |
| Elections assistance and administration | 86,398 | - | - | - |
| Unassigned | - | - | - | - |
| Total fund balances | 86,398 | 51,958 | 297,829 | 142,245 |
| Total liabilities, deferred inflows of resources, and fund balances | $ 86,398 | $ 51,969 | $ 297,829 | $ 142,245 |

| | Special Revenue | | | | | | | | Capital Projects |
|---|---|---|---|---|---|---|---|---|---|
| | D. A. Hot Check Fees | Road and Bridge | E.A.S.E. 2.0 Grant | Courthouse Renovation | Sheriff Pending Forfeiture | Sheriff Law Enforcement | Juvenile Delinquency Prevention | Veterans Court | Radio Interoperability |
| | $ 26,818 | $ 1,477,485 | $ - | $ 190,207 | $ - | $ 91,894 | $ 50 | $ 28,953 | $ 1,084,759 |
| | - | 201 | - | - | - | - | - | - | - |
| | - | 351,898 | - | - | - | - | - | - | - |
| | - | 281 | - | - | - | - | - | - | - |
| | - | 3,053 | - | - | - | - | - | - | - |
| | 26,818 | 1,832,918 | - | 190,207 | - | 91,894 | 50 | 28,953 | 1,084,759 |
| | - | 11,480 | - | - | - | - | - | - | 232,707 |
| | - | 9,236 | - | - | - | - | - | - | - |
| | - | - | - | - | 252,833 | - | - | - | - |
| | - | - | - | - | - | - | - | - | - |
| | - | 20,716 | - | - | 252,833 | - | - | - | 232,707 |
| | - | 354,537 | - | - | - | - | - | - | - |
| | - | 354,537 | - | - | - | - | - | - | - |
| | - | 3,053 | - | - | - | - | - | - | - |
| | - | - | - | - | - | - | - | - | - |
| | - | - | - | - | - | - | - | - | - |
| | 26,818 | - | - | - | - | - | - | - | - |
| | - | - | - | - | - | 91,894 | 50 | - | 852,052 |
| | - | - | - | - | - | - | - | 28,953 | - |
| | - | - | - | 190,207 | - | - | - | - | - |
| | - | - | - | - | - | - | - | - | - |
| | - | 1,454,612 | - | - | - | - | - | - | - |
| | - | - | - | - | - | - | - | - | - |
| | - | - | - | - | ( 252,833) | - | - | - | - |
| | 26,818 | 1,457,665 | - | 190,207 | ( 252,833) | 91,894 | 50 | 28,953 | 852,052 |
| | $ 26,818 | $ 1,832,918 | $ - | $ 190,207 | $ - | $ 91,894 | $ 50 | $ 28,953 | $ 1,084,759 |

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## ROCKWALL COUNTY, TEXAS
### COMBINING BALANCE SHEET
### NONMAJOR GOVERNMENTAL FUNDS
### FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Capital Projects | | | | |
|---|---|---|---|---|---|
| | Library Construction Bond | Library Renovation | Veterans Memorial | Facilities Improvement | Total |
| **ASSETS** | | | | | |
| Cash and investments | $ - | $ 548 | $ 8 | $ 309,935 | $ 7,331,858 |
| Receivables (net of allowance for uncollectibles) | | | | | |
| Taxes | - | - | - | - | 73,030 |
| Accounts | - | - | - | - | 382,027 |
| Interest | - | - | - | - | 281 |
| Prepaid items | - | - | - | - | 3,386 |
| Total assets | - | 548 | 8 | 309,935 | 7,790,582 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES** | | | | | |
| Liabilities: | | | | | |
| Accounts payable | - | 548 | - | 4,490 | 289,067 |
| Accrued expenses | - | - | - | - | 14,802 |
| Due to others | - | - | - | - | 252,833 |
| Due to other funds | - | - | - | - | 14,405 |
| Total liabilities | - | 548 | - | 4,490 | 571,107 |
| Deferred inflows of resources: | | | | | |
| Unavailable revenue - lien assessments | - | - | - | - | 354,537 |
| Total deferred inflows of resources | - | - | - | - | 354,537 |
| Fund balances: | | | | | |
| Nonspendable | | | | | |
| Prepaids | - | - | - | - | 3,386 |
| Restricted for: | | | | | |
| Records preservation and management | - | - | - | - | 1,872,099 |
| Court security and technology | - | - | - | - | 149,586 |
| Legal | - | - | - | - | 545,218 |
| Public safety | - | - | - | - | 2,020,608 |
| Judicial | - | - | - | - | 296,740 |
| Capital acquisition and construction | - | - | 8 | 305,445 | 495,660 |
| Culture and recreation | - | - | - | - | 194,028 |
| Roads and bridges | - | - | - | - | 1,454,612 |
| Elections assistance and administration | - | - | - | - | 86,398 |
| Unassigned | - | - | - | - | ( 253,397) |
| Total fund balances | - | - | 8 | 305,445 | 6,864,938 |
| Total liabilities, deferred inflows of resources, and fund balances | $ - | $ 548 | $ 8 | $ 309,935 | $ 7,790,582 |

# ROCKWALL COUNTY, TEXAS
## COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Special Revenue | | | |
|---|---|---|---|---|
| | Emergency Management | Fire Code Enforcement | Court Record Preservation | District Court Records Technology |
| **REVENUES** | | | | |
| Property taxes | $ - | $ - | $ - | $ - |
| Fines and forfeitures | - | - | - | - |
| Sales taxes | - | - | - | - |
| Fees and commissions | 186,615 | 16,711 | 18,784 | 17,105 |
| Intergovernmental | - | - | - | - |
| Election | - | - | - | - |
| Investment earnings | 23 | - | - | - |
| Donations | - | - | - | - |
| Miscellaneous | - | - | - | - |
| Total revenues | 186,638 | 16,711 | 18,784 | 17,105 |
| **EXPENDITURES** | | | | |
| Current: | | | | |
| General government | - | - | - | 310 |
| Roads and bridges | - | - | - | - |
| Public safety | 180,196 | 17,796 | - | - |
| Public service | - | - | - | - |
| Judicial | - | - | - | - |
| Legal | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Capital outlay | - | - | - | - |
| Total expenditures | 180,196 | 17,796 | - | 310 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | 6,442 | ( 1,085) | 18,784 | 16,795 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Transfers in | - | - | - | - |
| Transfers out | - | ( 25,000) | - | - |
| Total other revenues and financing sources (uses) | - | ( 25,000) | - | - |
| **NET CHANGE IN FUND BALANCES** | 6,442 | ( 26,085) | 18,784 | 16,795 |
| **FUND BALANCES/EQUITY, BEGINNING** | 33,244 | 119,257 | 38,932 | 35,139 |
| **PRIOR PERIOD ADJUSTMENT** | - | - | - | - |
| **FUND BALANCES/EQUITY, ENDING** | $ 39,686 | $ 93,172 | $ 57,716 | $ 51,934 |

| Special Revenue | | | | | | |
|---|---|---|---|---|---|---|
| Law Library | County/ District Court Technology | Justice Court Building Security | D. A. State | D. A. Forfeiture | Cities Readiness Initiative | Sheriff's Abandoned Property |
| $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| - | - | - | - | 13,865 | - | - |
| - | - | - | - | - | - | - |
| 80,297 | 3,975 | - | - | - | - | 2,270 |
| - | - | - | - | - | 35,458 | - |
| - | - | - | - | - | - | - |
| 1,896 | - | 480 | - | 1,348 | - | 57 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | 420 |
| 82,193 | 3,975 | 480 | - | 15,213 | 35,458 | 2,747 |
| - | 1,450 | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | 36,116 | - |
| - | - | 2,149 | - | - | - | - |
| - | - | - | 337 | 7,473 | - | - |
| 113,159 | - | - | - | - | - | - |
| - | 1,798 | - | - | 3,413 | - | - |
| 113,159 | 3,248 | 2,149 | 337 | 10,886 | 36,116 | - |
| ( 30,966) | 727 | ( 1,669) | ( 337) | 4,327 | ( 658) | 2,747 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| ( 30,966) | 727 | ( 1,669) | ( 337) | 4,327 | ( 658) | 2,747 |
| 145,808 | 8,883 | 33,707 | 18,729 | 144,985 | 94 | 15,762 |
| - | - | - | - | - | - | - |
| $ 114,842 | $ 9,610 | $ 32,038 | $ 18,392 | $ 149,312 | $( 564) | $ 18,509 |

# ROCKWALL COUNTY, TEXAS
## COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Special Revenue | | | | |
|---|---|---|---|---|---|
| | Emergency Management Federal Grant | Errors and Omissions Insurance | Public Safety Sales Tax | Child Abuse Prevention | District Clerk Records Management |
| **REVENUES** | | | | | |
| Property taxes | $ - | $ - | $ - | $ - | $ - |
| Fines and forfeitures | - | - | - | - | - |
| Sales taxes | - | - | 400,402 | - | - |
| Fees and commissions | - | 85 | - | - | 9,374 |
| Intergovernmental | 3,060 | - | - | - | - |
| Election | - | - | - | - | - |
| Investment earnings | - | 1,737 | 4,280 | - | - |
| Donations | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - |
| Total revenues | 3,060 | 1,822 | 404,682 | - | 9,374 |
| **EXPENDITURES** | | | | | |
| Current: | | | | | |
| General government | - | - | - | - | - |
| Roads and bridges | - | - | - | - | - |
| Public safety | 904 | - | 308,000 | - | - |
| Public service | - | - | - | - | - |
| Judicial | - | - | - | - | 3,899 |
| Legal | - | - | - | - | - |
| Culture and recreation | - | - | - | - | - |
| Capital outlay | 2,156 | - | - | - | - |
| Total expenditures | 3,060 | - | 308,000 | - | 3,899 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | - | 1,822 | 96,682 | - | 5,475 |
| **OTHER FINANCING SOURCES (USES)** | | | | | |
| Transfers in | - | - | - | - | - |
| Transfers out | - | ( 42,000) | - | - | - |
| Total other revenues and financing sources (uses) | - | ( 42,000) | - | - | - |
| **NET CHANGE IN FUND BALANCES** | - | ( 40,178) | 96,682 | - | 5,475 |
| **FUND BALANCES/EQUITY, BEGINNING** | 601 | 153,217 | 530,235 | - | 11,487 |
| **PRIOR PERIOD ADJUSTMENT** | - | - | - | - | - |
| **FUND BALANCES/EQUITY, ENDING** | $ 601 | $ 113,039 | $ 626,917 | $ - | $ 16,962 |

| Special Revenue | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Court Reporter Service | Appellate Justice System | Justice Court Technology | CC Records Management and Preservation | CC Vital Statistics | CC Archival Fee | SCAAP Grant | Records Management and Preservation | Courthouse Security |
| $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| 31,425 | 16,380 | 16,265 | 264,173 | 6,871 | 258,540 | - | 33,494 | 56,646 |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| 2,399 | 218 | 2,141 | 7,413 | - | 3,124 | - | 984 | 137 |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| 33,824 | 16,598 | 18,406 | 271,586 | 6,871 | 261,664 | - | 34,478 | 56,783 |
| | | | | | | | | |
| - | - | - | 88,829 | 10,096 | 76,136 | - | 49,849 | - |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | 7,581 | - | 24,512 |
| - | - | - | - | - | - | - | - | - |
| 21,951 | 16,380 | 28,306 | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | - | 53,671 | - | 9,000 | - | - | 1,060 |
| 21,951 | 16,380 | 28,306 | 142,500 | 10,096 | 85,136 | 7,581 | 49,849 | 25,572 |
| 11,873 | 218 | ( 9,900) | 129,086 | ( 3,225) | 176,528 | ( 7,581) | ( 15,371) | 31,211 |
| | | | | | | | | |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| 11,873 | 218 | ( 9,900) | 129,086 | ( 3,225) | 176,528 | ( 7,581) | ( 15,371) | 31,211 |
| 223,987 | 16,062 | 148,368 | 1,022,324 | 19,880 | 354,901 | 7,652 | 113,277 | 24,793 |
| - | - | - | - | - | - | - | - | - |
| $ 235,860 | $ 16,280 | $ 138,468 | $ 1,151,410 | $ 16,655 | $ 531,429 | $ 71 | $ 97,906 | $ 56,004 |

# ROCKWALL COUNTY, TEXAS
## COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Special Revenue | | | |
|---|---|---|---|---|
| | Election Services | Library Donation | Sheriff Forfeiture | Library |
| **REVENUES** | | | | |
| Property taxes | $ - | $ - | $ - | $ - |
| Fines and forfeitures | - | - | 183,763 | 51,960 |
| Sales taxes | - | - | - | - |
| Fees and commissions | - | - | - | 27,831 |
| Intergovernmental | - | - | 6,793 | - |
| Election | 82,234 | - | - | - |
| Investment earnings | - | 1,145 | - | - |
| Donations | - | 24,541 | - | - |
| Miscellaneous | - | - | 9,187 | - |
| Total revenues | 82,234 | 25,686 | 199,743 | 79,791 |
| **EXPENDITURES** | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Roads and bridges | - | - | - | - |
| Public safety | - | - | 57,976 | - |
| Public service | 77,219 | - | - | - |
| Judicial | - | - | - | - |
| Legal | - | - | - | - |
| Culture and recreation | - | 2,350 | - | 262,952 |
| Capital outlay | 14,737 | 10,041 | - | - |
| Total expenditures | 91,956 | 12,391 | 57,976 | 262,952 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | ( 9,722) | 13,295 | 141,767 | ( 183,161) |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Transfers in | - | - | - | - |
| Transfers out | - | - | - | - |
| Total other revenues and financing sources (uses) | - | - | - | - |
| **NET CHANGE IN FUND BALANCES** | ( 9,722) | 13,295 | 141,767 | ( 183,161) |
| **FUND BALANCES/EQUITY, BEGINNING** | 144,599 | 38,663 | 156,062 | 325,406 |
| **PRIOR PERIOD ADJUSTMENT** | ( 48,479) | - | - | - |
| **FUND BALANCES/EQUITY, ENDING** | $ 86,398 | $ 51,958 | $ 297,829 | $ 142,245 |

| Special Revenue | | | | | | | | Capital Projects |
|---|---|---|---|---|---|---|---|---|
| D. A. Hot Check Fees | Road and Bridge | E.A.S.E. 2.0 Grant | Courthouse Renovation | Sheriff Pending Forfeiture | Sheriff Law Enforcement | Juvenile Delinquency Prevention | Veterans Court | Radio Interoperability |
| $ - | $ 10,425 | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| 19,797 | 71,959 | - | - | - | 48,641 | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | 1,543,037 | - | 48,377 | - | - | - | 12,835 | - |
| - | 176,429 | 316,082 | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | 24,190 | - | - | - | - | - | - | 3,730 |
| - | - | - | - | - | - | - | - | - |
| - | 6,936 | - | - | - | - | - | - | 19,400 |
| 19,797 | 1,832,976 | 316,082 | 48,377 | - | 48,641 | - | 12,835 | 23,130 |
| | | | | | | | | |
| - | - | - | - | - | - | - | 5,882 | - |
| - | 1,831,273 | - | - | - | - | - | - | - |
| - | - | - | - | - | 48,821 | - | - | - |
| - | - | 316,082 | - | - | - | - | - | 49,006 |
| - | - | - | - | - | - | - | - | - |
| 20,198 | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | 170,676 | - | - | - | - | - | - | 1,438,590 |
| 20,198 | 2,001,949 | 316,082 | - | - | 48,821 | - | 5,882 | 1,487,596 |
| | | | | | | | | |
| ( 401) | ( 168,973) | - | 48,377 | - | ( 180) | - | 6,953 | ( 1,464,466) |
| | | | | | | | | |
| - | - | - | - | - | - | - | - | 1,500,000 |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | 1,500,000 |
| | | | | | | | | |
| ( 401) | ( 168,973) | - | 48,377 | - | ( 180) | - | 6,953 | 35,534 |
| 27,219 | 1,626,638 | - | 141,830 | ( 252,833) | 92,074 | 50 | 22,000 | 816,518 |
| - | - | - | - | - | - | - | - | - |
| $ 26,818 | $ 1,457,665 | $ - | $ 190,207 | $( 252,833) | $ 91,894 | $ 50 | $ 28,953 | $ 852,052 |

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## ROCKWALL COUNTY, TEXAS
### COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Capital Projects | | | | |
|---|---|---|---|---|---|
| | Library Construction Bond | Library Renovation | Veterans Memorial | Facilities Improvement | Total |
| **REVENUES** | | | | | |
| Property taxes | $ - | $ - | $ - | $ - | $ 10,425 |
| Fines and forfeitures | - | - | - | - | 389,985 |
| Sales taxes | - | - | - | - | 400,402 |
| Fees and commissions | - | - | - | - | 2,651,090 |
| Intergovernmental | - | - | - | - | 537,822 |
| Election | - | - | - | - | 82,234 |
| Investment earnings | 38 | - | - | - | 55,340 |
| Donations | - | - | - | - | 24,541 |
| Miscellaneous | - | - | - | 110,124 | 146,067 |
| Total revenues | 38 | - | - | 110,124 | 4,297,906 |
| **EXPENDITURES** | | | | | |
| Current: | | | | | |
| General government | - | - | - | - | 232,552 |
| Roads and bridges | - | - | - | - | 1,831,273 |
| Public safety | - | - | - | - | 645,786 |
| Public service | - | - | - | 130,083 | 608,506 |
| Judicial | - | - | - | - | 72,685 |
| Legal | - | - | - | - | 28,008 |
| Culture and recreation | 12 | 548 | - | - | 379,021 |
| Capital outlay | 5,374 | - | - | 251,443 | 1,961,959 |
| Total expenditures | 5,386 | 548 | - | 381,526 | 5,759,790 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | ( 5,348) | ( 548) | - | ( 271,402) | ( 1,461,884) |
| **OTHER FINANCING SOURCES (USES)** | | | | | |
| Transfers in | - | - | - | 296,254 | 1,796,254 |
| Transfers out | - | - | - | - | ( 67,000) |
| Total other revenues and financing sources (uses) | - | - | - | 296,254 | 1,729,254 |
| **NET CHANGE IN FUND BALANCES** | ( 5,348) | ( 548) | - | 24,852 | 267,370 |
| **FUND BALANCES/EQUITY, BEGINNING** | 5,348 | 548 | 8 | 280,593 | 6,646,047 |
| **PRIOR PERIOD ADJUSTMENT** | - | - | - | - | ( 48,479) |
| **FUND BALANCES/EQUITY, ENDING** | $ - | $ - | $ 8 | $ 305,445 | $ 6,864,938 |

# ROCKWALL COUNTY, TEXAS

## ROAD IMPROVEMENTS BOND 2008

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL

### FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Difference |
| **REVENUES** | | | | |
| Investment earnings | $ 10,000 | $ 10,000 | $ 166,238 | $ 156,238 |
| Total revenues | 10,000 | 10,000 | 166,238 | 156,238 |
| **EXPENDITURES** | | | | |
| Current: | | | | |
| Roads and bridges | 9,927,000 | 9,927,000 | 1,298,538 | 8,628,462 |
| Total expenditures | 9,927,000 | 9,927,000 | 1,298,538 | 8,628,462 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | ( 9,927,000) | ( 9,927,000) | ( 1,132,300) | 8,794,700 |
| **NET CHANGE IN FUND BALANCE** | ( 9,917,000) | ( 9,917,000) | ( 1,132,300) | 8,784,700 |
| **FUND BALANCES, BEGINNING** | 9,611,810 | 9,611,810 | 9,611,810 | - |
| **FUND BALANCES, ENDING** | $( 305,190) | $( 305,190) | $ 8,479,510 | $ 8,784,700 |

# ROCKWALL COUNTY, TEXAS

## DEBT SERVICE FUND

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL

## FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Difference |
| **REVENUES** | | | | |
| Property taxes | $ 9,700,620 | $ 9,700,620 | $ 9,796,050 | $ 95,430 |
| Investment earnings | - | - | 25,105 | 25,105 |
| Miscellaneous | - | - | 17,661 | 17,661 |
| Total revenues | 9,700,620 | 9,700,620 | 9,838,816 | 138,196 |
| **EXPENDITURES** | | | | |
| Debt Service: | | | | |
| Principal | 5,835,000 | 5,835,000 | 5,835,000 | - |
| Interest and fiscal charges | 3,737,403 | 3,737,402 | 3,646,518 | 90,884 |
| Bond issuance cost and fees | 1,000 | 1,000 | 163,841 | ( 162,841) |
| Total expenditures | 9,573,403 | 9,573,402 | 9,645,359 | ( 71,957) |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | 127,217 | 127,218 | 193,457 | 66,239 |
| **OTHER REVENUES AND FINANCING SOURCES (USES)** | | | | |
| Issuance of long-term debt | - | - | 7,620,000 | ( 7,620,000) |
| Premium on issuance of bonds | - | - | 623,751 | ( 623,751) |
| Payment to bond refunding escrow agent | - | - | ( 8,079,910) | 8,079,910 |
| Total other financing sources (uses) | - | - | 163,841 | 163,841 |
| **NET CHANGE IN FUND BALANCE** | 127,217 | 127,218 | 357,298 | 230,080 |
| **FUND BALANCES, BEGINNING** | 1,247,011 | 1,247,011 | 1,247,011 | - |
| **FUND BALANCES, ENDING** | $ 1,374,228 | $ 1,374,229 | $ 1,604,309 | $ 230,080 |

# ROCKWALL COUNTY, TEXAS

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

### EMERGENCY MANAGEMENT FUND

### FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Budgeted Amounts<br>Final | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|---|---|---|---|
| **REVENUES** | | | |
| Fees and commissions | $ 186,615 | $ 186,615 | $ - |
| Investment earnings | - | 23 | 23 |
| Total revenues | 186,615 | 186,638 | 23 |
| **EXPENDITURES** | | | |
| Current: | | | |
| Public safety | 186,615 | 180,196 | 6,419 |
| Total expenditures | 186,615 | 180,196 | 6,419 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | - | 6,442 | 6,442 |
| **NET CHANGE IN FUND BALANCES** | - | 6,442 | 6,442 |
| **FUND BALANCES, BEGINNING** | 33,244 | 33,244 | - |
| **FUND BALANCES, ENDING** | $ 33,244 | $ 39,686 | $ 6,442 |

# ROCKWALL COUNTY, TEXAS

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

## FIRE CODE ENFORCEMENT FUND

## FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Budgeted Amounts Final | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|---|---|---|---|
| **REVENUES** | | | |
| Fees and commissions | $ 15,000 | $ 16,711 | $ 1,711 |
| Total revenues | 15,000 | 16,711 | 1,711 |
| **EXPENDITURES** | | | |
| Current: | | | |
| Public safety | 106,000 | 17,796 | 88,204 |
| Total expenditures | 106,000 | 17,796 | 88,204 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | ( 91,000) | ( 1,085) | 89,915 |
| **OTHER FINANCING SOURCES (USES)** | | | |
| Transfers out | ( 25,000) | ( 25,000) | - |
| Total other revenues and financing sources (uses) | ( 25,000) | ( 25,000) | - |
| **NET CHANGE IN FUND BALANCES** | ( 116,000) | ( 26,085) | 89,915 |
| **FUND BALANCES, BEGINNING** | 119,257 | 119,257 | - |
| **FUND BALANCES, ENDING** | $ 3,257 | $ 93,172 | $ 89,915 |

# ROCKWALL COUNTY, TEXAS

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

## COURT RECORD PRESERVATION FUND

## FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Budgeted Amounts | | Variance with |
|---|---|---|---|
| | Final | Actual Amounts | Final Budget - Positive (Negative) |
| **REVENUES** | | | |
| Fees and commissions | $ 13,500 | $ 18,784 | $ 5,284 |
| Total revenues | 13,500 | 18,784 | 5,284 |
| **EXPENDITURES** | | | |
| Current: | | | |
| General government | 43,500 | - | 43,500 |
| Total expenditures | 43,500 | - | 43,500 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | ( 30,000) | 18,784 | 48,784 |
| **NET CHANGE IN FUND BALANCES** | ( 30,000) | 18,784 | 48,784 |
| **FUND BALANCES, BEGINNING** | 38,932 | 38,932 | - |
| **FUND BALANCES, ENDING** | $ 8,932 | $ 57,716 | $ 48,784 |

## ROCKWALL COUNTY, TEXAS

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

### DISTRICT COURT RECORDS TECHNOLOGY FUND

### FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Budgeted Amounts | | Variance with |
|---|---|---|---|
| | | | Final Budget - |
| | | Actual | Positive |
| | Final | Amounts | (Negative) |
| **REVENUES** | | | |
| Fees and commissions | $ 12,000 | $ 17,105 | $ 5,105 |
| Total revenues | 12,000 | 17,105 | 5,105 |
| **EXPENDITURES** | | | |
| Current: | | | |
| General government | 37,000 | 310 | 37,310 |
| Total expenditures | 37,000 | 310 | 37,310 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | ( 25,000) | 16,795 | 42,415 |
| **NET CHANGE IN FUND BALANCES** | ( 25,000) | 16,795 | 41,795 |
| **FUND BALANCES, BEGINNING** | 35,139 | 35,139 | - |
| **FUND BALANCES, ENDING** | $ 10,139 | $ 51,934 | $ 41,795 |

# ROCKWALL COUNTY, TEXAS

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

### LAW LIBRARY FUND

### FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Budgeted Amounts Final | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|---|---|---|---|
| **REVENUES** | | | |
| Fees and commissions | $ 55,000 | $ 80,297 | $ 25,297 |
| Investment earnings | 300 | 1,896 | 1,596 |
| Total revenues | 55,300 | 82,193 | 26,893 |
| **EXPENDITURES** | | | |
| Current: | | | |
| Culture and recreation | 148,200 | 113,159 | 35,041 |
| Capital outlay | 3,000 | - | 3,000 |
| Total expenditures | 151,200 | 113,159 | 38,041 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | ( 95,900) | ( 30,966) | 64,934 |
| **NET CHANGE IN FUND BALANCES** | ( 95,900) | ( 30,966) | 64,934 |
| **FUND BALANCES, BEGINNING** | 145,808 | 145,808 | - |
| **FUND BALANCES, ENDING** | $ 49,908 | $ 114,842 | $ 64,934 |

# ROCKWALL COUNTY, TEXAS

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

## COUNTY/DISTRICT COURT TECHNOLOGY FUND

## FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Budgeted Amounts | | Variance with |
|---|---|---|---|
| | Final | Actual Amounts | Final Budget - Positive (Negative) |
| **REVENUES** | | | |
| Fees and commissions | $ 3,000 | $ 3,975 | $ 975 |
| Total revenues | 3,000 | 3,975 | 975 |
| **EXPENDITURES** | | | |
| Current: | | | |
| General government | 4,000 | 1,450 | 2,550 |
| Capital outlay | 4,000 | 1,798 | 2,202 |
| Total expenditures | 8,000 | 3,248 | 4,752 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | ( 5,000) | 727 | 5,727 |
| **NET CHANGE IN FUND BALANCES** | ( 5,000) | 727 | 5,727 |
| **FUND BALANCES, BEGINNING** | 8,883 | 8,883 | - |
| **FUND BALANCES, ENDING** | $ 3,883 | $ 9,610 | $ 5,727 |

# ROCKWALL COUNTY, TEXAS

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

## JUSTICE COURT BUILDING SECURITY FUND

## FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|---|---|---|---|
| | Final | Actual Amounts | |
| **REVENUES** | | | |
| Investment earnings | $ 100 | $ 480 | $ 380 |
| Total revenues | 100 | 480 | 380 |
| **EXPENDITURES** | | | |
| Current: | | | |
| Judicial | 33,500 | 2,149 | 31,351 |
| Total expenditures | 33,500 | 2,149 | 31,351 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | ( 33,400) | ( 1,669) | 31,731 |
| **NET CHANGE IN FUND BALANCES** | ( 33,400) | ( 1,669) | 31,731 |
| **FUND BALANCES, BEGINNING** | 33,707 | 33,707 | - |
| **FUND BALANCES, ENDING** | $ 307 | $ 32,038 | $ 31,731 |

## ROCKWALL COUNTY, TEXAS

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

### D. A. STATE FUND

### FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Budgeted Amounts Final | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|---|---|---|---|
| **REVENUES** | | | |
| Intergovernmental | $ 22,500 | $ - | $( 22,500) |
| Total revenues | 22,500 | - | ( 22,500) |
| **EXPENDITURES** | | | |
| Current: | | | |
| Legal | 22,500 | 337 | 22,163 |
| Total expenditures | 22,500 | 337 | ( 22,163) |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | - | ( 337) | ( 337) |
| **NET CHANGE IN FUND BALANCES** | - | ( 337) | ( 337) |
| **FUND BALANCES, BEGINNING** | 18,729 | 18,729 | - |
| **FUND BALANCES, ENDING** | $ 18,729 | $ 18,392 | $( 337) |

# ROCKWALL COUNTY, TEXAS

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

### D. A. FORFEITURE FUND

### FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Budgeted Amounts | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|---|---|---|---|
| | Final | | |
| **REVENUES** | | | |
| Fines and forfeitures | $ 10,000 | $ 13,865 | $ 3,865 |
| Investment earnings | 300 | 1,348 | 1,048 |
| Total revenues | 10,300 | 15,213 | 4,913 |
| **EXPENDITURES** | | | |
| Current: | | | |
| Legal | 120,000 | 7,473 | 112,527 |
| Capital outlay | 16,000 | 3,413 | 12,587 |
| Total expenditures | 136,000 | 10,886 | 125,114 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | ( 125,700) | 4,327 | 130,027 |
| **NET CHANGE IN FUND BALANCES** | ( 125,700) | 4,327 | 130,027 |
| **FUND BALANCES, BEGINNING** | 144,985 | 144,985 | - |
| **FUND BALANCES, ENDING** | $ 19,285 | $ 149,312 | $ 130,027 |

# ROCKWALL COUNTY, TEXAS

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

## CITIES READINESS INITIATIVE FUND

## FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|---|---|---|---|
| | Final | Actual Amounts | |
| **REVENUES** | | | |
| Intergovernmental | $ 38,916 | $ 35,458 | $( 3,458) |
| Total revenues | 38,916 | 35,458 | ( 3,458) |
| **EXPENDITURES** | | | |
| Current: | | | |
| Public service | 38,916 | 36,116 | 2,800 |
| Total expenditures | 38,916 | 36,116 | 2,800 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | - | ( 658) | ( 658) |
| **NET CHANGE IN FUND BALANCES** | - | ( 658) | ( 658) |
| **FUND BALANCES, BEGINNING** | 94 | 94 | - |
| **FUND BALANCES, ENDING** | $ 94 | $( 564) | $( 658) |

# ROCKWALL COUNTY, TEXAS

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

## SHERIFF'S ABANDONED PROPERTY FUND

## FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Budgeted Amounts<br>Final | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|---|---|---|---|
| **REVENUES** | | | |
| Fees and commissions | $ 1,000 | $ 2,270 | $ 1,270 |
| Miscellaneous | - | 420 | 420 |
| Total revenues | 1,000 | 2,747 | 1,747 |
| **EXPENDITURES** | | | |
| Current: | | | |
| Public safety | 4,000 | - | 4,000 |
| Total expenditures | 4,000 | - | 4,000 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | ( 3,000) | 2,747 | 5,747 |
| **NET CHANGE IN FUND BALANCES** | ( 3,000) | 2,747 | 5,747 |
| **FUND BALANCES, BEGINNING** | 15,762 | 15,762 | - |
| **FUND BALANCES, ENDING** | $ 12,762 | $ 18,509 | $ 5,747 |

# ROCKWALL COUNTY, TEXAS

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

## EMERGENCY MANAGEMENT FEDERAL GRANT FUND

## FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Budgeted Amounts | | Variance with |
|---|---|---|---|
| | | Actual | Final Budget - Positive |
| | Final | Amounts | (Negative) |
| **REVENUES** | | | |
| Intergovernmental | $ 3,406 | $ 3,060 | $( 346) |
| Total revenues | 3,406 | 3,060 | ( 346) |
| **EXPENDITURES** | | | |
| Current: | | | |
| Public safety | 3,406 | 904 | 2,502 |
| Capital outlay | - | 2,156 | ( 2,156) |
| Total expenditures | 3,406 | 3,060 | 346 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | - | - | - |
| **NET CHANGE IN FUND BALANCES** | - | - | - |
| **FUND BALANCES, BEGINNING** | 601 | 601 | - |
| **FUND BALANCES, ENDING** | $ 601 | $ 601 | $ - |

# ROCKWALL COUNTY, TEXAS

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

## ERRORS AND OMISSIONS INSURANCE

## FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|---|---|---|---|
| | Final | Actual Amounts | |
| **REVENUES** | | | |
| Fees and commissions | $ - | $ 85 | $ 85 |
| Investment earnings | 300 | 1,737 | 1,437 |
| Total revenues | 300 | 1,822 | 1,522 |
| **EXPENDITURES** | | | |
| Current: | | | |
| General government | 103,000 | - | 103,000 |
| Total expenditures | 103,000 | - | 103,000 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | ( 102,700) | 1,822 | 104,522 |
| **OTHER FINANCING SOURCES (USES)** | | | |
| Transfers out | ( 49,000) | ( 42,000) | 7,000 |
| Total other revenues and financing sources (uses) | ( 49,000) | ( 42,000) | - |
| **NET CHANGE IN FUND BALANCES** | ( 151,700) | ( 40,178) | 111,522 |
| **FUND BALANCES, BEGINNING** | 153,217 | 153,217 | - |
| **FUND BALANCES, ENDING** | $ 1,517 | $ 113,039 | $ 111,522 |

# ROCKWALL COUNTY, TEXAS

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

### PUBLIC SAFETY SALES TAX

### FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Budgeted Amounts | | Variance with Final Budget - |
|---|---|---|---|
| | Final | Actual Amounts | Positive (Negative) |
| **REVENUES** | | | |
| Sales taxes | $ 300,000 | $ 400,402 | $ 100,402 |
| Investment earnings | 500 | 4,280 | 3,780 |
| Total revenues | 300,500 | 404,682 | 104,182 |
| **EXPENDITURES** | | | |
| Current: | | | |
| Public safety | 310,000 | 308,000 | 2,000 |
| Total expenditures | 310,000 | 308,000 | 2,000 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | ( 9,500) | 96,682 | 106,182 |
| **NET CHANGE IN FUND BALANCES** | ( 9,500) | 96,682 | 106,182 |
| **FUND BALANCES, BEGINNING** | 530,235 | 530,235 | - |
| **FUND BALANCES, ENDING** | $ 520,735 | $ 626,917 | $ 106,182 |

## ROCKWALL COUNTY, TEXAS

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

### CHILD ABUSE PREVENTION FUND

### FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Budgeted Amounts | | Variance with Final Budget - |
|---|---|---|---|
| | Final | Actual Amounts | Positive (Negative) |
| **REVENUES** | | | |
| Fines and forfeitures | $ 100 | $ - | $( 100) |
| Total revenues | 100 | - | ( 100) |
| **EXPENDITURES** | | | |
| Current: | | | |
| Health and welfare | 100 | - | 100 |
| Total expenditures | 100 | - | 100 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | - | - | - |
| **NET CHANGE IN FUND BALANCES** | - | - | - |
| **FUND BALANCES, BEGINNING** | - | - | - |
| **FUND BALANCES, ENDING** | $ - | $ - | $ - |

# ROCKWALL COUNTY, TEXAS

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

## DISTRICT CLERK RECORDS MANAGEMENT FUND

## FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Budgeted Amounts Final | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|---|---|---|---|
| **REVENUES** | | | |
| Fees and commissions | $ 7,500 | $ 9,374 | $ 1,874 |
| Total revenues | 7,500 | 9,374 | 1,874 |
| **EXPENDITURES** | | | |
| Current: | | | |
| Judicial | 16,450 | 3,899 | 12,551 |
| Total expenditures | 16,450 | 3,899 | 12,551 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | ( 8,950) | 5,475 | 14,425 |
| **NET CHANGE IN FUND BALANCES** | ( 8,950) | 5,475 | 14,425 |
| **FUND BALANCES, BEGINNING** | 11,487 | 11,487 | - |
| **FUND BALANCES, ENDING** | $ 2,537 | $ 16,962 | $ 14,425 |

## ROCKWALL COUNTY, TEXAS

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

### COURT REPORTER SERVICE FUND

### FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Budgeted Amounts Final | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|---|---|---|---|
| **REVENUES** | | | |
| Fees and commissions | $ 20,000 | $ 31,425 | $ 11,425 |
| Investment earnings | 400 | 2,399 | 1,999 |
| Total revenues | 20,400 | 33,824 | 13,424 |
| **EXPENDITURES** | | | |
| Current: | | | |
| Judicial | 147,753 | 21,951 | 125,802 |
| Capital outlay | 37,247 | - | 37,247 |
| Total expenditures | 185,000 | 21,951 | 163,049 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | ( 164,600) | 11,873 | 176,473 |
| **NET CHANGE IN FUND BALANCES** | ( 164,600) | 11,873 | 176,473 |
| **FUND BALANCES, BEGINNING** | 223,987 | 223,987 | - |
| **FUND BALANCES, ENDING** | $ 59,387 | $ 235,860 | $ 176,473 |

## ROCKWALL COUNTY, TEXAS

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

### APPELLATE JUSTICE SYSTEM FUND

### FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Budgeted Amounts Final | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|---|---|---|---|
| **REVENUES** | | | |
| Fees and commissions | $ 10,000 | $ 16,380 | $ 6,380 |
| Investment earnings | 25 | 218 | 193 |
| Total revenues | 10,025 | 16,598 | 6,573 |
| **EXPENDITURES** | | | |
| Current: | | | |
| Judicial | 21,500 | 16,380 | 5,120 |
| Total expenditures | 21,500 | 16,380 | 5,120 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | ( 11,475) | 218 | 11,693 |
| **NET CHANGE IN FUND BALANCES** | ( 11,475) | 218 | 11,693 |
| **FUND BALANCES, BEGINNING** | 16,062 | 16,062 | - |
| **FUND BALANCES, ENDING** | $ 4,587 | $ 16,280 | $ 11,693 |

## ROCKWALL COUNTY, TEXAS

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

### JUSTICE COURT TECHNOLOGY

### FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Budgeted Amounts Final | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|---|---|---|---|
| **REVENUES** | | | |
| Fees and commissions | $ 12,000 | $ 16,265 | $ 4,265 |
| Investment earnings | 500 | 2,141 | 1,641 |
| Total revenues | 12,500 | 18,406 | 5,906 |
| **EXPENDITURES** | | | |
| Current: | | | |
| Judicial | 96,000 | 28,306 | 67,694 |
| Capital outlay | 41,500 | - | 41,500 |
| Total expenditures | 137,500 | 28,306 | 109,194 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | ( 125,000) | ( 9,900) | 115,100 |
| **NET CHANGE IN FUND BALANCES** | ( 125,000) | ( 9,900) | 115,100 |
| **FUND BALANCES, BEGINNING** | 148,368 | 148,368 | - |
| **FUND BALANCES, ENDING** | $ 23,368 | $ 138,468 | $ 115,100 |

# ROCKWALL COUNTY, TEXAS

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

### COUNTY CLERK RECORDS MANAGEMENT AND PRESERVATION FUND

### FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Budgeted Amounts | | Variance with |
|---|---|---|---|
| | Final | Actual Amounts | Final Budget - Positive (Negative) |
| **REVENUES** | | | |
| Fees and commissions | $ 230,000 | $ 264,173 | $ 34,173 |
| Investment earnings | 3,000 | 7,413 | 4,413 |
| Total revenues | 233,000 | 271,586 | 38,586 |
| **EXPENDITURES** | | | |
| Current: | | | |
| General government | 656,904 | 88,829 | 568,075 |
| Capital outlay | 125,000 | 53,671 | 71,329 |
| Total expenditures | 781,904 | 142,500 | 639,404 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | ( 548,904) | 129,086 | 677,990 |
| **NET CHANGE IN FUND BALANCES** | ( 548,904) | 129,086 | 677,990 |
| **FUND BALANCES, BEGINNING** | 1,022,324 | 1,022,324 | - |
| **FUND BALANCES, ENDING** | $ 473,420 | $ 1,151,410 | $ 677,990 |

# ROCKWALL COUNTY, TEXAS

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

## COUNTY CLERK VITAL STATISTICS FUND

## FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Budgeted Amounts<br>Final | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|---|---|---|---|
| **REVENUES** | | | |
| Fees and commissions | $ 6,000 | $ 6,871 | $ 871 |
| Total revenues | 6,000 | 6,871 | 871 |
| **EXPENDITURES** | | | |
| Current: | | | |
| General government | 13,000 | 10,096 | 2,904 |
| Total expenditures | 13,000 | 10,096 | 2,904 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | ( 7,000) | ( 3,225) | ( 2,033) |
| **NET CHANGE IN FUND BALANCES** | ( 7,000) | ( 3,225) | 3,775 |
| **FUND BALANCES, BEGINNING** | 19,880 | 19,880 | - |
| **FUND BALANCES, ENDING** | $ 12,880 | $ 16,655 | $ 3,775 |

## ROCKWALL COUNTY, TEXAS

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

### COUNTY CLERK ARCHIVAL FEE FUND

### FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Budgeted Amounts | | |
|---|---|---|---|
| | Final | Actual Amounts | Variance with Final Budget - Positive (Negative) |
| **REVENUES** | | | |
| Fees and commissions | $ 200,000 | $ 258,540 | $ 58,540 |
| Investment earnings | 700 | 3,124 | 2,424 |
| Total revenues | 200,700 | 261,664 | 60,964 |
| **EXPENDITURES** | | | |
| Current: | | | |
| General government | 208,000 | 76,136 | 131,864 |
| Capital outlay | 20,000 | 9,000 | 11,000 |
| Total expenditures | 228,000 | 85,136 | 142,864 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | ( 27,300) | 176,528 | 203,828 |
| **NET CHANGE IN FUND BALANCES** | ( 27,300) | 176,528 | 203,828 |
| **FUND BALANCES, BEGINNING** | 354,901 | 354,901 | - |
| **FUND BALANCES, ENDING** | $ 327,601 | $ 531,429 | $ 203,828 |

# ROCKWALL COUNTY, TEXAS

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

### SCAAP GRANT FUND

### FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Budgeted Amounts Final | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|---|---|---|---|
| **REVENUES** | | | |
| Intergovernmental | $ 20,000 | $ - | $( 20,000) |
| Total revenues | 20,000 | - | ( 20,000) |
| **EXPENDITURES** | | | |
| Current: | | | |
| Public safety | 27,500 | 7,581 | 19,919 |
| Total expenditures | 27,500 | 7,581 | 19,919 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | ( 7,500) | ( 7,581) | ( 81) |
| **NET CHANGE IN FUND BALANCES** | ( 7,500) | ( 7,581) | ( 81) |
| **FUND BALANCES, BEGINNING** | 7,652 | 7,652 | - |
| **FUND BALANCES, ENDING** | $ 152 | $ 71 | $( 81) |

# ROCKWALL COUNTY, TEXAS

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

## RECORDS MANAGEMENT AND PRESERVATION

## FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Budgeted Amounts | | |
|---|---|---|---|
| | Final | Actual Amounts | Variance with Final Budget - Positive (Negative) |
| **REVENUES** | | | |
| Fees and commissions | $ 25,000 | $ 33,494 | $ 8,494 |
| Investment earnings | 250 | 984 | 734 |
| Total revenues | 25,250 | 34,478 | 9,228 |
| **EXPENDITURES** | | | |
| Current: | | | |
| General government | 50,000 | 49,849 | 151 |
| Capital outlay | 44,250 | - | 44,250 |
| Total expenditures | 94,250 | 49,849 | 44,401 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | ( 69,000) | ( 15,371) | 53,629 |
| **NET CHANGE IN FUND BALANCES** | ( 69,000) | ( 15,371) | 53,629 |
| **FUND BALANCES, BEGINNING** | 113,277 | 113,277 | - |
| **FUND BALANCES, ENDING** | $ 44,277 | $ 97,906 | $ 53,629 |

## ROCKWALL COUNTY, TEXAS

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

### COURTHOUSE SECURITY FUND

### FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Budgeted Amounts Final | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|---|---|---|---|
| **REVENUES** | | | |
| Fees and commissions | $ 47,000 | $ 56,646 | $ 9,646 |
| Investment earnings | - | 137 | 137 |
| Total revenues | 47,000 | 56,783 | 9,783 |
| **EXPENDITURES** | | | |
| Current: | | | |
| Public safety | 26,700 | 24,512 | 2,188 |
| Capital outlay | - | 1,060 | ( 1,060) |
| Total expenditures | 26,700 | 25,572 | 1,128 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | 20,300 | 31,211 | 10,911 |
| **NET CHANGE IN FUND BALANCES** | 20,300 | 31,211 | 10,911 |
| **FUND BALANCES, BEGINNING** | 24,793 | 24,793 | - |
| **FUND BALANCES, ENDING** | $ 45,093 | $ 56,004 | $ 10,911 |

# ROCKWALL COUNTY, TEXAS

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

## ROAD AND BRIDGE FUND

## FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Budgeted Amounts Final | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|---|---|---|---|
| **REVENUES** | | | |
| Property taxes | $ 10,479 | $ 10,425 | $( 54) |
| Fines and forfeitures | 77,000 | 71,959 | ( 5,041) |
| Fees and commissions | 1,440,000 | 1,543,037 | 103,037 |
| Intergovernmental | - | 176,429 | 176,429 |
| Investment earnings | 5,000 | 24,190 | 19,190 |
| Miscellaneous | 2,500 | 6,936 | 4,436 |
| Total revenues | 1,534,979 | 1,832,976 | 297,997 |
| **EXPENDITURES** | | | |
| Current: | | | |
| Roads and bridges | 1,912,777 | 1,831,273 | 81,504 |
| Capital outlay | 179,500 | 170,676 | 8,824 |
| Total expenditures | 2,092,277 | 2,001,949 | 90,328 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | ( 557,298) | ( 168,973) | 388,325 |
| **OTHER FINANCING SOURCES (USES)** | | | |
| Proceeds from sale of assets | 10,000 | - | ( 10,000) |
| Total other revenues and financing sources (uses) | 10,000 | - | ( 10,000) |
| **NET CHANGE IN FUND BALANCES** | ( 547,298) | ( 168,973) | 378,325 |
| **FUND BALANCES, BEGINNING** | 1,626,638 | 1,626,638 | - |
| **FUND BALANCES, ENDING** | $ 1,079,340 | $ 1,457,665 | $ 378,325 |

# ROCKWALL COUNTY, TEXAS

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

## E.A.S.E. GRANT FUND

## FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Budgeted Amounts<br>Final | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|---|---|---|---|
| **REVENUES** | | | |
| Intergovernmental | $ 316,082 | $ 316,082 | $ - |
| Total revenues | 316,082 | 316,082 | - |
| **EXPENDITURES** | | | |
| Current: | | | |
| Public service | 316,082 | 316,082 | - |
| Total expenditures | 316,082 | 316,082 | - |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | - | - | - |
| **NET CHANGE IN FUND BALANCES** | - | - | - |
| **FUND BALANCES, BEGINNING** | - | - | - |
| **FUND BALANCES, ENDING** | $ - | $ - | $ - |

# ROCKWALL COUNTY, TEXAS

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

### COURTHOUSE RENOVATION

### FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Budgeted Amounts | | Variance with |
|---|---|---|---|
| | Final | Actual Amounts | Final Budget - Positive (Negative) |
| **REVENUES** | | | |
| Fees and commissions | $ 35,500 | $ 48,377 | $ 12,877 |
| Total revenues | 35,500 | 48,377 | 12,877 |
| **EXPENDITURES** | | | |
| Current: | | | |
| Capital outlay | 161,000 | - | 161,000 |
| Total expenditures | 161,000 | - | 161,000 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | ( 125,500) | 48,377 | 173,877 |
| **NET CHANGE IN FUND BALANCES** | ( 125,500) | 48,377 | 173,877 |
| **FUND BALANCES, BEGINNING** | 141,830 | 141,830 | - |
| **FUND BALANCES, ENDING** | $ 16,330 | $ 190,207 | $ 173,877 |

# ROCKWALL COUNTY, TEXAS

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

## JUVENILE DELINQUENCY PREVENTION

## FOR THE YEAR ENDED SEPTEMBER 30, 2018

| | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|---|---|---|---|
| | Final | Actual Amounts | |
| **REVENUES** | | | |
| Fees and commissions | $ 50 | $ - | $( 50) |
| Total revenues | 50 | - | ( 50) |
| **EXPENDITURES** | | | |
| Current: | | | |
| Public safety | 50 | - | 50 |
| Total expenditures | 50 | - | 50 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | - | - | - |
| **NET CHANGE IN FUND BALANCES** | - | - | - |
| **FUND BALANCES, BEGINNING** | 50 | 50 | - |
| **FUND BALANCES, ENDING** | $ 50 | $ 50 | $ - |

## ROCKWALL COUNTY, TEXAS
### AGENCY FUNDS
### COMBINING BALANCE SHEET
### SEPTEMBER 30, 2018

| | Tax Assessor/ Collector | County Clerk | District Attorney | District Clerk | Sheriff | Bail Bond Board | Totals |
|---|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | | |
| Cash and investments | $ 1,295,282 | $ 587,343 | $ 189,609 | $ 2,219,960 | $ 228,762 | $ 1,204,861 | $ 5,725,817 |
| Total assets | $ 1,295,282 | $ 587,343 | $ 189,609 | $ 2,219,960 | $ 228,762 | $ 1,204,861 | $ 5,725,817 |
| **LIABILITIES** | | | | | | | |
| Due to others | $ - | $ 587,343 | $ 189,609 | $ 2,219,960 | $ 228,762 | $ 1,204,861 | $ 4,430,535 |
| Due to other governments | 1,295,282 | - | - | - | - | - | 1,295,282 |
| Total liabilities | $ 1,295,282 | $ 587,343 | $ 189,609 | $ 2,219,960 | $ 228,762 | $ 1,204,861 | $ 5,725,817 |

## ROCKWALL COUNTY, TEXAS

### COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES AGENCY FUNDS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

| | Balance October 1, 2017 | Additions | Deductions | Balance September 30, 2018 |
|---|---|---|---|---|
| **TAX ASSESSOR AND COLLECTOR** | | | | |
| Assets: | | | | |
| Cash | $ 1,114,810 | $ 71,272,039 | $ 71,091,567 | $ 1,295,282 |
| Total assets | $ 1,114,810 | $ 71,272,039 | $ 71,091,567 | $ 1,295,282 |
| Liabilities: | | | | |
| Due to other governments | $ 1,114,810 | $ 71,272,039 | $ 71,091,567 | $ 1,295,282 |
| Total liabilities | $ 1,114,810 | $ 71,272,039 | $ 71,091,567 | $ 1,295,282 |
| **COUNTY CLERK** | | | | |
| Assets: | | | | |
| Cash | $ 516,064 | $ 283,622 | $ 212,343 | $ 587,343 |
| Total assets | $ 516,064 | $ 283,622 | $ 212,343 | $ 587,343 |
| Liabilities: | | | | |
| Due to others | $ 516,064 | $ 283,622 | $ 212,343 | $ 587,343 |
| Total liabilities | $ 516,064 | $ 283,622 | $ 212,343 | $ 587,343 |
| **DISTRICT ATTORNEY** | | | | |
| Assets: | | | | |
| Cash | $ 151,388 | $ 111,003 | $ 72,782 | $ 189,609 |
| Total assets | $ 151,388 | $ 111,003 | $ 72,782 | $ 189,609 |
| Liabilities: | | | | |
| Due to others | $ 151,388 | $ 111,003 | $ 72,782 | $ 189,609 |
| Total liabilities | $ 151,388 | $ 111,003 | $ 72,782 | $ 189,609 |

## ROCKWALL COUNTY, TEXAS

### COMBINING STATEMENT OF CHANGES IN
### ASSETS AND LIABILITIES
### AGENCY FUNDS
### FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

| | Balance October 1, 2017 | Additions | Deductions | Balance September 30, 2018 |
|---|---|---|---|---|
| **DISTRICT CLERK** | | | | |
| Assets: | | | | |
| Cash | $ 981,223 | $ 1,824,350 | $ 585,613 | $ 2,219,960 |
| Total assets | $ 981,223 | $ 1,824,350 | $ 585,613 | $ 2,219,960 |
| Liabilities: | | | | |
| Due to others | 981,223 | 1,824,350 | 585,613 | 2,219,960 |
| Total liabilities | $ 981,223 | $ 1,824,350 | $ 585,613 | $ 2,219,960 |
| **SHERRIFF** | | | | |
| Assets: | | | | |
| Cash | $ 294,528 | $ 1,628,156 | $ 1,693,922 | $ 228,762 |
| Total assets | $ 294,528 | $ 1,628,156 | $ 1,693,922 | $ 228,762 |
| Liabilities: | | | | |
| Due to others | 294,528 | $ 1,628,156 | $ 1,693,922 | 228,762 |
| Total liabilities | $ 294,528 | $ 1,628,156 | $ 1,693,922 | $ 228,762 |
| **BAIL BOND BOARD** | | | | |
| Assets: | | | | |
| Cash | $ 1,305,357 | $ 1,878 | $ 102,374 | $ 1,204,861 |
| Total assets | $ 1,305,357 | $ 1,878 | $ 102,374 | $ 1,204,861 |
| Liabilities: | | | | |
| Due to others | $ 1,305,357 | $ 1,878 | $ 102,374 | $ 1,204,861 |
| Total liabilities | $ 1,305,357 | $ 1,878 | $ 102,374 | $ 1,204,861 |

## ROCKWALL COUNTY, TEXAS

### COMBINING STATEMENT OF CHANGES IN
### ASSETS AND LIABILITIES
### AGENCY FUNDS
### FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

| | Balance October 1, 2017 | Additions | Deductions | Balance September 30, 2018 |
|---|---|---|---|---|
| **TOTALS - ALL AGENCY FUNDS** | | | | |
| Assets: | | | | |
| Cash | $ 4,363,370 | $ 75,121,048 | $ 73,758,601 | $ 5,725,817 |
| Total assets | $ 4,363,370 | $ 75,121,048 | $ 73,758,601 | $ 5,725,817 |
| Liabilities: | | | | |
| Due to others | $ 3,248,560 | $ 3,849,009 | $ 2,667,034 | $ 4,430,535 |
| Due to other governments | 1,114,810 | 71,272,039 | 71,091,567 | 1,295,282 |
| Total liabilities | $ 4,363,370 | $ 75,121,048 | $ 73,758,601 | $ 5,725,817 |

# STATISTICAL SECTION

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# STATISTICAL SECTION
# (Unaudited)

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

**Contents** **Page**

## ROCKWALL COUNTY, TEXAS

### NET POSITION BY COMPONENT

### LAST TEN FISCAL YEARS

*(Accrual Basis of Accounting)*
*(Unaudited)*

| | Fiscal Year | | | |
|---|---|---|---|---|
| | 2018 | 2017 | 2016 | 2015 |
| Governmental activities: | | | | |
| Net investment in capital assets | $ 25,995,894 | $ 23,007,978 | $ 19,203,116 | $ 14,976,979 |
| Restricted | 8,267,388 | 7,651,207 | 8,490,789 | 10,503,141 |
| Unrestricted | ( 15,687,813) | ( 11,992,739) | ( 13,807,902) | ( 2,903,308) |
| Total governmental activities net position | $ 18,575,469 | $ 18,666,446 | $ 13,886,003 | $ 22,576,812 |
| Primary government: | | | | |
| Net investment in capital assets | $ 25,995,894 | $ 23,007,978 | $ 19,203,116 | $ 14,976,979 |
| Restricted | 8,267,388 | 7,651,207 | 8,490,789 | 10,503,141 |
| Unrestricted | ( 15,687,813) | ( 11,992,739) | ( 13,807,902) | ( 2,903,308) |
| Total primary government net position | $ 18,575,469 | $ 18,666,446 | $ 13,886,003 | $ 22,576,812 |

Source: Rockwall County financial records.

**TABLE 1**

| | Fiscal Year | | | | | |
|---|---|---|---|---|---|---|
| | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
| | $ 12,994,274 | $ 20,930,434 | $ 26,066,075 | $ 18,127,429 | $ 15,496,008 | $ 13,714,108 |
| | 6,586,418 | 6,868,464 | 7,200,204 | 9,784,038 | 6,781,326 | 6,712,964 |
| | 1,314,154 | 2,072,187 | 7,714,201 | 26,058,439 | 27,695,633 | 24,676,422 |
| | $ 20,894,846 | $ 29,871,085 | $ 40,980,480 | $ 53,969,906 | $ 49,972,967 | $ 45,103,494 |
| | $ 12,994,274 | $ 20,930,434 | $ 26,066,075 | $ 18,127,429 | $ 15,496,008 | $ 13,714,108 |
| | 6,586,418 | 6,868,464 | 7,200,204 | 9,784,038 | 6,781,326 | 6,712,964 |
| | 1,314,154 | 2,072,187 | 7,714,201 | 26,058,439 | 27,695,633 | 24,676,422 |
| | $ 20,894,846 | $ 29,871,085 | $ 40,980,480 | $ 53,969,906 | $ 49,972,967 | $ 45,103,494 |

# ROCKWALL COUNTY, TEXAS

## CHANGES IN NET POSITION

## LAST TEN FISCAL YEARS

*(Accrual Basis of Accounting)*
*(Unaudited)*

| | Fiscal Year | | | |
|---|---|---|---|---|
| | 2018 | 2017 | 2016 | 2015 |
| **EXPENSES** | | | | |
| Governmental activities: | | | | |
| General government | $ 6,071,664 | $ 5,486,832 | $ 5,636,027 | $ 5,874,990 |
| Judicial | 4,220,591 | 4,044,502 | 4,012,060 | 3,561,402 |
| Legal | 2,674,909 | 2,520,203 | 2,360,870 | 2,187,226 |
| Financial administration | 2,080,089 | 2,056,110 | 1,944,700 | 1,845,403 |
| Public Facilities | 1,037,047 | 1,435,505 | 1,360,462 | 1,177,026 |
| Public safety | 14,018,186 | 13,413,995 | 12,607,729 | 12,097,895 |
| Public Services | 790,417 | 743,607 | 577,138 | 554,909 |
| Roads and Bridges | 3,493,923 | 3,660,720 | 14,295,237 | 8,930,465 |
| Health and welfare | 1,097,099 | 1,300,656 | 1,278,773 | 1,274,482 |
| Culture and Recreation | 1,833,884 | 1,652,450 | 1,615,482 | 1,514,662 |
| Conservation | 112,282 | 115,418 | 106,645 | 89,661 |
| Interest on long-term debt | 3,674,108 | 3,935,608 | 3,978,964 | 3,868,690 |
| Total expenses | 41,104,199 | 40,365,606 | 49,774,087 | 42,976,811 |
| **PROGRAM REVENUES** | | | | |
| Governmental activities: | | | | |
| Fees, fines and charges for services: | | | | |
| General government | $ 1,859,658 | $ 1,905,915 | $ 1,821,270 | $ 1,632,206 |
| Judicial | 1,133,233 | 1,087,800 | 1,207,763 | 1,337,455 |
| Legal | 6,356 | 6,121 | 9,752 | 13,846 |
| Financial administration | 272,824 | 220,689 | 91,284 | 101,255 |
| Public Facilities | 139,039 | 140,733 | 180,033 | 122,494 |
| Public Safety | 976,919 | 624,375 | 603,326 | 696,432 |
| Roads and bridges | 1,523,478 | 1,936,259 | 1,707,620 | 1,501,565 |
| Culture and recreation | 160,088 | 179,627 | 151,789 | 161,390 |
| Health and welfare | 145,361 | 130,759 | 145,636 | 111,244 |
| Conservation | 10,000 | 16,000 | 500 | 5,500 |
| Operating grants and contributions | 774,482 | 1,131,442 | 2,114,793 | 4,738,006 |
| Capital grants and contributions | 24,541 | 48,701 | 50,401 | 43,746 |
| Total governmental activities program revenues | 7,025,979 | 7,428,421 | 8,084,167 | 10,465,139 |
| **NET (EXPENSE) REVENUES** | | | | |
| Governmental activities | $( 34,078,220) | $( 32,937,185) | $( 41,689,920) | $( 32,511,672) |
| Total primary government net expense | ( 34,078,220) | ( 32,937,185) | ( 41,689,920) | ( 32,511,672) |

**TABLE 2**

| | Fiscal Year | | | | | |
|---|---|---|---|---|---|---|
| | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
| | $ 5,867,997 | $ 5,522,225 | $ 5,423,438 | $ 3,720,438 | $ 2,996,862 | $ 3,430,482 |
| | 3,743,115 | 3,257,514 | 2,994,833 | 2,926,106 | 2,564,139 | 2,481,227 |
| | 2,141,138 | 1,838,282 | 1,776,835 | 1,660,659 | 1,507,743 | 1,406,330 |
| | 1,997,162 | 1,687,204 | 1,752,081 | 1,750,938 | 1,762,344 | 1,712,324 |
| | 3,842,926 | 585,122 | 706,107 | 789,944 | 832,497 | 768,406 |
| | 12,959,766 | 11,698,310 | 11,462,939 | 11,064,731 | 10,732,615 | 10,226,058 |
| | 596,288 | 560,015 | 763,569 | 842,284 | 994,641 | 949,547 |
| | 25,659,403 | 20,193,170 | 9,061,497 | 1,872,573 | 1,901,293 | 1,647,367 |
| | 1,334,764 | 980,619 | 1,143,843 | 897,011 | 1,013,718 | 1,043,861 |
| | 1,668,304 | 1,517,513 | 1,520,272 | 1,505,035 | 1,520,001 | 1,498,637 |
| | 111,439 | 89,046 | 107,024 | 136,423 | 133,711 | 143,294 |
| | 4,453,876 | 3,434,549 | 2,579,739 | 2,422,078 | 2,655,252 | 1,859,758 |
| | 64,376,178 | 51,363,569 | 39,292,177 | 29,588,220 | 28,614,816 | 27,167,291 |
| | $ 1,539,098 | $ 1,440,264 | $ 1,256,007 | $ 1,217,602 | $ 1,238,398 | $ 1,279,907 |
| | 1,598,415 | 1,289,890 | 933,154 | 996,861 | 1,121,827 | 1,127,793 |
| | 17,645 | 18,785 | 17,770 | 19,890 | 20,480 | 21,902 |
| | 92,903 | 711,550 | 486,116 | 350,557 | 235,856 | 290,981 |
| | 185,486 | 80,660 | 206,898 | 77,420 | 138,819 | 89,117 |
| | 1,227,276 | 1,358,506 | 1,429,601 | 1,226,854 | 1,176,261 | 1,210,899 |
| | 1,609,111 | 1,693,886 | 1,318,523 | 1,279,912 | 1,332,031 | 1,504,285 |
| | 163,582 | 147,533 | 148,095 | 161,448 | 164,997 | 154,347 |
| | 106,885 | 99,934 | 83,142 | 51,400 | 74,049 | 89,827 |
| | - | - | - | - | - | 3,000 |
| | 19,872,015 | 4,812,739 | 858,739 | 569,213 | 580,869 | 592,280 |
| | 175,748 | 7,320 | 29,600 | 108,580 | 280,025 | 174,944 |
| | 26,588,164 | 11,661,067 | 6,767,645 | 6,059,737 | 6,363,612 | 6,539,282 |
| | $( 37,788,014) | $( 39,702,502) | $( 32,524,532) | $( 23,528,483) | $( 22,251,204) | $( 20,628,009) |
| | ( 37,788,014) | ( 39,702,502) | ( 32,524,532) | ( 23,528,483) | ( 22,251,204) | ( 20,628,009) |

# ROCKWALL COUNTY, TEXAS

## CHANGES IN NET POSITION

### LAST TEN FISCAL YEARS

*(Accrual Basis of Accounting)*
*(Unaudited)*

| | Fiscal Year | | | |
|---|---|---|---|---|
| | 2018 | 2017 | 2016 | 2015 |
| **GENERAL REVENUES AND OTHER CHANGES IN NET POSITION** | | | | |
| Governmental activities: | | | | |
| Taxes | | | | |
| Property taxes | $ 36,513,148 | $ 35,050,145 | $ 33,387,602 | $ 31,420,182 |
| Mixed beverage | 357,099 | 336,503 | 332,097 | 310,873 |
| Sales Tax | 1,767,996 | 1,646,932 | 1,510,563 | 1,458,919 |
| Investment earnings | 650,927 | 424,441 | 299,040 | 152,083 |
| Miscellaneous | 266,540 | 258,249 | 127,245 | 363,904 |
| Gain from sale of capital assets | - | 1,358 | 37,715 | 51,075 |
| Total governmental activities | 39,555,710 | 37,717,628 | 35,694,262 | 33,757,036 |
| Total primary government | 39,555,710 | 37,717,628 | 35,694,262 | 33,757,036 |
| **CHANGE IN NET POSITION** | | | | |
| Governmental activities | 5,477,490 | 4,780,443 | ( 5,995,658) | 1,245,364 |
| Total primary government | $ 5,477,490 | $ 4,780,443 | $( 5,995,658) | $ 1,245,364 |

Source: Rockwall County financial records

**TABLE 2**

| Fiscal Year | | | | | |
|---|---|---|---|---|---|
| 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
| $ 28,520,463 | $ 27,043,675 | $ 26,849,646 | $ 26,765,968 | $ 26,080,238 | $ 25,376,377 |
| 223,064 | 227,299 | 202,896 | 220,068 | 221,537 | 207,816 |
| 1,263,427 | 347,819 | 269,863 | 215,543 | 246,190 | 234,794 |
| 82,843 | 89,062 | 160,606 | 273,489 | 257,275 | 544,417 |
| 265,433 | 41,706 | 39,748 | 7,371 | 56,982 | 65,812 |
| 4,894 | 843,545 | 194,210 | 42,983 | - | - |
| 30,360,124 | 28,593,106 | 27,716,969 | 27,525,422 | 26,862,222 | 26,429,216 |
| 30,360,124 | 28,593,106 | 27,716,969 | 27,525,422 | 26,862,222 | 26,429,216 |
| ( 7,427,890) | ( 11,109,396) | ( 4,807,563) | 3,996,939 | 4,611,018 | 5,801,207 |
| $( 7,427,890) | $( 11,109,396) | $( 4,807,563) | $ 3,996,939 | $ 4,611,018 | $ 5,801,207 |

## ROCKWALL COUNTY, TEXAS
### FUND BALANCES
### GOVERNMENTAL FUNDS
### LAST TEN FISCAL YEARS
*(Modified accrual basis of accounting)*
*(Unaudited)*

| | Fiscal Year | | | |
|---|---|---|---|---|
| | 2018 | 2017 | 2016 | 2015 |
| General fund | | | | |
| Unreserved, undesignated | | | | |
| Undesignated | $ - | $ - | $ - | $ - |
| Nonspendable | | | | |
| Prepaids | 371,189 | 457,415 | 475,901 | 467,556 |
| Assigned for: | | | | |
| Future budget offset | - | 15,000,000 | 3,150,000 | - |
| Unassigned | 17,640,776 | 15,493,306 | 14,813,163 | 16,182,096 |
| Total primary government net assets | $ 18,011,965 | $ 30,950,721 | $ 18,439,064 | $ 16,649,652 |
| All other governmental funds | | | | |
| Reserved | $ - | $ - | $ - | $ - |
| Unreserved | | | | |
| Designated | | | | |
| Capital Projects | - | - | - | - |
| Special Revenue | - | - | - | - |
| Nonspendable | | | | |
| Prepaids | 3,386 | 266 | 652 | 392 |
| Restricted for: | | | | |
| Capital acquisition and construction | 495,660 | 428,327 | 220,609 | 87,214 |
| Debt service | 1,604,309 | 1,247,011 | 919,764 | 703,049 |
| Records preservation and management | 1,872,099 | 1,568,453 | 1,338,274 | 1,218,605 |
| Court security and technology | 149,586 | 102,522 | 108,381 | 146,414 |
| Legal | 545,218 | 560,728 | 591,870 | 594,945 |
| Public Safety | 2,020,608 | 1,763,783 | 3,278,204 | 5,566,609 |
| Judicial | 296,740 | 339,495 | 341,404 | 353,513 |
| Culture and recreation | 194,028 | 364,069 | 318,466 | 294,016 |
| Roads and bridges | 9,934,122 | 11,238,448 | 12,862,010 | 9,017,803 |
| Elections assistance and administration | 86,398 | 144,599 | 88,085 | 113,992 |
| Assigned for: | | | | |
| Capital acquisition and construction | - | - | - | - |
| Unassigned | ( 253,397) | ( 252,833) | ( 252,833) | ( 52) |
| Total all other governmental funds | $ 16,948,757 | $ 17,504,868 | $ 19,814,886 | $ 18,096,500 |

Source: Rockwall County financial records

* The fund balances reported prior to the GASB 54 implementation are reported with reservations and designations as they were reported in those years.

**TABLE 3**

| | Fiscal Year | | | | |
|---|---|---|---|---|---|
| 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
| $ - | $ - | $ - | $ - | $ 20,867,180 | $ 20,994,789 |
| 461,006 | 245,073 | 107,119 | 66,527 | - | - |
| 5,000,000 | - | 1,500,000 | 5,200,000 | - | - |
| 13,603,826 | 18,264,485 | 14,815,699 | 14,520,296 | - | - |
| $ 19,064,832 | $ 18,509,558 | $ 16,422,818 | $ 19,786,823 | $ 20,867,180 | $ 20,994,789 |
| $ - | $ - | $ - | $ - | $ 494,855 | $ 1,034,692 |
| - | - | - | - | 30,704,131 | 34,746,239 |
| - | - | - | - | 6,681,159 | 6,077,690 |
| - | - | - | - | - | - |
| 52,038 | 133,820 | 196,169 | 3,757,613 | - | - |
| 1,262,908 | 1,897,450 | 1,717,636 | 1,256,196 | - | - |
| 1,286,305 | 1,331,278 | 1,468,521 | 1,570,014 | - | - |
| 123,537 | 128,536 | 118,495 | 100,350 | - | - |
| 583,856 | 561,045 | 531,947 | 538,230 | - | - |
| 924,569 | 376,321 | 377,793 | 499,641 | - | - |
| 361,611 | 357,823 | 364,748 | 369,162 | - | - |
| 264,479 | 255,526 | 310,232 | 302,015 | - | - |
| 15,128,765 | 38,331,673 | 15,825,333 | 2,710,090 | - | - |
| 95,005 | 102,577 | 99,058 | 171,093 | - | - |
| - | - | - | 235 | - | - |
| - | - | 200 | - | - | - |
| $ 20,083,073 | $ 43,476,049 | $ 21,010,132 | $ 11,274,639 | $ 37,880,145 | $ 41,858,621 |

## ROCKWALL COUNTY, TEXAS

### CHANGES IN FUND BALANCES
### GOVERNMENTAL FUNDS

### LAST TEN FISCAL YEARS
*(Modified accrual basis of accounting)*
*(Unaudited)*

| | Fiscal Year | | | |
|---|---|---|---|---|
| | 2018 | 2017 | 2016 | 2015 |
| **REVENUES** | | | | |
| Property taxes | $ 36,567,934 | $ 35,022,102 | $ 33,322,944 | $ 31,374,958 |
| Beverage Taxes | 357,099 | 336,503 | 332,097 | 310,873 |
| Fines and forfeitures | 1,163,390 | 971,615 | 1,135,449 | 1,164,263 |
| Sales or Other tax | 1,767,996 | 1,646,932 | 1,510,563 | 1,458,919 |
| Fees and commissions | 4,883,875 | 4,615,245 | 4,472,546 | 4,265,231 |
| Intergovernmental | 870,043 | 1,091,362 | 2,175,693 | 2,001,915 |
| Election | 82,234 | 91,449 | 130,766 | 78,139 |
| Investment Earnings | 645,745 | 419,584 | 297,189 | 151,786 |
| Grants | - | - | - | - |
| Donations | 24,541 | 22,055 | - | - |
| Miscellaneous | 284,907 | 427,750 | 143,882 | 387,143 |
| Total revenues | 46,647,764 | 44,644,597 | 43,521,129 | 41,193,227 |
| **EXPENDITURES** | | | | |
| General government | 3,710,827 | 3,489,914 | 3,825,763 | 3,956,388 |
| Financial administration | 2,030,955 | 1,976,869 | 1,919,603 | 1,846,901 |
| Commissioner expenses | 433,676 | 434,457 | 437,242 | 405,798 |
| Roads and highways | 3,129,811 | 3,296,265 | 13,961,039 | 8,545,265 |
| Public safety | 13,429,663 | 12,736,234 | 12,163,245 | 11,869,606 |
| Public facilities | 776,627 | 722,943 | 573,034 | 553,557 |
| Public services | 1,016,057 | 1,416,868 | 1,333,408 | 1,396,260 |
| Judicial | 4,130,184 | 3,907,888 | 3,977,154 | 3,576,496 |
| Legal | 2,584,101 | 2,400,338 | 2,318,268 | 2,188,004 |
| Culture and recreation | 1,485,666 | 1,284,233 | 1,277,968 | 1,193,885 |
| Health and welfare | 1,085,747 | 1,280,914 | 1,273,064 | 1,267,992 |
| Conservation | 114,028 | 112,645 | 101,404 | 88,797 |
| Capital outlay | 3,190,888 | 5,263,293 | 3,654,376 | 1,307,033 |
| Debt service | | | | |
| Principal | 5,835,000 | 5,205,000 | 4,120,000 | 3,305,000 |
| Interest and fiscal charges | 3,646,518 | 4,232,414 | 3,905,829 | 4,052,832 |
| Bond issuance cost and fees | 163,841 | - | 141,744 | - |
| Total expenditures | 46,763,589 | 47,760,275 | 54,983,141 | 45,553,814 |
| **EXCESS OF REVENUES OVER (UNDER) EXPENDITURES** | ( 115,825) | ( 3,115,678) | ( 11,462,012) | ( 4,360,587) |

| | Fiscal Year | | | | |
|---|---|---|---|---|---|
| 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
| $ 28,520,463 | $ 27,002,477 | $ 26,992,947 | $ 26,702,897 | $ 26,092,909 | $ 25,251,193 |
| 278,102 | 227,299 | 202,896 | 220,068 | 221,537 | 207,816 |
| 1,708,936 | 1,139,616 | 1,086,807 | 1,242,999 | 1,338,198 | 1,340,876 |
| 1,263,427 | 347,819 | 269,863 | 215,543 | 246,190 | 234,794 |
| 4,328,673 | 5,494,901 | 4,752,670 | 4,112,614 | 4,004,164 | 4,267,808 |
| 3,618,491 | 383,347 | 793,735 | 498,707 | 126,111 | 236,580 |
| 139,010 | 49,400 | 148,419 | 44,976 | 111,632 | 59,014 |
| 82,546 | 88,303 | 158,713 | 266,552 | 257,275 | 544,417 |
| - | - | - | - | 457,875 | 580,489 |
| - | 7,320 | 39,600 | 95,089 | 5,500 | 26,180 |
| 316,672 | 92,984 | 83,458 | 88,100 | 140,211 | 94,147 |
| 40,256,320 | 34,833,466 | 34,529,108 | 33,487,545 | 33,001,602 | 32,843,314 |
| | | | | | |
| 3,658,642 | 3,645,587 | 3,618,311 | 2,972,944 | 3,613,848 | 2,682,124 |
| 1,781,318 | 1,661,744 | 1,705,512 | 1,721,015 | 1,694,096 | 1,702,817 |
| 397,304 | 383,368 | 382,036 | 384,136 | 370,898 | 381,276 |
| 25,158,655 | 19,783,183 | 8,610,316 | 1,542,648 | 1,567,666 | 1,390,912 |
| 11,399,513 | 11,334,298 | 11,168,528 | 10,665,842 | 10,148,619 | 10,065,016 |
| 546,299 | 555,226 | 541,702 | 835,783 | 975,657 | 945,362 |
| 3,766,566 | 540,590 | 653,165 | 749,804 | 787,153 | 735,693 |
| 3,443,020 | 3,229,542 | 2,935,351 | 2,891,452 | 2,500,281 | 2,418,266 |
| 1,898,428 | 1,817,701 | 1,740,634 | 1,649,483 | 1,468,389 | 1,416,505 |
| 1,239,951 | 1,186,327 | 1,176,022 | 1,465,775 | 1,473,056 | 1,507,163 |
| 1,277,056 | 969,474 | 1,118,537 | 890,036 | 998,039 | 1,041,453 |
| 92,771 | 88,302 | 104,996 | 135,380 | 129,166 | 145,075 |
| 1,057,147 | 1,564,558 | 6,154,135 | 30,321,839 | 7,991,509 | 6,180,618 |
| | | | | | |
| 2,660,000 | 2,555,000 | 2,590,000 | 2,575,000 | 3,297,500 | 3,155,000 |
| 4,739,280 | 3,134,254 | 2,373,052 | 2,513,550 | 2,597,642 | 1,664,829 |
| 3,850 | 577,510 | 259,595 | 2,301 | 252,535 | 501,844 |
| 63,119,800 | 53,026,664 | 45,131,892 | 61,316,988 | 39,866,054 | 35,933,953 |
| | | | | | |
| ( 22,863,480) | ( 18,193,198) | ( 10,602,784) | ( 27,829,443) | ( 6,864,452) | ( 3,090,639) |

## ROCKWALL COUNTY, TEXAS

### CHANGES IN FUND BALANCES
### GOVERNMENTAL FUNDS

### LAST TEN FISCAL YEARS
*(Modified accrual basis of accounting)*
*(Unaudited)*

| | Fiscal Year | | | |
|---|---|---|---|---|
| | 2018 | 2017 | 2016 | 2015 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Issuance of long term debt | $ 7,620,000 | $ - | $ 21,380,000 | $ - |
| Transfers in | 1,863,254 | 3,643,000 | 239,262 | 5,300,000 |
| Transfers out | ( 1,863,254) | ( 3,843,000) | ( 534,262) | ( 5,400,000) |
| Premium on issuance of bonds | 623,751 | - | 1,144,249 | - |
| Discount on issuance of bonds | - | - | - | - |
| Payment to bond refunding escrow agent | ( 8,079,910) | - | ( 7,297,806) | - |
| Sale of capital assets | 5,596 | 17,969 | 37,715 | 58,834 |
| Total other financing sources (uses) | 169,437 | ( 182,031) | 14,969,158 | ( 41,166) |
| **NET CHANGE IN FUND BALANCES** | $ 53,612 | $( 3,297,709) | $ 3,507,146 | $( 4,401,753) |
| **DEBT SERVICES (PRINCIPAL AND INTEREST) AS PERCENTAGE OF NONCAPITAL EXPENDITURES** | 21.57% | 22.17% | 15.64% | 16.63% |

Source: Rockwall County financial records

**TABLE 4**

| | | | | | |
|---|---|---|---|---|---|
| Fiscal Year | | | | | |
| 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
| $ - | $ 39,050,000 | $ 16,010,000 | $ - | $ 11,275,000 | $ 35,325,000 |
| 160,000 | 810,853 | 5,402,211 | 2,499,250 | 590,664 | 1,168,739 |
| ( 160,000) | ( 810,853) | ( 5,402,211) | ( 2,499,250) | ( 590,664) | ( 1,704,543) |
| - | 2,082,407 | 717,562 | - | 392,687 | 161,737 |
| - | - | - | - | ( 39,091) | ( 295,213) |
| - | - | - | - | ( 8,990,432) | ( 24,177,444) |
| 25,778 | 1,613,448 | 246,710 | 143,580 | 120,203 | 29,741 |
| 25,778 | 42,745,855 | 16,974,272 | 143,580 | 2,758,367 | 10,508,017 |
| $( 22,837,702) | $ 24,552,657 | $ 6,371,488 | $( 27,685,863) | $( 4,106,085) | $ 7,417,378 |
| 11.92% | 11.06% | 12.73% | 16.42% | 18.49% | 16.20% |

TABLE 5

# ROCKWALL COUNTY, TEXAS

## ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

### LAST TEN FISCAL YEARS
*(Unaudited)*

| | Real Property | | | | | | |
|---|---|---|---|---|---|---|---|
| Year | Residential Property | Commercial Property | Other Property | Personal Property | Less: Productivity Loss and Homestead Cap | Total Taxable Assessed Value [a] | Total Direct Tax Rate |
| 2018 | $ 7,993,623,592 | $ 2,760,088,485 | $ 149,919,182 | $ 1,355,015,181 | $ 802,692,594 | $ 11,455,953,846 | 0.3498 |
| 2017 | 7,037,890,084 | 2,480,714,771 | 137,037,148 | 1,198,024,785 | 639,011,234 | 10,214,655,554 | 0.3759 |
| 2016 | 6,288,547,655 | 2,383,922,893 | 139,225,415 | 1,016,232,398 | 508,143,372 | 9,319,784,989 | 0.3959 |
| 2015 | 6,218,526,995 | 2,335,706,532 | 140,314,580 | 1,117,676,124 | 496,290,942 | 9,315,933,289 | 0.3959 |
| 2014 | 5,662,722,494 | 2,294,693,536 | 138,467,630 | 1,154,571,338 | 495,044,251 | 8,755,410,747 | 0.3959 |
| 2013 | 5,215,032,786 | 2,045,855,960 | 133,240,690 | 1,020,575,605 | 471,283,521 | 7,943,421,520 | 0.3959 |
| 2012 | 5,127,725,788 | 1,946,172,605 | 130,835,820 | 957,333,157 | 479,329,255 | 7,682,738,115 | 0.3864 |
| 2011 | 5,024,072,405 | 1,966,430,425 | 131,470,610 | 954,586,780 | 483,857,835 | 7,592,702,385 | 0.3864 |
| 2010 | 4,961,747,551 | 1,991,234,291 | 134,229,160 | 955,429,662 | 485,942,857 | 7,556,697,807 | 0.3864 |
| 2009 | 4,906,892,163 | 2,031,828,080 | 136,349,990 | 891,514,315 | 495,774,465 | 7,470,810,083 | 0.3775 |

Source: Rockwall County Appraisal District

Notes:

a - Property is assessed at actual value; therefore, the assessed values are equal to actual value.

b - Tax rates are per $100 of assessed value.

**TABLE 6**

# ROCKWALL COUNTY, TEXAS

## DIRECT AND OVERLAPPING PROPERTY TAX RATE (PER $ 100 ASSESSED VALUE)

### LAST TEN FISCAL YEARS

*(Unaudited)*

| | Fiscal Year | | | | Fiscal Year | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
| County direct rates | | | | | | | | | | |
| General | $ 0.25577 | $ 0.27120 | $ 0.29794 | $ 0.31006 | $ 0.3018 | $ 0.3023 | $ 0.3079 | $ 0.2995 | $ 0.2969 | $ 0.2991 |
| Debt Service | 0.0939 | 0.1046 | 0.0979 | 0.0857 | 0.0940 | 0.0840 | 0.0784 | 0.0844 | 0.0781 | 0.0734 |
| Road and bridge | 0.0001 | 0.0001 | 0.0001 | 0.0001 | 0.0001 | 0.0001 | 0.0001 | 0.0025 | 0.0025 | 0.0025 |
| Total direct rate | 0.3498 | 0.3759 | 0.3959 | 0.3959 | 0.3959 | 0.3864 | 0.3864 | 0.3864 | 0.3775 | 0.3750 |
| Cities | | | | | | | | | | |
| Dallas | 0.7804 | 0.7825 | 0.7970 | 0.7970 | 0.7970 | 0.8000 | 0.8000 | 0.8000 | 0.8000 | 0.7500 |
| Fate | 0.2911 | 0.2911 | 0.3067 | 0.3067 | 0.3067 | 0.2700 | 0.2500 | 0.2500 | 0.2500 | 0.2100 |
| Heath | 0.4173 | 0.4173 | 0.4266 | 0.4266 | 0.4266 | 0.3400 | 0.3400 | 0.3400 | 0.3400 | 0.3400 |
| McLendon-Chisholm | 0.1500 | 0.1520 | 0.1520 | 0.1842 | 0.0974 | 0.0974 | 0.0975 | 0.0975 | 0.0975 | no tax rate |
| Rockwall | 0.4236 | 0.4543 | 0.4853 | 0.4853 | 0.4955 | 0.5025 | 0.5025 | 0.5031 | 0.5031 | 0.5000 |
| Rowlett | 0.7771 | 0.7872 | 0.7872 | 0.7872 | 0.7872 | 0.7500 | 0.7500 | 0.7500 | 0.7500 | 0.7500 |
| Royse City | 0.6215 | 0.6771 | 0.6771 | 0.6771 | 0.6771 | 0.7000 | 0.6900 | 0.6700 | 0.6600 | 0.6600 |
| Wylie | 0.7810 | 0.8489 | 0.8689 | 0.8689 | 0.8789 | 0.8800 | 0.8900 | 0.9000 | 0.9000 | 0.9000 |
| School Districts | | | | | | | | | | |
| Rockwall ISD | 1.4400 | 1.4650 | 1.4400 | 1.4400 | 1.4400 | 1.4600 | 1.4700 | 1.4700 | 1.4700 | 1.4700 |
| Royse City ISD | 1.6700 | 1.6700 | 1.6700 | 1.6700 | 1.6700 | 1.6700 | 1.6700 | 1.6100 | 1.5600 | 1.4300 |
| Municipal Utility District | | | | | | | | | | |
| Rockwall County Cons MUD | 0.4500 | 0.5000 | 0.5500 | 0.5500 | 0.6000 | 0.6500 | 0.7000 | 0.7200 | 0.7200 | 0.7200 |
| Veranduh MUD | 0.7500 | 0.7500 | 0.8500 | 0.8500 | 0.8500 | 0.8500 | 0.8500 | 0.8500 | 0.8500 | 0.8500 |

Source: Rockwall County Central Appraisal District

Note: Overlapping rates are those of other governments that apply to property owners within Rockwall County. Not all overlapping rates apply to all County property owners. For example, although the total Direct Rate for Rockwall County applies to all County property owners, a specific City's tax rate applies only to those taxpayers whose property is located within the City's geographic boundaries.

McLendon Chisholm had no tax rate until 2010

TABLE 7

# ROCKWALL COUNTY, TEXAS

## PRINCIPAL PROPERTY TAXPAYERS

## CURRENT YEAR AND NINE YEARS AGO

*(Unaudited)*

| | Property Tax Year | | | | | |
|---|---|---|---|---|---|---|
| | 2018 | | | 2010 | | |
| Taxpayer | Taxable Assessed Value[a] | Rank | Percentage of Total Taxable Assessed Value | Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value |
| Oncor Electric Delivery Co. | $ 81,894,400 | 1 | 0.71% | $ 77,672,300 | 1 | 1.03% |
| Excel Rockwall LLC | 58,911,150 | 2 | 0.51% | | | |
| Whitmore Manufacturing Co | 46,392,764 | 3 | 0.40% | | | |
| Star Hubbard LLC | 43,623,210 | 4 | 0.38% | | | |
| Terra Lago Apartments LLC | 41,230,760 | 5 | 0.36% | | | |
| Rockwall Crossing LTD | 34,787,930 | 6 | 0.30% | 23,019,565 | 8 | 0.30% |
| 2055 Summer Lee Rockwall Owner LLC | 31,709,790 | 7 | 0.28% | | | |
| Rockwall Regional Hospital LLP | 29,725,080 | 8 | 0.26% | 35,297,790 | 5 | 0.47% |
| Rockwall Dunhill LLC | 29,256,570 | 9 | 0.26% | | | |
| Allen Foods Inc | 29,186,930 | 10 | 0.25% | | | |
| Rockwall HH LLC | - | | 0 | 20,000,000 | 10 | 0.26% |
| Wal-Mart Real Estate | - | | - % | 22,694,110 | 9 | 0.30% |
| CNLRS Rockwall LP | - | | - % | 41,071,690 | 2 | 0.54% |
| Rockwall Hotel and Conf Group Inc. | - | | - % | 29,160,780 | 6 | 0.39% |
| Continental PET Technology | - | | - % | 36,683,390 | 4 | 0.49% |
| Mariah Bay Development Inc | - | | - % | 36,852,060 | 3 | 0.49% |
| Lake Point Medical Center | - | | - % | 28,500,000 | 7 | 0.38% |
| Total | $ 426,718,584 | | 3.72% | $ 350,951,685 | | 4.64% |
| Total taxable assessed value | $ 11,455,953,846 | | | $ 7,556,697,807 | | |

Source: Rockwall Central Appraisal District

# ROCKWALL COUNTY, TEXAS

## PROPERTY TAX LEVIES AND COLLECTIONS

## LAST TEN FISCAL YEARS

*(Unaudited)*

| | | Collected within the Fiscal Year of the Levy | | | Total Collections to Date | |
|---|---|---|---|---|---|---|
| Fiscal Year | Tax Levy as of Fiscal Year End[a] | Amount | Percentage of Levy | Subsequent Collections | Amount | Percentage of Levy[b] |
| 2018 | $ 36,137,014 | $ 36,054,652 | 99.77% | $ - | $ 36,054,652 | 99.77% |
| 2017 | 34,401,093 | 34,521,056 | 100.35% | - | 34,521,056 | 100.35% |
| 2016 | 33,013,789 | 32,969,913 | 99.87% | 377,121 | 33,347,034 | 101.01% |
| 2015 | 31,010,415 | 30,986,353 | 99.92% | 128,640 | 31,114,993 | 100.34% |
| 2014 | 28,364,361 | 28,247,065 | 99.59% | 75,767 | 28,322,832 | 99.85% |
| 2013 | 26,831,508 | 26,547,274 | 98.94% | 166,243 | 26,713,517 | 99.56% |
| 2012 | 26,555,718 | 26,316,305 | 99.10% | 71,475 | 26,387,780 | 99.37% |
| 2011 | 26,339,375 | 25,937,874 | 98.48% | 337,469 | 26,275,343 | 99.76% |
| 2010 | 25,606,811 | 25,237,634 | 98.56% | 271,421 | 25,509,055 | 99.62% |
| 2009 | 24,918,257 | 24,500,390 | 98.32% | 321,631 | 24,822,021 | 99.61% |

Source: Rockwall County financial records

Note: a - Tax levies consider supplemental value changes during the initial fiscal year.

b- Collections over 100% are due to supplemental adjustments to the levy.

# ROCKWALL COUNTY, TEXAS

## RATIOS OF OUTSTANDING DEBT BY TYPE

### LAST TEN FISCAL YEARS
*(Unaudited)*

| | Governmental Activities | | | | | | |
|---|---|---|---|---|---|---|---|
| Fiscal Year | Tax Notes | Refunding Bond | Premiums on Bonds | Certificates of Obligation | Total Long-term Debt | Percentage of Personal Income[b] | Per Capita[b] |
| 2018 | $ 85,400,000 | $ 14,120,000 | $ 3,867,909 | $ - | $ 103,387,909 | 5.50% | $ 998 |
| 2017 | 98,120,000 | 7,285,000 | 3,413,754 | - | 108,818,754 | 2.13% | 1,051 |
| 2016 | 103,240,000 | 7,370,000 | 3,632,124 | - | 114,242,124 | 2.36% | 1,147 |
| 2015 | 100,450,000 | - | 2,654,716 | - | 103,104,716 | 2.29% | 994 |
| 2014 | 103,755,000 | - | 2,812,862 | - | 106,567,862 | 2.40% | 1,112 |
| 2013 | 106,415,000 | - | 2,971,008 | - | 109,386,008 | 1.61% | 1,283 |
| 2012 | 69,920,000 | - | 937,147 | - | 70,857,147 | 1.40% | 853 |
| 2011 | 56,500,000 | - | 231,332 | - | 56,731,332 | 1.58% | 699 |
| 2010 | 59,075,000 | - | 242,112 | | 59,317,112 | 1.70% | 751 |
| 2009 | 57,485,000 | - | 116,078 | 2,575,000 | 60,176,078 | 1.51% | 785 |

Source: Rockwall County financial records

Notes: a: Details regarding the County's outstanding debt can be found in the notes to the financial statements on page 40.

b: See Table 13 for personal income and population data.

# ROCKWALL COUNTY, TEXAS

## RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING[a]

## LAST TEN FISCAL YEARS

*(Unaudited)*

| Fiscal Year | General Bonded Debt Outstanding: Tax Notes | Refunding Bond | Premium on Bonds | Certificates of Obligation | Total | Less: Amounts Available for Debt Service | Net General Bonded Debt | Percentage of Actual Taxable Property Value[b] | Per Capita[c] |
|---|---|---|---|---|---|---|---|---|---|
| 2018 | $ 85,400,000 | $ 14,120,000 | $ 3,867,909 | $ - | $ 103,387,909 | $ 1,152,439 | $ 102,235,470 | 0.89% | $ 1,741 |
| 2017 | 98,120,000 | 7,285,000 | 3,413,754 | - | 108,818,754 | 752,593 | 108,066,161 | 1.06% | 1,046 |
| 2016 | 103,240,000 | 7,370,000 | 3,632,124 | - | 114,242,124 | 919,764 | 113,322,360 | 1.22% | 1,137 |
| 2015 | 100,450,000 | - | 2,654,716 | - | 103,104,716 | 703,049 | 102,401,667 | 1.10% | 987 |
| 2014 | 103,755,000 | - | 2,812,862 | - | 106,567,862 | 1,262,908 | 105,304,954 | 1.20% | 1,099 |
| 2013 | 106,415,000 | - | 2,971,000 | - | 109,386,000 | 268,363 | 109,117,637 | 1.37% | 1,280 |
| 2012 | 69,920,000 | - | 937,147 | - | 70,857,147 | 459,389 | 70,397,758 | 0.92% | 848 |
| 2011 | 56,500,000 | - | 231,332 | - | 56,731,332 | 893,245 | 55,838,087 | 0.74% | 688 |
| 2010 | 59,075,000 | - | 242,112 | - | 59,317,112 | 947,320 | 58,369,792 | 0.77% | 739 |
| 2009 | 57,485,000 | - | 116,078 | 2,575,000 | 60,176,078 | 1,034,692 | 59,141,386 | 0.79% | 772 |

Source: Rockwall County financial records

Notes: a - Details regarding the County's outstanding debt can be found in the notes to the financial statements on page 40.

b - See Table 5 for property value data.

c - See Table 13 for population data.

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TABLE 11

# ROCKWALL COUNTY, TEXAS

## DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

## AS OF SEPTEMBER 30, 2018

*(Unaudited)*

| Taxing Jurisdiction | Percentage Overlapping Rockwall County | Total Debt | Subtotals |
|---|---|---|---|
| County-wide | | | |
| Rockwall County | 100.00% | | |
| Total direct debt | | $ 103,387,909 | $ 103,387,909 |
| Cities | | | |
| Dallas, City of | 0.01% | 1,822,867,437 | 182,287 |
| Fate, City of | 100.00% | 10,025,000 | 10,025,000 |
| Heath, City of | 100.00% | 49,720,000 | 49,720,000 |
| Rockwall, City of | 100.00% | 125,725,000 | 125,725,000 |
| Rowlett, City of | 14.50% | 89,270,000 | 12,944,150 |
| Royse City, City of | 70.41% | 25,995,000 | 18,303,080 |
| Wylie, City of | 1.59% | 89,910,000 | 1,429,569 |
| McLendon-Chisholm, City of | 100.00% | 1,700,000 | 1,700,000 |
| Total Cities | | 2,215,212,437 | 220,029,085 |
| School District (% of assessed value) | | | |
| Rockwall ISD | 90.93% | 480,596,636 | 437,006,521 |
| Royse City ISD | 70.97% | 117,846,028 | 83,635,326 |
| Total School Districts | | 598,442,664 | 520,641,847 |
| Other | | | |
| Rockwall Co MUD #6 | 100.00% | 6,255,000 | 6,255,000 |
| Rockwall Co Cons MUD | 100.00% | 12,625,000 | 12,625,000 |
| Veranduh MUD | 6.53% | 10,710,000 | 699,363 |
| | | 29,590,000 | 19,579,363 |
| Total indirect debt | | 2,843,245,101 | 760,250,295 |
| Total direct and overlapping debt | | | $ 863,638,204 |

Source: Overlapping debt was obtained on the Municipal Advisory Council website (www.mactexas.com)

Note: The Percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the taxing entity's taxable value that is within the County's boundaries and dividing it by the taxing entity's total taxable assessed value.

# ROCKWALL COUNTY, TEXAS

## LEGAL DEBT MARGIN INFORMATION

## LAST TEN FISCAL YEARS

*(Unaudited)*

| | Fiscal Year | | | |
|---|---|---|---|---|
| | 2018 | 2017 | 2016 | 2015 |
| Assessed value of real property | $ 10,562,783,885 | $ 9,566,412,319 | $ 9,319,784,989 | $ 9,315,933,289 |
| Debt limit rate | 25% | 25% | 25% | 25% |
| Debt limit | 2,640,695,971 | 2,391,603,080 | 2,329,946,247 | 2,328,983,322 |
| Debt applicable to limit: | | | | |
| Total bonded debt | 103,387,909 | 108,818,754 | 114,242,124 | 102,946,570 |
| Less: amount set aside for repayment | 1,152,439 | ( 1,239,115) | ( 919,764) | ( 703,050) |
| Total net debt applicable to limit | 102,235,470 | 110,057,869 | 115,161,888 | 103,649,620 |
| Legal debt margin | $ 2,538,460,501 | $ 2,281,545,211 | $ 2,214,784,359 | $ 2,225,333,702 |
| Total net debt applicable to the limit as a percentage of debt limit | 3.87% | 4.60% | 4.94% | 4.45% |

Source: Rockwall County financial records

Under Legislative provision, any county, any political subdivision of a county, any number of adjoining counties, or any political subdivision of the state, or any defined district now or hereafter to be described and defined within the State of Texas, and which may or may not include towns, villages, or municipal corporations, upon a vote of two-thirds majority of the resident property taxpayers voting thereon who are qualified electors of such district or territory to be affected thereby, in addition to all other debts, any issue bonds or otherwise lend its credit in any amount not to exceed one-fourth of the assessed valuation of the real property of such district or territory, except that the total bonded indebtedness of any city or town shall never exceed the limits imposed by other provisions of this Constitution, and levy and collect taxes to pay the interest thereon and provide a sinking fund for the redemption thereof.

**TABLE 12**

| Fiscal Year | | | | | |
|---|---|---|---|---|---|
| 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
| $ 8,755,410,747 | $ 7,943,421,520 | $ 7,682,738,115 | $ 7,592,702,385 | $ 7,556,697,807 | $ 7,470,810,083 |
| 25% | 25% | 25% | 25% | 25% | 25% |
| 2,188,852,687 | 1,985,855,380 | 1,920,684,529 | 1,898,175,596 | 1,889,174,452 | 1,867,702,521 |
| 106,567,865 | 109,386,008 | 70,857,147 | 56,731,332 | 59,317,112 | 60,176,078 |
| ( 1,262,908) | ( 1,897,450) | ( 1,256,197) | ( 495,162) | ( 1,034,692) | ( 947,320) |
| 105,304,957 | 107,488,558 | 69,600,950 | 56,236,170 | 58,282,420 | 59,228,758 |
| $ 2,083,547,730 | $ 1,878,366,822 | $ 1,851,083,579 | $ 1,841,939,426 | $ 1,830,892,032 | $ 1,808,473,763 |
| 4.81% | 5.41% | 3.62% | 2.96% | 3.09% | 3.17% |

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TABLE 13

# ROCKWALL COUNTY, TEXAS

## DEMOGRAPHIC AND ECONOMIC STATISTICS

### LAST TEN CALENDAR YEARS
*(Unaudited)*

| | County | | | | | State of Texas | United States |
|---|---|---|---|---|---|---|---|
| Calendar Year | Estimated Population | Personal Income (thousands of dollars)[a] | Per Capita Personal Income[a] | School Enrollment[b] | Unemployment Rate[c] | Per Capita Personal Income[a] | Per Capita Personal Income[a] |
| 2018 | 111,704 | $ 5,683,109 | 58,717 | 22,034 | 3.3% | 47,362 | 51,640 |
| 2017 | 103,544 | 5,112,959 | 54,406 | 21,286 | 3.5% | 46,274 | 49,246 |
| 2016 | 99,630 | 4,841,492 | 53,285 | 20,630 | 3.7% | 46,947 | 48,112 |
| 2015 | 95,829 | 4,495,885 | 51,302 | 20,062 | 3.7% | 46,745 | 47,669 |
| 2014 | 92,121 | 4,430,860 | 50,460 | 19,641 | 4.5% | 45,669 | 46,049 |
| 2013 | 85,245 | 4,550,265 | 48,688 | 19,391 | 5.8% | 43,807 | 44,438 |
| 2012 | 83,028 | 4,404,435 | 48,157 | 18,983 | 6.3% | 41,471 | 42,693 |
| 2011 | 81,184 | 4,063,636 | 50,055 | 18,628 | 7.2% | 40,147 | 41,560 |
| 2010 | 78,987 | 3,754,932 | 47,539 | 18,293 | 7.4% | 38,222 | 39,791 |
| 2009 | 76,654 | 3,537,248 | 46,146 | 17,820 | 7.1% | 36,595 | 38,637 |

Sources:

a - Bureau of Economic Analysis

b - Texas Education Agency

c - Texas Association of Counties

TABLE 14

# ROCKWALL COUNTY, TEXAS

## PRINCIPAL EMPLOYERS

## SEPTEMBER 30, 2018

*(Unaudited)*

| | | 2018 | |
|---|---|---|---|
| Employer | Nature of Business | Employees | Percentage of Total County Employment[a] |
| Rockwall ISD | school district | 1,885 | 9.02% |
| Royse City ISD | school district | 750 | 3.59% |
| Lake Pointe Medical Center | health care industry | 700 | 3.35% |
| Texas Health Presbyterian Hospital | health care industry | 700 | 3.35% |
| Texas Star Express/Epes Transport | logistics | 450 | 2.15% |
| Wal-Mart Superstore | department store/grocery | 450 | 2.15% |
| County of Rockwall | county government | 323 | 1.55% |
| City of Rockwall | city government | 340 | 1.63% |
| Hilton Hotel at theHarbor | hotel | 170 | 0.81% |
| Special Products & Manufacturing | precision sheet metal | 142 | 0.68% |
| Rockwall Nursing Home | nursing home facility | 160 | 0.77% |
| Bimbo Bakeries | food processing | 134 | 0.64% |
| Total | | 6,204 | 29.68% |

Note: Only the current year data was selected to be presented. The principal employer information from nine years ago is not available.

**TABLE 15**

# ROCKWALL COUNTY, TEXAS

## FULLTIME EMPLOYEES BY FUNCTION

## LAST TEN FISCAL YEARS

*(Unaudited)*

| | Fiscal Year | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Function/Program | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
| General government | | | | | | | | | | |
| Elected/Appointed officials | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |
| Clerical | 31 | 31 | 29 | 30 | 30 | 30 | 32 | 29 | 29 | 29 |
| Building maintenance | 8 | 6 | 6 | 4 | 5 | 4 | 4 | 6 | 6 | 6 |
| Environmental | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Library | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 12 | 12 | 12 |
| County Agent | 3 | 3 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| IT | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 |
| Elections | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| HR | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Judicial | | | | | | | | | | |
| Judges/justices of the peace | 7 | 7 | 7 | 7 | 7 | 7 | 5 | 5 | 4 | 4 |
| Criminal District Attorney | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Assistant prosecutors | 15 | 15 | 14 | 14 | 12 | 12 | 12 | - | 8 | 8 |
| Investigators | 3 | 3 | 3 | 3 | 2 | 2 | 2 | - | 1 | 1 |
| Clerical | 35 | 38 | 37 | 36 | 34 | 34 | 32 | | 27 | 27 |
| Bailiffs | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 2 | 2 |
| Court Reporters | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 2 | 2 |
| Public safety | | | | | | | | | | |
| County sheriff | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Constables | 4 | 4 | 4 | 4 | 4 | 4 | 2 | 2 | 2 | 2 |
| Patrol/CID | 33 | 30 | 31 | 36 | 35 | 39 | 38 | 39 | 40 | 42 |
| Jailers | 66 | 66 | 65 | 60 | 61 | 61 | 61 | 56 | 52 | 52 |
| Administration | 19 | 19 | 16 | 16 | 14 | 14 | 14 | 13 | 13 | 13 |
| Juvenile probation | 9 | 9 | 9 | 9 | 8 | 8 | 8 | 9 | 9 | 8 |
| Communications | 9 | 9 | 9 | 9 | 10 | 9 | 9 | 9 | 8 | 8 |
| Health and welfare | | | | | | | | | | |
| Indigent health care | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Road and bridges | | | | | | | | | | |
| Road employees | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 10 | 10 | 11 |
| Total | 294 | 292 | 292 | 284 | 282 | 276 | 278 | 273 | 225 | 254 |

Source: Rockwall County Annual Budget

## ROCKWALL COUNTY, TEXAS

### OPERATING INDICATORS BY FUNCTION/PROGRAM

### LAST TEN FISCAL YEARS
*(Unaudited)*

| Function/Program | Fiscal Year 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|
| General Government | | | | |
| Auditor's office | | | | |
| Accounts payable checks issued | 5,260 | 5,426 | 5,307 | 5,236 |
| Juror checks issued | 3,021 | 2,677 | 3,974 | 3,898 |
| Treasurer's office | | | | |
| Payroll hard copy checks issued | 534 | 411 | 811 | 577 |
| Cash receipts issued | 4,088 | 4,334 | 4,354 | 4,334 |
| County clerk | | | | |
| Marriage licenses issued including informal marriage | 1,723 | 1,721 | 1,262 | 1,566 |
| Birth certificates issued | 5,048 | 5,090 | 4,695 | 4,285 |
| Death certificates issued | 1,018 | 1,052 | 1,033 | 842 |
| Beer, wine and liquor permits | 28 | 14 | 23 | 18 |
| Tax office | | | | |
| registration transactions | 55,000 | 49,192 | 27,980 | 20,007 |
| Elections administration | | | | |
| Number of registered voters | 62,208 | 60,000 | 57,567 | 53,249 |
| Judicial | | | | |
| District court | | | | |
| Civil cases filed | 1,828 | 1,864 | 1,805 | 1,640 |
| Civil cases disposed | 1,978 | 1,590 | 1,036 | 1,691 |
| Criminal cases filed | 1,054 | 897 | 768 | 609 |
| Criminal cases disposed | 1,288 | 1,003 | 828 | 708 |
| Juvenile cases filed | 24 | 25 | 28 | 29 |
| Juvenile cases disposed | 24 | 27 | 34 | 24 |
| County court | | | | |
| Civil cases filed | 837 | 458 | 581 | 569 |
| Civil cases disposed | 434 | 403 | 590 | 480 |
| Criminal cases filed | 2,602 | 2,035 | 2,009 | 1,939 |
| Criminal cases disposed | 2,410 | 2,048 | 1,117 | 1,708 |
| Justices of the peace | | | | |
| Civil cases filed | 1,089 | 1,316 | 882 | 868 |
| Civil cases disposed | 897 | 876 | 905 | 837 |
| Criminal cases filed | 7,239 | 5,801 | 4,791 | 5,903 |
| Criminal cases disposed | 5,200 | 5,514 | 6,519 | 6,157 |

Source: Various County Departments

Notes: Miles of roadway are estimated.

**TABLE 16**

| Fiscal Year | | | | | |
|---|---|---|---|---|---|
| 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
| 5,069 | 5,003 | 5,264 | 5,499 | 5,509 | 5,672 |
| 4,809 | 3,767 | 3,505 | 3,162 | 2,645 | 2,196 |
| 819 | 819 | 882 | 785 | 940 | 940 |
| 3,973 | 3,099 | 2,630 | 2,470 | not avail | not avail |
| 1,424 | 1,399 | 1,367 | 1,322 | 1,264 | 1,306 |
| 2,523 | 2,317 | 2,494 | 2,018 | 1,845 | 1,969 |
| 700 | 723 | 643 | 576 | 578 | 533 |
| 25 | 18 | 21 | 15 | 16 | 22 |
| 21,352 | 20,361 | 18,628 | 15,648 | 13,417 | 12,807 |
| 51,789 | 49,239 | 48,550 | 45,940 | 45,919 | 44,576 |
| 1,734 | 1,706 | 1,711 | 1,759 | 2012 | 2003 |
| 1,746 | 1,784 | 1,765 | 1,864 | 2068 | 1861 |
| 797 | 839 | 942 | 785 | 886 | 895 |
| 767 | 865 | 941 | 886 | 884 | 829 |
| 19 | 33 | 30 | 39 | 38 | 50 |
| 19 | 32 | 46 | 46 | 38 | 58 |
| 311 | 484 | 587 | 556 | 289 | 295 |
| 521 | 505 | 516 | 558 | 149 | - |
| 1,594 | 1,801 | 2,211 | 2,124 | 1,257 | 1,752 |
| 1,725 | 2,094 | 2,222 | 1,972 | 598 | - |
| 825 | 868 | 882 | 615 | 896 | 904 |
| 803 | 857 | 927 | 692 | 664 | 863 |
| 7,996 | 8,375 | 6,769 | 4,251 | 9,200 | 10,678 |
| 7,846 | 8,557 | 5,725 | 4,695 | 9,410 | 10,254 |

# ROCKWALL COUNTY, TEXAS

## OPERATING INDICATORS BY FUNCTION/PROGRAM

### LAST TEN FISCAL YEARS
*(Unaudited)*

| Function/Program | Fiscal Year 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|
| Public Safety | | | | |
| County jail | | | | |
| Detention officers | 61 | 61 | 61 | 61 |
| Total persons jailed | 4,247 | 4,079 | 4,159 | 4,347 |
| Average prisoner days | 27 | 24.1 | 19 | 19 |
| Cost per prisoner day | $ 88 | $ 92 | $ 95 | $ 104 |
| County sheriff | | | | |
| Administration deputies | 2 | 3 | 2 | 3 |
| Patrol deputies and sergeants | 23 | 19 | 19 | 20 |
| Detectives | 8 | 7 | 7 | 6 |
| Warrant deputies/Other than patrol | 4 | 4 | 4 | 4 |
| Arrests - RCSO | 820 | 827 | 859 | 989 |
| Warrants served- RCSO | 2,836 | 2,967 | 3,000 | 2,704 |
| Communications | | | | |
| Communications officers | 10 | 10 | 10 | 9 |
| 911 calls | 16,669 | 15,478 | 14,598 | 16,712 |
| Calls for service | 8,570 | 8,033 | 6,159 | 7,975 |
| RCSO vehicles | | | | |
| Vehicles in fleet | 45 | 43 | 40 | 42 |
| Miles driven | 619,698 | 555,141 | 535,595 | 627,581 |
| Average miles per vehicle | 13,771 | 12,911 | 13,390 | 14,942 |
| Gasoline used (gallons) | 49,934 | 43,838 | 45,297 | 46,774 |
| Health and welfare | | | | |
| Number of pauper burial/cremation | 8 | 5 | 1 | 5 |
| Indigent health care | | | | |
| Applications approved for assistance | 16 | 27 | 17 | 10 |
| Texas AgriLife Extension Service | | | | |
| Number of educational presentations | not avail | 932 | 1090 | 327 |
| Number of participants in educational presentations | not avail | 11,619 | 43,382 | 5,620 |
| Roads and highways | | | | |
| Miles of roadways chip sealed | 11.60 | 13.13 | 16.608 | 11.986 |
| Miles of roadways reconstructed | 1.000 | 1.724 | 2.786 | 2.873 |
| Miles of roadways overlayed | 5.600 | 9.513 | 5.941 | 1.581 |
| Number of culverts installed | 8 | 3 | 6 | 10 |

Source: Various County Departments

Notes: Miles of roadway are estimated.

TABLE 16

| Fiscal Year | | | | | |
|---|---|---|---|---|---|
| 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
| 61 | 61 | 61 | 56 | 52 | 52 |
| 5,020 | 4,691 | 5,964 | 4,079 | 4,368 | 4,439 |
| 21 | 23 | 19 | 19 | 19 | 21 |
| $ 87 | $ 86 | $ 88 | $ 70 | $ 66 | $ 71 |
| 3 | 3 | 3 | 3 | 3 | not avail |
| 20 | 20 | 20 | 20 | 20 | not avail |
| 4 | 4 | 4 | 4 | 4 | not avail |
| - | - | - | not avail | not avail | not avail |
| 954 | 831 | 969 | not avail | not avail | not avail |
| - | not avail | not avail | not avail | not avail | not avail |
| - | - | - | - | - | - |
| 14,381 | 16,484 | not avail | not avail | not avail | not avail |
| 7,103 | 9,974 | 9,641 | 9,749 | not avail | not avail |
| 38 | 40 | 40 | 39 | 39 | not avail |
| - | 800,000 | 800,000 | 780,000 | 780,000 | not avail |
| 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | not avail |
| 40,684 | 48,839 | 51,664 | 50,001 | 50,904 | not avail |
| 6 | 3 | 4 | 5 | 5 | 3 |
| 23 | 29 | 58 | 34 | 52 | 45 |
| 27 | 30 | 30 | 58 | 29 | 38 |
| 1,656 | 1,511 | 2,114 | 2,102 | 1,798 | 1,858 |
| 7 | 10 | 3 | 7 | 15 | 1.0 |
| 2.5 | 2.3 | 2.5 | 2.75 | 2 | 0.5 |
| 2,015 | 8,030 | 11,054 | 9,405 | 7,207 | 9,300 |
| not avail | not avail | not avail | not avail | not avail | not avail |

TABLE 17

# ROCKWALL COUNTY, TEXAS

## CAPITAL ASSETS AND INFRASTRUCTURE STATISTICS
## BY FUNCTION/PROGRAM

### LAST TEN FISCAL YEARS
*(Unaudited)*

| | Fiscal Year | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Function/Program | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
| General government | | | | | | | | | | |
| Courthouse | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 1 | 1 |
| Touchscreen voting machines | 110 | 110 | 67 | 67 | 67 | 67 | 67 | 67 | 50 | 50 |
| Security scan systems | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 1 | 1 |
| Public safety | | | | | | | | | | |
| Justice center | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Sheriff's vehicles | 45 | 45 | 43 | 46 | 49 | 46 | 51 | 49 | 44 | 46 |
| Emergency management | | | | | | | | | | |
| Mobile command center | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | - | - |
| Emergency operations center | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | - | - |
| Roads and highways | | | | | | | | | | |
| County maintenance facilities | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Miles of road | 101 | 101 | 100 | 100 | 97 | 97 | 103 | 107 | 103 | 103 |
| Bridges | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |

Sources:
County Auditor - Capital Asset Listing
Sheriff's Office
Road and Bridge Department

# COMPLIANCE SECTION

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

To the Honorable County Judge
and County Commissioners
Rockwall County, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Rockwall County, Texas, as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise Rockwall County, Texas' basic financial statements, and have issued our report thereon dated March 28, 2019.

## *Internal Control Over Financial Reporting*

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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.



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

***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether Rockwall County, Texas' 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.

Pattillo, Brown & Hill, L.L.P.

Waco, Texas
March 28, 2019