



# **GREGG COUNTY, TEXAS**

## **ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**FOR THE YEAR ENDED  
SEPTEMBER 30, 2021**

# **GREGG COUNTY, TEXAS**

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**FOR THE YEAR ENDED  
SEPTEMBER 30, 2021**

Prepared By:  
Gregg County Auditor's Office  
Laurie Woloszyn, County Auditor

**GREGG COUNTY, TEXAS**

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## **INTRODUCTORY SECTION**



June 28, 2022

The Honorable District Judges of Gregg County and  
The Honorable Members of the Gregg County Commissioners Court:

In compliance with the statutory duties of the County Auditor as prescribed by Section 114.025 of the Local Government Code of the State of Texas, the Financial Statements of Gregg County, Texas are 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. Pursuant to the requirement, we hereby issue the annual comprehensive financial report of Gregg County for the fiscal year ended September 30, 2021. The report is prepared by the Gregg County Auditor's Office.

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the County. To the best of our knowledge and belief, the data presented is accurate in all material respects and is reported in a manner that presents fairly the financial position and results of operations of Gregg County. All disclosures necessary to enable the reader to gain an understanding of the government's financial activities have been included.

Gregg County's financial statements have been audited by Henry & Peters, PC. The goal of the independent audit was to provide reasonable assurance that the financial statements of Gregg County for the year ended September 30, 2021 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and evaluating the overall financial statement presentation. The independent auditors concluded based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that Gregg County's financial statements are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

Generally accepted accounting principles require a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The Financial Statements are presented in three sections: introductory, financial and compliance. The introductory section includes this transmittal letter, the county's organizational chart and a list of officials. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. Gregg County's MD&A can be found in the financial section. The financial section also includes government-wide financial statements, fund financial statements, notes, required supplementary information and the combining and individual fund financial statements and schedules in addition to the report of the independent auditors.

## **PROFILE OF GREGG COUNTY**

Located in northeast Texas, Gregg County was inhabited by Caddo Tribes until the early 1800s and partly by Cherokee immigrants until 1839. Gregg County was settled by farmers from the southern United States after Texas achieved statehood in 1845 and land area is 273 square miles. The construction of the railroad in the 1870's established the early towns that were to form Gregg County. The estimated 2019 person per square mile was 445.



In 1873, State Representative B. W. Brown introduced a bill to create Gregg County from parts of Upshur and Rusk Counties. The county seat is Longview. The name for Gregg County commemorated a leader named John Gregg who was killed in action as a Confederate General.

Cotton was the early foundation of the economy, occupying about half of the County's cultivated acreage, and the use of the uncultivated acreage was timber for sawmills. Late in the 1930's, Gregg County was rescued from the Great Depression by the largest pool of petroleum ever discovered in the United States. The new wealth resulted in a multitude of civic improvements being initiated before drilling slacked off.

Beginning in 1964, the construction of Interstate Highway 20 confirmed Gregg County's fortunate location on a natural east-west transportation artery. The economy that was based almost entirely on oil production and manufacturing has successfully diversified to sustain slow growth.

The County is a political subdivision of the State of Texas. The general governing body of the County is the elected five-member Commissioners' Court in accordance with Article 5, Paragraph 18 of the Texas Constitution. Commissioners serve four-year staggered terms, two members elected every two years. The County Judge is elected at large to serve a four-year term.

The annual budget serves as the foundation of Gregg County's financial planning and control. All departments of the County are required to submit budget requests to the budget officer during May of each year. The budget officer uses these requests as the starting point for developing a proposed budget along with revenue estimates provided by the County Auditor. The proposed budget is then presented to the Commissioners Court for review. The Commissioners Court is required to hold public hearings of the proposed budget. The County is required to adopt a final budget by the first day of the new fiscal year. The appropriated budget is prepared by fund, department and function. All transfers of appropriations other than interdepartmental operating category transfers require Commissioners Court approval.

The Commissioners' Court also sets the tax rates, establishes policies for County operations, and approves contracts for the County. The Commissioners' Court is responsible for approving financial commitments and appointment of various department heads. The management and leadership provided by members of the Commissioners' Court and the elected and appointed officials of other key County offices is crucial to the success of the County in financial management and growth.

The County Auditor has the responsibilities for prescribing the systems and procedures for handling the finances of the County and "examining, auditing and approving" all disbursements from County funds prior to their submission to the Commissioners' Court for approval.

The County provides many services not ordinarily provided by any other entity of government and provides additional services in cooperation with other local governmental units. A primary service is the administration of justice, which includes the civil and criminal county and district courts, justices of the peace, constables, district attorney, investigators, clerks of the courts, sheriff, jail, security and emergency management. Other functions performed by the County include 1) the construction and maintenance of roads and bridges, either independently or in cooperation with other entities; 2) administration of public health services; 3) assistance to indigents; 4) the provision of juvenile, health, education and welfare services involving the care and correction of dependent or delinquent children; 5) property tax collections for multiple agencies; 6) administration of elections; and 7) depository of public records. The County also operates an airport for the benefit of its citizens.

## **FINANCIAL INFORMATION**

Management of the County is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the government are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed

to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

**Single Audit** As a recipient of federal and state financial assistance, the County is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management and the internal audit staff of the County.

The County is also required to undergo an annual single audit in conformity with Title 2 of U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Information related to this single audit, including a schedule of expenditures of federal and state awards, findings and questioned costs, and independent auditor's reports on the internal control structure and compliance with applicable laws and regulations, is included in the compliance section of this report.

As a part of the County's single audit, described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the government has complied with applicable laws and regulations. The results of the County's single audit for the fiscal year ended September 30, 2021 resulted in a material weakness in the internal control structure over financial reporting. No material weaknesses in internal controls over compliance nor significant violations of applicable laws and regulations were reported.

### **Factors Affecting Financial Condition**

**Local Economy** The County has diversified its economy from oil and gas and now includes manufacturing, medical and retail facilities. This diversification has lessened the effects of the recent economic downturn. Over the past decade, mineral values associated with the oil and gas industry have declined significantly and had an adverse effect on the county's tax base. The rise in property values over this time period, the addition of national retail stores within the county and expansions of existing companies have helped stabilize the overall tax base by substantially offsetting the mineral value decreases. Tax base valuations for the FY21 budget increased from \$9.27 billion to \$9.33 billion.

The 2021 population estimate is 124,201. Median household income, 2016-2020 is \$52,027. Housing units for 2021 were 53,512 compared with 52,103 in 2020. The 2020 median age of the population is 36.1 up from 35.6 years the prior year and the Veteran population is 6.8%. Homeownership rate, 2016-2020 is 59.2%, slightly higher than 59.1% the prior year. The median value of owner-occupied housing units for the same time period is \$144,300 compared to \$136,700 the prior year. The impact of the Covid-19 pandemic had an unprecedented impact on the County's unemployment rate during 2020. Due to the continuing recovery, the December 2021 Statewide unemployment rate was 4.8%, well below the 7.2% statewide rate at the same time a year earlier. The December 2021 County unemployment rate was 4.8%, well below the 8.0% rate at the end of 2020 and a decrease from a 12.2% high in April 2020 at the beginning of the pandemic.

**Budgetary Controls** The annual budget serves as the foundation for the County's planning and control. Budget hearings are posted annually in August with the final budget and setting of the tax rate approved by the Commissioners' Court following the hearings. Activities of the general fund, certain special revenue funds and debt service funds, if any, are included in the annual budget. Project length financial plans are adopted for capital projects funds. The budget is adopted at the categorical level for operating expenditures. In addition, the budget is approved at the position level to maintain control of salaries at the position level instead of the department level. The County maintains an encumbrance accounting system as one method of accomplishing budgetary control. Encumbered amounts lapse at year-end and are not appropriated as part of the following year's budget. Budget to actual comparisons are provided in this report for each major and nonmajor governmental fund for which a budget was legally adopted.

As demonstrated by the statements and schedules included in the financial section of this report, the County continues to meet its responsibility for sound financial management.

**Long-term Financial Planning** Gregg County has adopted several financial management policies to provide guidelines to insure its long-term financial health. The Fund Balance policy sets a minimum level for reserves at 25% of the General Fund budget for operating expenditures. Currently, the County is one of the few Texas counties that are not encumbered with major debt obligations. The County adhered to its goals of early retirement of all of its callable bonds in the past and plans to continue this policy if any future debt service is required, which is not foreseen in the near future with the exception of discussion of a shared cash/debt for the costs of construction of a parking garage with possible office space in the year. Otherwise, the County will attempt to pay all capital improvement project costs on a cash basis. To further strengthen our long-term financial planning, Gregg County annually updates and adopts its formal Capital Improvements Plan.

#### OTHER INFORMATION

**Independent Audit** The audit was designed to meet the requirements of Title 2 of U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). The auditor's report on the general-purpose financial statements is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the compliance section.

**Awards and Acknowledgments** The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in financial Reporting to Gregg County for its annual comprehensive financial report (ACFR) for the fiscal year ended September 30, 2020. This was the ninth year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, the county must publish an easily readable and efficiently organized ACFR. This report satisfied both GAAP and applicable legal requirements.

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

Gregg County continues to demonstrate a high level of transparency. The County strives to meet a high standard for financial transparency online by opening their books to the public; providing a clear, consistent picture of spending; and sharing information in a user-friendly format.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the County Auditor's office and the audit team of Henry & Peters, PC. I would like to express my appreciation to all the officials and members of county offices who assisted in and contributed to the preparation of this annual report. In addition, I express my sincere appreciation and thank the District Judges, the County Judge and Commissioners Court members for their interest, responsiveness and continued support of this office in planning and conducting the financial operations and management of Gregg County in a responsible manner.

Respectfully submitted,



Laurie Woloszyn  
Gregg County Auditor



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Gregg County  
Texas**

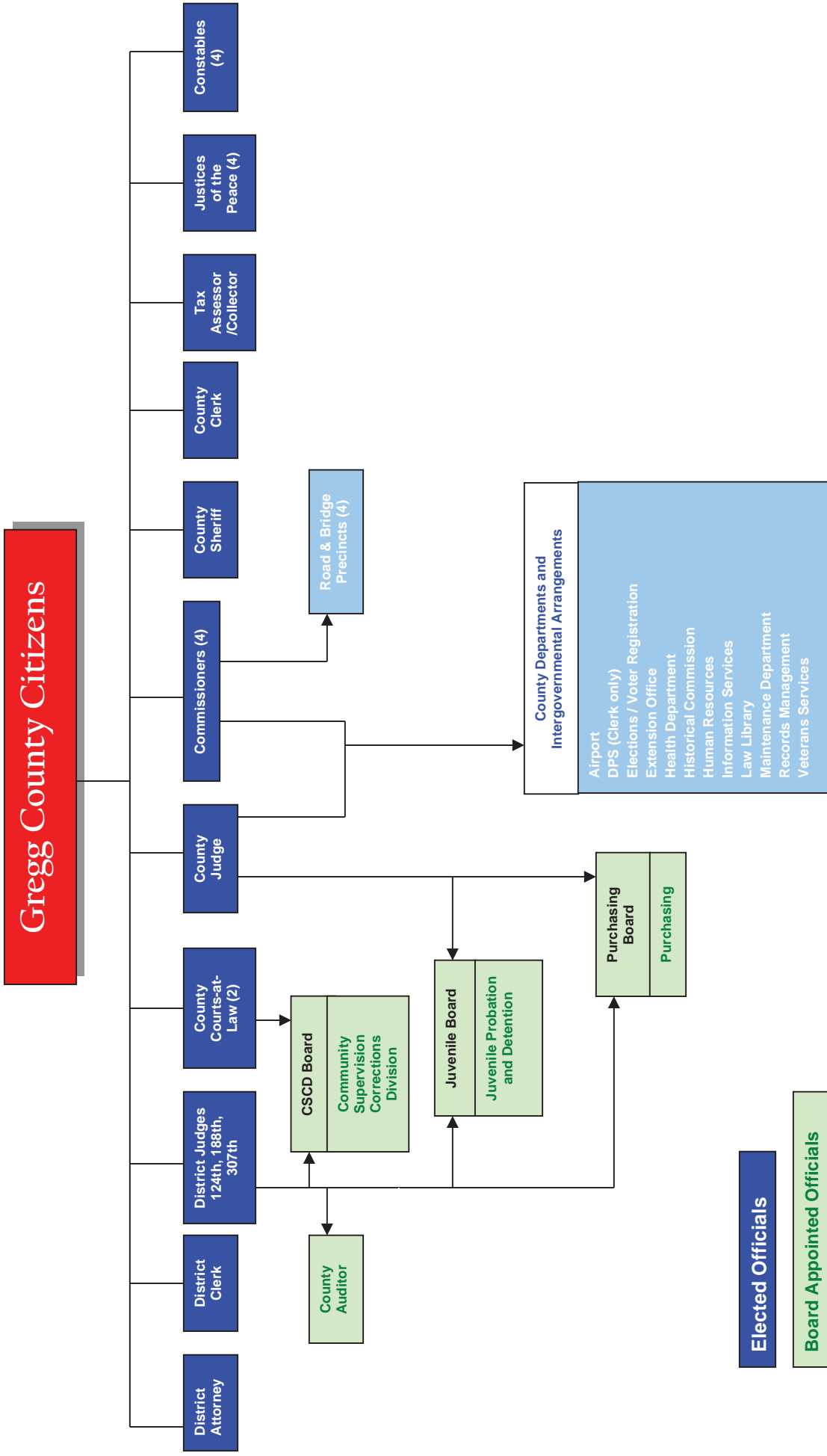
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

September 30, 2020

*Christopher P. Morrill*

Executive Director/CEO

# Gregg County Organization Chart as of September 30, 2021



**Elected Officials**

**Board Appointed Officials**

**Comm. Court Oversight**

Direction of Authority →



**Gregg County, Texas  
Directory of Officials  
September 30, 2021**

**Elected:**

**Bill Stoudt  
Ronnie McKinney  
Darryl Primo  
Floyd Wingo  
Shannon Brown  
Tom Watson  
Trey Hattaway  
Michelle Gilley  
Kirk Shields  
Maxey Cerliano  
Mike Grisham  
Billy Fort  
John Slagle  
Daryl Lynn Gregg**

**County Judge  
Commissioner, Precinct 1  
Commissioner, Precinct 2  
Commissioner, Precinct 3  
Commissioner, Precinct 4  
District Attorney  
District Clerk  
County Clerk  
Tax Assessor Collector  
Sheriff  
Constable, Precinct #1  
Constable, Precinct #2  
Constable, Precinct #3  
Constable, Precinct #4**

**Judicial**

**Scott Novy  
Alfonso Charles  
Tim Womack  
Kent Phillips  
Vincent Dulweber  
B. H. Jameson  
Tim Bryan  
Talyna Carlson  
Robby Cox**

**Judge, 188<sup>th</sup> District Court  
Judge, 124<sup>th</sup> District Court  
Judge, 307<sup>th</sup> District Court  
Judge, County Court At Law #1  
Judge, County Court At Law #2  
Justice of the Peace, Precinct #1  
Justice of the Peace, Precinct #2  
Justice of the Peace, Precinct #3  
Justice of the Peace, Precinct #4**

**Appointed:**

**Laurie Woloszyn  
Gary Davis  
Bing Canion  
Kelli Davis**

**County Auditor  
Community Supervision Director  
Juvenile Probation Director  
Purchasing Director**

**Other County Officials**

**Kevin Marshall  
Mandy Patrick  
Linda Bailey  
Kathryn Nealy  
Roy Miller  
Lewis Browne  
Mike Heidger  
Derold Miller**

**Veterans Service Officer  
County Extension Agent  
Budget Director  
Elections Administrator  
Airport Manager  
Administrator/Health Authority  
Human Resources Director  
Information Services Director**

## **FINANCIAL SECTION**

## INDEPENDENT AUDITOR'S REPORT

The Honorable County Judge  
and Members of the Commissioners Court  
Gregg County  
Longview, Texas

### Report on the Financial Statements

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

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

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

#### *Auditor's Responsibility*

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

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

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

#### *Opinions*

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

#### TYLER OFFICE

P: 903 597-6311  
3310 S Broadway Ste. 100  
Tyler, Texas 75701

#### LONGVIEW OFFICE

P: 903 758-0648  
2101 Judson Road  
Longview, Texas 75605

#### FRISCO OFFICE

P: 469 956-5400  
8000 Warren Pkwy, #103  
Frisco, Texas 75034



## ***Other Matters***

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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on 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 the County's basic financial statements. The introductory section, combining and individual fund financial statements and schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and is also not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules and the schedule of expenditures of federal awards 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 fund financial statements and schedules and the schedule of expenditures of federal awards 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 June 28, 2022, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 the County's internal control over financial reporting and compliance.

Henry & Peters, PC

Longview, Texas  
June 28, 2022

**MANAGEMENT'S  
DISCUSSION AND ANALYSIS**

## MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Gregg County (the "County"), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended September 30, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the notes to financial statements and our letter of transmittal, which can be found on pages i-iv of this report.

The Gregg County Child Welfare component unit is not included in this discussion and analysis due to the immaterial nature of the program in relation to the County's finances.

### FINANCIAL HIGHLIGHTS

The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2021 by \$131,413,166 (*net position*). Of this amount, \$59,464,100 (*unrestricted net position*) may be used to meet the County's ongoing obligations to citizens and creditors.

- The County's total net position increased by \$2,209,821, including restatement for GASB 84 (note 1) and prior period adjustment (Note 2).
- The County's total assets and deferred outflows increased by \$15,245,866 and total liabilities and deferred inflows of resources increased by \$13,036,045 during the current fiscal year.
- As of September 30, 2021, the County's governmental funds reported combined ending fund balances of \$74,391,067, an increase of \$6,967,879 or 10% in comparison with the prior year (as restated). \$38,974,682 (52%) is *available for spending* at the County's discretion (*unassigned fund balance*). \$17,803,238 (24%) is fund balance assigned for capital projects, transportation and road improvements, public safety, drug court operations and other projects.
- At the end of fiscal year 2021, total unassigned fund balance for the General Fund was \$38,974,682 or 93% of total General Fund expenditures, compared to \$40,021,182 (restated) or 97% in 2020 and \$41,665,065 or 106% in 2019.
- Total revenue for governmental activities increased 14%.
- Total expenses for the County increased by \$1,543,588 or 2.69%. The program to have the largest increase in expenses was public safety at \$908,933 or 4.28%.

### 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 financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

The *statement of activities* presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for

some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the 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-type activities*). The governmental activities of the County include general government, public safety, judicial, health and human services, public buildings and transportation and roads. The County does not report any business-type activities.

The government-wide financial statements can be found on pages 14 – 16 of this report.

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

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

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

The County maintains 19 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Road and Bridge, Capital Improvement, Airport Capital Improvement, and the American Rescue Plan Funds all of which are considered to be major funds. Data from the other 14 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The basic governmental fund financial statements can be found on pages 17 – 22 of this report.

**Proprietary Funds:** Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for self-funding for medical and dental insurance and print shop activities. Because both of these services exclusively benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

The basic proprietary fund financial statements can be found on pages 23 – 25 of this report.

**Fiduciary Funds:** Fiduciary funds are used to account for resources held for the benefit of parties outside the County. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the County's own programs.

The basic fiduciary fund financial statements can be found on pages 26 and 27 of this report.

**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. The notes to the financial statements can be found on pages 28 – 50 of this report.

**Other Information:** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the County’s progress in funding its obligation to provide pension benefits to its employees. Additionally, the County adopts an annual appropriated budget for its General Fund, Road and Bridge Fund, Capital Improvement Fund, Airport Improvement Fund, and the American Rescue Plan Fund. Budgetary comparison schedules have been provided for these major funds to demonstrate compliance with these budgets. Required supplementary information can be found on pages 51 – 75 of this report.

The combining and individual statements and schedules referred to earlier are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 76 – 97 of this report.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. In the case of the County, assets exceeded liabilities by \$131,413,166 at the close of the most recent fiscal year.

The County’s investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding, is 44% of net position, compared to 48% in the last fiscal year. The County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the County’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County’s net position (\$13,799,390) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position*, \$59,464,100 (44%) may be used to meet the County’s ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the County is able to report positive balances in all three categories of net position.

**Gregg County's Net Position**

	Governmental Activities	
	2021	2020
Current and other assets	\$ 91,140,486	\$ 78,873,791
Capital assets	58,149,955	61,790,112
Total assets	149,290,441	140,663,903
Deferred outflows of resources	9,521,943	2,902,615
Long-term liabilities	8,964,702	5,440,649
Other liabilities	11,601,775	4,042,163
Total liabilities	20,566,477	9,482,812
Deferred inflows of resources	6,832,741	4,880,361
Net position:		
Net investment in capital assets	58,149,676	61,788,768
Restricted	13,799,390	10,860,836
Unrestricted	59,464,100	56,553,741
Total net position	\$ 131,413,166	\$ 129,203,345

**Governmental Activities:** Governmental activities increased the County's net position by \$2,209,821 (after restatement and prior period adjustment) for a 2% increase of the total net position of the County compared to a decrease of 0.6% last fiscal year.

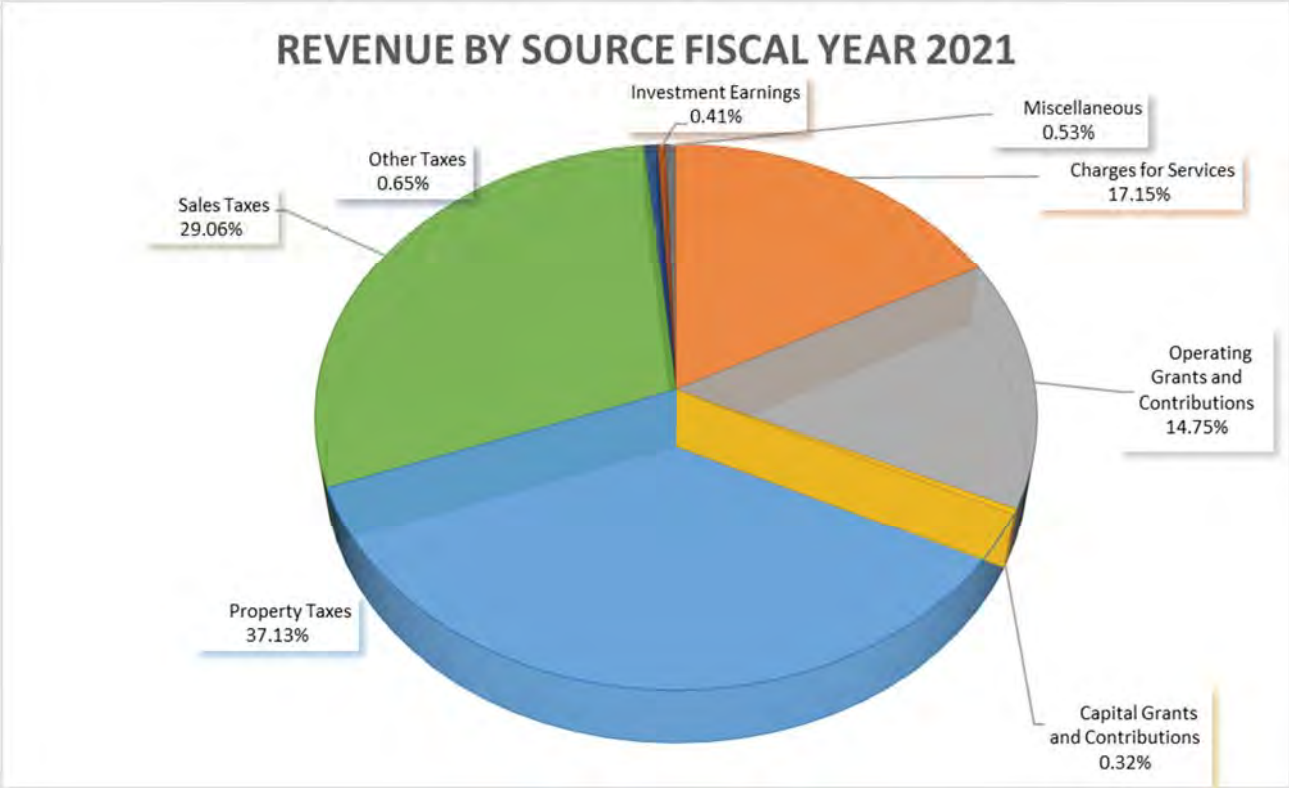
**Gregg County's Changes in Net Position**

	Governmental Activities	
	2021	2020
Revenues:		
Program revenues:		
Charges for services	\$ 11,037,484	\$ 9,770,591
Operating grants and contributions	9,148,958	2,620,919
Capital grants and contributions	554,472	1,639,363
General revenues:		
Property taxes	23,901,293	23,486,627
Sales taxes	18,705,939	17,267,702
Other taxes	416,399	353,646
Investment earnings	261,203	1,283,662
Miscellaneous	343,423	207,183
Total revenues	<u>64,369,171</u>	<u>56,629,693</u>
Expenses:		
General government	14,832,112	14,395,419
Judicial	8,190,162	8,725,085
Public safety	22,130,067	21,221,134
Health and human services	3,460,025	3,086,783
Public buildings	3,906,247	3,756,749
Transportation and roads	6,464,096	6,253,874
Interest on long-term debt	73	150
Total expenses	<u>58,982,782</u>	<u>57,439,194</u>
Change in net position	5,386,389	(809,501)
Net position, beginning - restated (GASB 84)	129,413,658	130,012,846
Prior period adjustment (Note 2)	(3,386,881)	-
Net position, ending	<u>\$ 131,413,166</u>	<u>\$ 129,203,345</u>

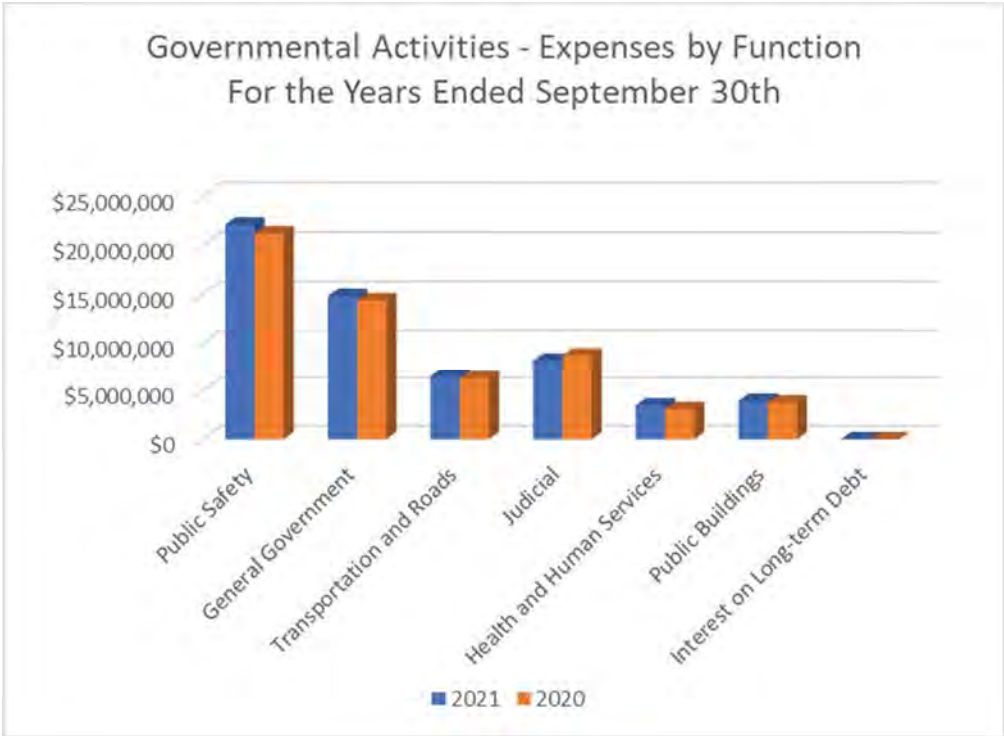
The net cost of County services decreased \$5,166,453 or 12% compared to a 2% decrease in fiscal year 2020.

**Net Cost of Governmental Activities for Gregg County  
By Function for the Fiscal Years Ended September 30**

Function/Program	Net Cost of Services	
	2021	2020
General Government	\$ (10,358,014)	\$ (9,084,514)
Judicial	(6,162,487)	(6,641,818)
Public Safety	(18,986,655)	(19,545,065)
Health and Human Services	3,306,943	(1,967,497)
Public Buildings	(2,078,046)	(2,120,725)
Transportation and Roads	(3,963,536)	(4,048,552)
Interest on long-term debt	(73)	(150)
<b>Total</b>	<u><b>\$ (38,241,868)</b></u>	<u><b>\$ (43,408,321)</b></u>



Comparison of government-wide expenses by function. Total expenses increased by \$1,543,588 or 2.69%.



Key elements of the analysis of government-wide revenues and expenses reflect the following:

- Program revenues for governmental activities of \$20,740,914 equaled 35% of total

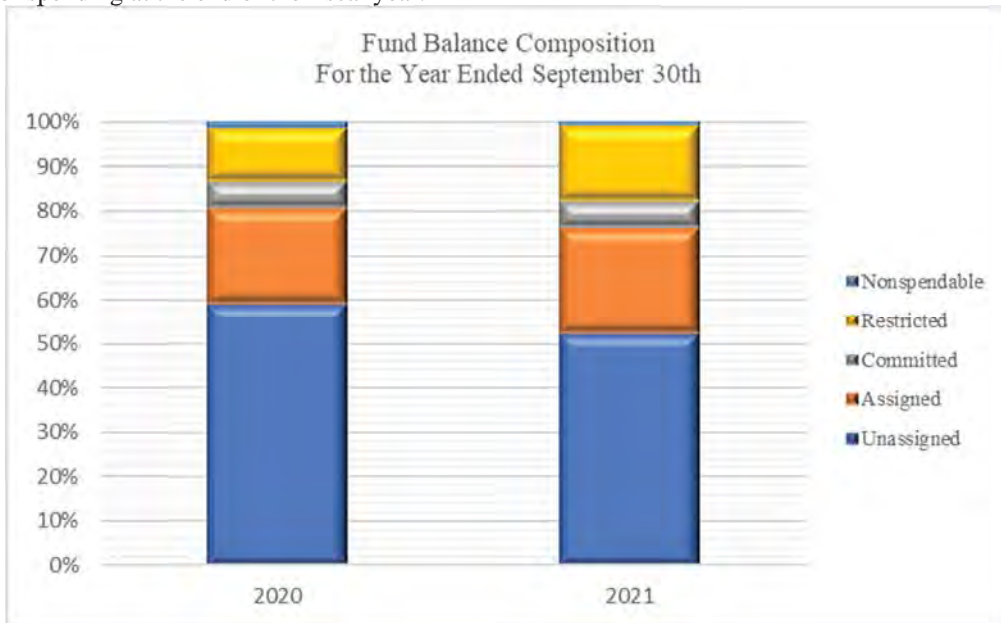
governmental activities expenses of \$58,982,782. As expected, general revenues of \$43,628,257 provided the additional support and coverage for expenses. Program revenues consist of charges for services, operating and capital grants. General revenues consist mainly of sales and property tax which are not attributable to a specific program.

- Over 38% of the expenses are for public safety (\$22,130,067) reflecting the continuing demands on law enforcement. This program provided 15% (\$3,143,412) of the total governmental activities revenues and 5% of the total of all revenues for the year.
- The next largest category of expenses for governmental activities is general government which equals \$14,832,112 or 25% of total expenses. General government provided 22% or \$4,474,098 of the government activity revenue and 7% of the total of all revenues for the year.
- Judicial expenses for the County for the year accounted for 14% or \$8,190,162 of the expenses while this category provided for 10% or \$2,027,675 of the governmental activities revenue and 3% of the total of all revenues for the year.
- Transportation and Roads accounted for \$6,464,096 or 11% of the governmental activities expenses while this category provided for 12% or \$2,500,560 of government activities revenue and 4% of the total of all revenues.
- Capital Grant Revenues and Contributions comprised 2.7% of the general government activity revenue and 1% of the total government activities revenue, 100% of which was in the general government program. Operating grants and contributions accounts for 15% of total governmental revenue distributed throughout most programs above.

**FINANCIAL ANALYSIS OF THE COUNTY’S FUNDS**

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

*Governmental Funds:* The focus of the County’s *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the County’s financing requirements. In particular, *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.





At the end of fiscal year 2021, the County's *governmental funds* reported combined ending fund balances of \$74,391,069, an increase of \$6,967,879 (10%) in comparison with the prior year (as restated). Unassigned fund balance accounts for 52% or \$38,974,682 of the total. An additional \$17,803,240 (24%) is assigned fund balance and is constituted mostly of CIP funds. Committed fund balance total is \$4,400,558 or 6% of total fund balance and would require a Commissioners' Court order to use for any other purpose. \$12,531,158 or 17% of the total ending fund balance is reported as restricted fund balance. The remainder of fund balance is nonspendable to indicate it is not available for new spending because it has already been used to purchase inventories (\$666,576) and prepaids (\$14,855).

### **General Fund**

The General Fund is the chief operating fund of the County. At the end of fiscal year 2021, the General Fund had an ending fund balance of \$40,646,416 with 2% restricted for certain purposes.

As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance of \$38,974,682 represents 93% of total General Fund expenditures.

As a result of implementing GASB 84, the General Fund was restated as of September 30, 2020 in the amount of \$210,314. The General Fund balance decreased by \$829,760 (2%) during the 2021 fiscal year as detailed below.

### **General Fund Highlights:**

- Property tax revenue increased \$206,596, mainly due to the new property added to the tax roll.
- Sales tax revenues increased 10% or \$1,589,298 compared to FY20 collections. Last year the sales tax decrease from the prior year was 7% or \$1,172,921.
- Actual total expenditures of \$41,911,256 were \$4,584,756, or 10% under final budget appropriations and are \$534,571 or 1% higher than FY20 expenditures.
- Actual total revenues of \$47,290,455 were 8% or \$3,624,141 above the estimated revenues in the FY21 General Fund revenue.
- Total General Fund revenues increased by \$2,718,082, a 6% increase from FY20. This was due to the partial sales tax economic recovery from the pandemic and increase leased jail space for out of county inmates.
- Total other financing uses totaled \$6,483,599 due to transfers primarily to fund capital projects now and planned for the future. Other financing sources were \$274,640, 68% for insurance recoveries.
- Differences between the original budget and the final amended budget can be briefly summarized as follows:
  - A decrease of \$553,416 or 1.25% in budgeted revenues.
  - An increase of \$1,501,305, 3.34% in budgeted expenditures.

### **Road and Bridge Fund Highlights:**

- The Road and Bridge Fund had an ending fund balance of \$2,220,594, a decrease of \$549,480. Of the ending fund balance, \$639,671 or 28.81% is nonspendable for inventories and \$10,157 or .46% is assigned for other projects. The remaining balance of \$1,570,766 or 70.74% is restricted for use on road and bridge projects.

- Road and Bridge FY21 revenue increased 5% or \$210,052 from the prior year. The increase can be attributed mostly to the increase in fine revenue and an Interlocal Agreement with Kilgore College for work where costs are reimbursed. Road and Bridge projects over \$100,000 are accounted for in capital account 420.
- Total FY21 Road and Bridge operating expenditures increased slightly, \$159,544 or 3.5% from FY20.
- Other financing sources totaled \$167,422 and include transfers in from the Capital Fund for road maintenance that did not meet the capitalization threshold or from the General Fund for non-road and bridge projects and the sale of capital assets for \$7,422. Other financing uses totaled \$288,165 and include transfers out to purchase capital equipment.
- Road projects when the costs are over \$100,000 are capitalized and accounted for in the Road and Bridge Capital Projects Fund instead of the Road and Bridge Fund. Both funds should be reviewed for the proper analysis of all road and bridge expenditures.
- The difference between the original revenue budget and final budget was \$596,481 or 15%. Final expenditures budgeted for Road and Bridge were \$4,843,517, which was an increase of \$355,909, an 8% increase over the original budget. Precinct 1 and Precinct 4 reported budget overages due to a non-cash adjustment to the value of donated Reclaimed Asphalt Pavement (RAP). Texas Department of Transportation provided information on the valuation of donated RAP, which the County used to adjust their inventory of RAP. The inventory adjustment was required for inventory accounting in accordance with GAAP, which is the basis the County uses for budget reporting. However, there was not an overage on the available resources method (i.e. cash method) therefore the budget amendment was inadvertently overlooked.

**Capital Improvement Fund Highlights:**

The County adopts a five-year Capital Improvement Plan (CIP) annually designating funds for major facility and infrastructure improvements. Only individual projects adopted by the Commissioners Court as part of each budget are considered “approved” projects. Unexpended fund balance rolls forward to the next budget year on contracted projects only. During each subsequent year estimates are used for planning purposes and are reevaluated for approval during each annual budget process. The Court identifies capital projects, updates the five-year plan and sets aside available funds with the desire to minimize future debt impact. The CIP develops a clearer path for future capital improvements.

- During FY21 Road and Bridge infrastructure upgrades totaled to \$716,183.
- Capitalized road and bridge projects completed this year include the following:
  - Airline Road
  - Mt Pisgah
- There were no Capital Road Projects in Progress at year end.

**Airport Capital Improvement Fund Highlights:**

- During FY21 Airport Capital Improvements completed, both in infrastructure and capital other than buildings totaled \$2,161,799.
- Major infrastructure project completions for the year include the following:
  - Construct Apron SW GA Area Phase 2
  - Taxiway November Bypass
  - Perimeter Road Phases 2 & 3

- Construction in Progress at year end were:
  - Runway 13/31 Design Rehab

**American Rescue Plan Fund Highlights:**

As of June, 2021, the County added a major fund due to the size of the American Rescue Plan Act Grant. This is a grant and was received by the County due to the COVID 19 pandemic. The total allotment paid over two years is expected at \$24,074,863.

Though the end of FY21 eligible uses designated by the Court for assistance are as follows:

- Emergency Communications Infrastructure
- Hazard Pay for Law Enforcement
- Water and Sewer Infrastructure
- Assistance to Local Hospitals for Retention of Critical Staff
- Lost Revenue

**CAPITAL ASSET AND DEBT ADMINISTRATION**

The County adopted its Capital Asset Policy in 2003. Depreciation policies were adopted to include useful life and classification by function. In fiscal year 2017 the Court approved the increase in the infrastructure threshold from \$25,000 to \$100,000. Standard capitalization thresholds are established for each major class of asset and are as follows:

Building/improvements	\$ 25,000
Improvements other than building	25,000
Infrastructure	100,000
Machinery, equipment and other assets	5,000
Construction in progress	25,000

**Capital Assets:** As of September 30, 2021, the County’s investment in capital assets amounts to \$58,149,952 (net of accumulated depreciation). This investment in capital assets includes land, buildings, building improvements, machinery and equipment, construction in progress and airport infrastructure.

	Governmental Activities	
	2021	2020
Land	\$ 2,679,181	\$ 2,670,667
Construction in progress	1,308,055	4,366,818
Buildings and improvements	23,529,643	23,477,976
Machinery and equipment	4,925,724	4,753,682
Infrastructure	25,707,352	26,520,969
Total	\$ 58,149,955	\$ 61,790,112

**Capital Improvements and Asset Acquisitions**

- During FY21 capital equipment expenditures total \$1,385,303.
- Major capital assets acquired during fiscal year 2021 include the following:
  - Various vehicle, trucks and van replacements for law enforcement and other departments
  - Numerous vehicle and body cameras,
  - Document Management System
  - Volvo Wheeled Excavator and John Deere Boom Ax for road and bridge work.
- During FY21 capital improvements and renovations completed totaled \$2,091,714.

- Major capital improvements during fiscal year 2021 include the following:
  - Modernization of Elevator 5 & 6
  - North Jail Roof & Rear Wall Project
  - Elderville Community Building Renovation
  - Juvenile Building Renovation
  - North Jail Fire Alarm System
- Expended in FY21 for Construction in Progress was \$761,198 and include:
  - Parking Garage Preliminary Project
  - County Court Renovations

Additional information on the County’s capital assets can be found in Note 5 on page 41 of this report.

**Long-term Debt:** The County has no bonded indebtedness at this time. Long-term liabilities at the end of the fiscal year total \$8,964,703, which is for an accrual for compensated absences of \$1,278,621 (14.26%), capital lease payables of \$279 (.003%) and a net pension liability of \$7,685,803 (85.73%).

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

The annual budget is developed to provide efficient and economic uses of the County's resources, as well as a means to accomplish the highest priority objectives. Through the budget, the County Judge and the Commissioners set the direction of the County, allocate its resources and establish its priorities.

In considering the County budget for fiscal year 2022, the Court considered and/or approved the following:

- A slight increase in the tax base valuation was realized from \$9.32 billion in the prior year to \$9.49 billion. As of December 2021, the preliminary county unemployment rate was 8.0%.
- The recent economic impact of the pandemic is expected to level out and sales tax revenue is expected to return to normal and the economy recovery to follow.
- There is no plan to issue debt in the fiscal year 2022 budget year although discussions continue on options for the financing of the potential parking garage structure. The County's debt position continues to remain favorable.
- The tax rate approved to fund the FY22 budget was .2975 per \$100 valuation. The increased rate is the first rate increase since 2012. The new rate along with excess reserves will adequately fund the FY22 budget.
- Budgeted revenue adopted County-wide for FY22 is \$55,396,241 and the budgeted expenditures are \$62,703,810. Total ending fund balance for all funds is estimated at \$54,150,048.
- Reserves continue to fund capital projects on the “pay-as-you-go” basis which the Commissioners Court encourages. Additionally, other financing sources are budgeted at \$8,677,400 and other financing uses are budgeted at \$9,013,900. These sources and uses consist mainly of transfers into or out of funds for large capital projects.
- Major new capital acquisitions and capital infrastructure improvements budgeted for FY22 include Road and Bridge upgrades totaling \$1,150,024, \$850,000 for continuation of a Parking Facility Design Project, various technology upgrades (\$199,794), heavy equipment for the Road departments (\$1,078,217) and sheriff and precinct vehicles (\$360,634).
- The FY22 budget includes \$1,000,000 discretionary funding to be banked for a large future project on Runway 13/31 overlay and Taxiway Charlie project estimated at \$21 million. The Airport Capital projects are funded usually at 90% reimbursement from the Federal Aviation Administration.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the County's finances and show the County's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Laurie Woloszyn, Auditor's Office, 101 E. Methvin, Ste. 306, Longview, TX 75601 or visit the County's website at [www.co.gregg.tx.us](http://www.co.gregg.tx.us).

**BASIC  
FINANCIAL STATEMENTS**

**GREGG COUNTY, TEXAS**  
**STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2021**

	Primary Governmental Activities	Component Unit Child Welfare
<b>ASSETS</b>		
Cash and cash equivalents	\$ 30,825,155	\$ 124,801
Investments	49,359,204	-
Receivables (net of allowances for uncollectibles):		
Taxes	584,701	-
Accounts	4,189,003	-
Interest	69,143	-
Due from other governments	5,442,883	-
Inventory	655,542	-
Prepays	14,855	-
Capital assets (net of accumulated depreciation):		
Land	2,679,181	-
Buildings and improvements	59,596,374	-
Equipment	23,647,418	-
Infrastructure	101,404,511	-
Construction in progress	1,308,055	-
Less: accumulated depreciation	<u>(130,485,584)</u>	<u>-</u>
Total capital assets	58,149,955	-
Total assets	<u>149,290,441</u>	<u>124,801</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred outflows related to pensions	9,521,943	-
Total deferred outflows of resources	<u>9,521,943</u>	<u>-</u>
<b>LIABILITIES</b>		
Accounts payable	2,181,139	2,453
Due to other governments	278,279	-
Accrued liabilities	2,167,096	-
Deferred revenue	6,975,260	-
Noncurrent liabilities:		
Due within one year	1,055,984	-
Due in more than one year	7,908,719	-
Total liabilities	<u>20,566,477</u>	<u>2,453</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflows related to pensions	6,832,741	-
Total deferred inflows of resources	<u>6,832,741</u>	<u>-</u>
<b>NET POSITION</b>		
Net investment in capital assets	58,149,676	-
Restricted for:		
Archive restoration	456,212	-
Transportation and roads	2,815,514	-
Public safety operations	1,427,911	-
Bail bond board	53,244	-
Judicial operations	228,797	-
Airport operations	343,467	-
Court technology and security	686,717	-
Records management and preservation	1,137,739	-
Voting and elections	136,985	-
Health and human services operations	68,856	-
Vehicle inventory tax administration	16,816	-
Permanent improvements	2,861,054	-
American Rescue Plan	3,566,078	-
Unrestricted	59,464,100	122,348
Total net position	<u>\$ 131,413,166</u>	<u>\$ 122,348</u>

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

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

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 14,832,112	\$ 3,168,662	\$ 1,098,814	\$ 206,622
Judicial	8,190,162	1,570,155	457,520	-
Public safety	22,130,067	2,189,043	954,369	-
Health and human services	3,460,025	41,138	6,377,980	347,850
Public buildings	3,906,247	1,828,201	-	-
Transportation and roads	6,464,096	2,240,285	260,275	-
Interest on long-term debt	73	-	-	-
Total governmental activities	<u>58,982,782</u>	<u>11,037,484</u>	<u>9,148,958</u>	<u>554,472</u>
Total primary government	<u>58,982,782</u>	<u>11,037,484</u>	<u>9,148,958</u>	<u>554,472</u>
Component unit:				
Child Welfare Board	<u>60,250</u>	<u>13,199</u>	<u>-</u>	<u>-</u>
Total component unit	<u>\$ 60,250</u>	<u>\$ 13,199</u>	<u>\$ -</u>	<u>\$ -</u>
General revenues:				
Taxes:				
Property				
Sales				
Alcoholic beverage				
Other				
Unrestricted investment earnings				
Miscellaneous				
Total general revenues				
Change in net position				
Net position, beginning - restated (Note 1 re: GASB 84)				
Prior period adjustment (Note 2)				
Net position, ending				



Net (Expense) Revenue  
and Changes  
in Net Position

Primary Government Governmental Activities	Component Unit Child Welfare
\$ (10,358,014)	\$ -
(6,162,487)	-
(18,986,655)	-
3,306,943	-
(2,078,046)	-
(3,963,536)	-
(73)	-
(38,241,868)	-
(38,241,868)	-
	(47,051)
	(47,051)
23,901,293	-
18,705,939	-
295,750	-
120,649	-
261,203	-
343,423	-
43,628,257	-
5,386,389	(47,051)
129,413,658	169,399
(3,386,881)	-
\$ 131,413,166	\$ 122,348

**GREGG COUNTY, TEXAS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2021**

	General	Road and Bridge	Capital Improvement
<b>ASSETS</b>			
Cash and cash equivalents	\$ 4,701,066	\$ 192,359	\$ 9,970,742
Investments	33,396,263	1,518,742	10,226,202
Receivables (net of allowance for uncollectibles):			
Accounts	2,750,510	1,211,885	-
Taxes	527,679	16,928	-
Interest	52,609	2,731	7,534
Due from other funds	1,493,190	-	-
Due from other governments	3,644,658	-	-
Inventories	2,841	623,794	-
Prepaid items	14,855	-	-
Total assets	<u>46,583,671</u>	<u>3,566,439</u>	<u>20,204,478</u>
<b>LIABILITIES</b>			
Accounts payable	1,063,931	122,709	342,339
Due to other governments	277,790	-	-
Accrued liabilities	1,494,709	151,078	-
Deferred revenue	-	-	-
Due to other funds	-	-	-
Total liabilities	<u>2,836,430</u>	<u>273,787</u>	<u>342,339</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue - property taxes	441,839	7,985	-
Unavailable revenue - court fines	2,658,986	1,064,073	-
Total deferred inflows of resources	<u>3,100,825</u>	<u>1,072,058</u>	<u>-</u>
<b>FUND BALANCES</b>			
Nonspendable:			
Inventories	2,841	639,671	-
Prepays	14,855	-	-
Restricted for:			
Archive restoration	456,212	-	-
Transportation and road improvements	19,507	1,570,766	-
Public safety operations	315,093	-	-
Bail bond board operations	53,244	-	-
Judicial operations	-	-	-
Airport operations	-	-	-
Court technology and security	-	-	-
Records management and preservation	-	-	-
Voting and elections	-	-	-
Health and human services operations	17,986	-	-
Vehicle inventory tax administration	-	-	-
Permanent improvements	-	-	2,861,054
American Rescue Plan	-	-	-
Committed for:			
Airport operations	-	-	-
Donations to healthcare organizations	-	-	-
Assigned for:			
Capital projects	-	-	17,001,085
Transportation and road improvements	420,952	-	-
Public safety	240,558	-	-
Drug court operations	130,486	-	-
Other projects	-	10,157	-
Unassigned	38,974,682	-	-
Total fund balances	<u>40,646,416</u>	<u>2,220,594</u>	<u>19,862,139</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 46,583,671</u>	<u>\$ 3,566,439</u>	<u>\$ 20,204,478</u>

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

Airport Capital Improvement	American Rescue Plan	Total Nonmajor Governmental Funds	Total Governmental Funds
\$ 300,014	\$ 10,560,458	\$ 3,923,825	\$ 29,648,464
-	-	4,217,996	49,359,203
-	-	204,486	4,166,881
-	-	40,094	584,701
-	-	6,269	69,143
-	-	-	1,493,190
30,938	8,760	1,759,138	5,443,494
-	-	24,064	650,699
-	-	-	14,855
<u>330,952</u>	<u>10,569,218</u>	<u>10,175,872</u>	<u>91,430,630</u>
18,478	27,879	599,871	2,175,207
-	-	492	278,282
-	-	102,774	1,748,561
-	6,975,261	-	6,975,261
-	-	1,493,191	1,493,191
<u>18,478</u>	<u>7,003,140</u>	<u>2,196,328</u>	<u>12,670,502</u>
-	-	30,992	480,816
-	-	165,186	3,888,245
-	-	196,178	4,369,061
-	-	24,064	666,576
-	-	-	14,855
-	-	-	456,212
-	-	153,183	1,743,456
-	-	1,107,275	1,422,368
-	-	-	53,244
-	-	228,240	228,240
312,474	-	-	312,474
-	-	623,180	623,180
-	-	1,042,193	1,042,193
-	-	136,985	136,985
-	-	50,872	68,858
-	-	16,816	16,816
-	-	-	2,861,054
-	3,566,078	-	3,566,078
-	-	1,114,939	1,114,939
-	-	3,285,619	3,285,619
-	-	-	17,001,085
-	-	-	420,952
-	-	-	240,558
-	-	-	130,486
-	-	-	10,157
-	-	-	38,974,682
<u>312,474</u>	<u>3,566,078</u>	<u>7,783,366</u>	<u>74,391,067</u>
<u>\$ 330,952</u>	<u>\$ 10,569,218</u>	<u>\$ 10,175,872</u>	<u>\$ 91,430,630</u>

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

Total fund balances - governmental funds balance sheet		\$ 74,391,067
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not reported in the funds.		58,130,375
Certain receivables will not be collected soon enough to pay for the current periods expenditures and are therefore unavailable in the funds		
Property taxes	480,816	
Court fines and fees	<u>3,888,245</u>	
		4,369,061
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Compensated absences	(1,278,621)	
Capital leases	(279)	
Net pension liability	<u>(7,685,803)</u>	
		(8,964,703)
Internal Service Funds are used by management to charge the cost of group health insurance and printing costs to individual funds. The assets and liabilities of the Internal Service Funds are included in the governmental activities in the statement of net position.		798,162
Deferred outflows related to pension are not recognized as an outflow of resources until a future period on the statement of financial position.		9,521,943
Deferred inflows related to pensions are not recognized as an inflow of resources until a future period on the statement of financial position		<u>(6,832,741)</u>
Net position of governmental activities		<u>\$ 131,413,164</u>

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

	General	Road and Bridge	Capital Improvement
<b>REVENUES</b>			
Taxes:			
Current property	\$ 19,185,648	\$ 1,998,926	\$ -
Delinquent property	565,243	58,889	-
Sales tax	16,977,068	-	-
Motor vehicle sales	1,728,871	-	-
Alcoholic beverage	295,750	-	-
Bingo	120,648	-	-
Licenses and permits	103,690	1,569,287	-
Intergovernmental	1,924,587	50,275	-
Charges for services	3,591,220	148,715	-
Fines and forfeitures	473,502	479,907	-
Investment earnings	214,794	3,097	35,978
Rents and commissions	1,931,301	-	-
Miscellaneous	178,133	8,423	-
Total revenues	47,290,455	4,317,519	35,978
<b>EXPENDITURES</b>			
Current:			
General government	8,305,141	-	-
Judicial	8,233,778	-	-
Public safety	21,095,818	-	-
Health and human services	1,675,203	-	-
Public buildings	2,471,549	-	-
Transportation and roads	-	4,705,873	-
Debt service:			
Principal	1,066	-	-
Interest and fiscal charges	72	-	-
Capital outlay	128,629	40,383	2,241,308
Total expenditures	41,911,256	4,746,256	2,241,308
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>5,379,199</b>	<b>(428,737)</b>	<b>(2,205,330)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	45,715	160,000	5,864,853
Transfers out	(6,483,599)	(288,165)	(45,715)
Sale of capital assets	42,930	7,422	-
Insurance recoveries	185,995	-	-
Total other financing sources (uses)	(6,208,959)	(120,743)	5,819,138
<b>NET CHANGE IN FUND BALANCES</b>	<b>(829,760)</b>	<b>(549,480)</b>	<b>3,613,808</b>
<b>FUND BALANCES, BEGINNING - RESTATED*</b>	<b>41,476,176</b>	<b>2,770,074</b>	<b>16,248,331</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 40,646,416</b>	<b>\$ 2,220,594</b>	<b>\$ 19,862,139</b>

\* - General Fund beginning fund balance restated for GASB 84 (Note 1)

Airport Capital Improvement	American Rescue Plan	Total Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 2,034,450	\$ 23,219,024
-	-	59,938	684,070
-	-	-	16,977,068
-	-	-	1,728,871
-	-	-	295,750
-	-	-	120,648
-	-	-	1,672,977
206,622	5,062,171	3,172,174	10,415,829
75,561	-	626,979	4,442,475
-	-	216,368	1,169,777
-	-	7,332	261,201
-	-	882,440	2,813,741
-	-	735	187,291
<u>282,183</u>	<u>5,062,171</u>	<u>7,000,416</u>	<u>63,988,722</u>
-	-	3,431,606	11,736,747
-	-	292,565	8,526,343
-	-	1,608,084	22,703,902
-	1,159,368	649,671	3,484,242
-	-	-	2,471,549
-	-	429,087	5,134,960
-	-	-	1,066
-	-	-	72
<u>208,321</u>	<u>336,725</u>	<u>350,015</u>	<u>3,305,381</u>
<u>208,321</u>	<u>1,496,093</u>	<u>6,761,028</u>	<u>57,364,262</u>
<u>73,862</u>	<u>3,566,078</u>	<u>239,388</u>	<u>6,624,460</u>
-	-	803,602	6,874,170
-	-	(56,691)	(6,874,170)
-	-	-	50,352
-	-	107,077	293,072
<u>-</u>	<u>-</u>	<u>853,988</u>	<u>343,424</u>
<u>73,862</u>	<u>3,566,078</u>	<u>1,093,376</u>	<u>6,967,884</u>
<u>238,612</u>	<u>-</u>	<u>6,689,990</u>	<u>67,423,183</u>
<u>\$ 312,474</u>	<u>\$ 3,566,078</u>	<u>\$ 7,783,366</u>	<u>\$ 74,391,067</u>

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

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

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

Net change in fund balances - total governmental funds	\$ 6,967,884
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. This is the amount of capital asset additions recorded in the current period.	3,323,161
Depreciation on capital assets is reported in the statement of activities but does not require the use of current financial resources. Therefore, depreciation is not reported as expenditures in the governmental funds.	(6,963,318)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-in's, and donations) is to decrease net position.	(19,578)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	65,538
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on the net position. This amount is the net effect of these differences in treatment of long term debt and related items.	
Principal payment on capital leases	1,064
Current year changes in certain long-term liabilities do not require the use of current financial resources, and therefore, are not reported as expenditures in the governmental funds.	
Compensated absences liability	105,170
Governmental funds report all payments for postretirement healthcare coverage. However, in the government-wide statement activities the other post employment benefit (pension) expense is actuarially determined. This amount is the combined effect of the current year changes in deferred outflows related to pension, net pension liability, and deferred inflows related to pension reported on the government-wide statement of net position.	1,036,661
Internal Service Funds are used by management to charge the cost of group health insurance and printing costs to individual funds. The net revenue of certain activities of Internal Service Funds is reported with governmental activities.	869,807
Change in net position of governmental activities	<u>\$ 5,386,389</u>

**GREGG COUNTY, TEXAS  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
SEPTEMBER 30, 2021**

	Governmental Activities
	Internal Service Funds
<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 1,176,085
Accounts receivable, net of allowances	22,122
Due from other funds	49,677
Inventory	4,844
Total current assets	1,252,728
Noncurrent assets:	
Capital assets:	
Equipment	60,578
Less: accumulated depreciation	(40,998)
Total capital assets	19,580
Total noncurrent assets	19,580
Total assets	1,272,308
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	5,936
Due to other funds	49,677
Accrued liabilities	418,533
Total current liabilities	474,146
Total liabilities	474,146
<b>NET POSITION</b>	
Unrestricted	798,162
Total net position	\$ 798,162

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



**GREGG COUNTY, TEXAS  
STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Governmental Activities
	Internal Service Funds
<b>OPERATING REVENUES</b>	
Charges for services	\$ 8,771,258
Total operating revenues	8,771,258
<b>OPERATING EXPENSES</b>	
Salaries	24,218
Fringe benefits	16,711
Materials and supplies	11,824
Repairs & maintenance	3,440
Insurance consultant	65,000
Claims	6,851,118
Administrative	929,140
Total operating expenses	7,901,451
<b>CHANGE IN NET POSITION</b>	869,807
<b>TOTAL NET POSITION, BEGINNING</b>	(71,645)
<b>TOTAL NET POSITION, ENDING</b>	\$ 798,162

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

**GREGG COUNTY, TEXAS  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED SEPTEMBER 30, 2021**

	Governmental Activities
	Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash receipts from interfund charges for print shop services	\$ 36,440
Cash receipts from interfund charges for self-insurance services	8,828,572
Payments to suppliers for goods and services	(8,086,766)
Payments to employees for salaries and benefits	(40,420)
Net cash provided by operating activities	737,826
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Payments from other funds	39,842
Payments to other funds	(39,842)
Net cash provided by noncapital financing activities	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Purchases of capital equipment	(19,580)
Net cash used in investing activities	(19,580)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	718,246
<b>CASH AND CASH EQUIVALENTS, BEGINNING</b>	457,839
<b>CASH AND CASH EQUIVALENTS, ENDING</b>	\$ 1,176,085
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	
Operating income	\$ 869,807
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:	
Changes in assets and liabilities:	
Decrease (increase) in assets:	
Inventory	(631)
Accounts receivable	93,754
Increase (decrease) in liabilities:	
Accounts payable	(59)
Accrued liabilities	(225,045)
Net cash provided by operations	\$ 737,826

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

**GREGG COUNTY, TEXAS**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**CUSTODIAL FUNDS**  
**SEPTEMBER 30, 2021**

<b>ASSETS</b>	
Cash and cash equivalents	\$ 20,831,089
Investments	2,396,897
Accounts receivable	<u>762</u>
Total assets	<u>23,228,748</u>
 <b>LIABILITIES</b>	
Held for others	322,070
Due to others	11,817,124
Due to Gregg County	<u>330,001</u>
Total liabilities	<u>12,469,195</u>
 <b>NET POSITION</b>	
Individuals, organizations and other governments	<u>10,759,553</u>
Total net position	<u><u>\$ 10,759,553</u></u>

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

**GREGG COUNTY, TEXAS**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**CUSTODIAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

<b>ADDITIONS</b>	
Tax collections for other governments	\$ 197,466,677
Held for others	52,425,287
Interest on investments	44,609
Total additions	<u>249,936,573</u>
 <b>DEDUCTIONS</b>	
Payments to other governments	252,036,490
Payments to individuals	7,087,154
Total deductions	<u>259,123,644</u>
Net decrease in fiduciary net position	(9,187,071)
Net position - beginning restated (Note 1G)	19,946,624
Net position - ending	<u><u>\$ 10,759,553</u></u>

**GREGG COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying basic financial statements of Gregg County, Texas (the “County”) have been prepared in conformity with generally accepted accounting principles (GAAP) for local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. These notes to the financial statements are an integral part of the basic financial statements of the County. The following is a discussion of the more significant accounting policies utilized by the County.

**A. Reporting Entity**

Gregg County is a political subdivision of the State of Texas. The Commissioners’ Court, which is made up of four commissioners and the County Judge, is the governing body of the County. The accompanying financial statements present the government and its component unit, an entity for which the government is considered to be financially accountable. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is both legally and substantively separate from the government.

**Discretely presented component unit** – The Gregg County Child Welfare Board is responsible for providing additional assistance to foster children in the care of the State. The Gregg County Commissioners’ Court appoints the Board and has the ability to exercise control over the Board. Separately issued financial statements are available for the Gregg County Child Welfare Board and can be obtained by contacting the Gregg County, Texas County Auditor’s office, 101 E. Methvin, Suite 306, Longview, TX 75601.

**B. Basis of Presentation – Government-Wide Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component unit. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenue, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

As discussed earlier, the government has one discretely presented component unit. While the Child Welfare Board is not considered to be a major component unit, it is nevertheless shown in a separate column in the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are interfund services provided and used that would distort the direct costs and program revenues reported for the various functions concerned.

**C. Basis of Presentation – Fund Financial Statements**

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

**GREGG COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**C. Basis of Presentation – Fund Financial Statements – Continued**

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 general government, except those required to be accounted for in another fund.

The **Road and Bridge Fund** uses property taxes, licenses and permits, intergovernmental revenue and fines and forfeitures to fund the operation, construction and maintenance of roads and bridges.

The **Capital Improvement Fund** accounts for activities associated with the County’s Capital Improvement Plan. This plan encompasses future capital asset acquisition and construction.

The **Airport Capital Improvement Fund** accounts for federal grant funding used for capital improvements for the East Texas Regional Airport.

The **American Rescue Plan Fund** accounts for Coronavirus State and Local Fiscal Recovery Funds received as a result of the American Rescue Plan Act of 2021.

Additionally, the County reports the following fund types:

**Internal Service Funds** account for insurance/risk management services and print services provided to other departments on a cost reimbursement basis.

**Fiduciary Funds** are used to report assets held in a trustee or fiduciary capacity for others and therefore cannot be used to support the government’s own programs. The County reports ten fiduciary funds. Fiduciary funds are used to account for assets held by the County as an agent on behalf of various third parties outside the primary government for reasons including legal, contractual, or operational. Examples include funds placed in trust for minors and funds placed in escrow awaiting a court order, tax collections on behalf of other governments and the state, state funds held for adult and juvenile probation services, and funds held for the Local Provider Participation Fund. A full listing and description of the County’s fiduciary funds can be found in the combining and individual fund financial statements.

**D. Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, and agency funds have no measurement focus, but utilize the *accrual basis of accounting* for reporting its assets and liabilities. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenue is recognized as soon as it is both measurable and

**GREGG COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**D. Measurement Focus and Basis of Accounting - Continued**

available. Revenue is considered to be *available* when it is collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenue to be available if collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

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

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balance**

**Deposits and Investments**

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, and government securities.

State statutes authorize the County to invest in obligations of the U. S. Treasury, commercial paper, corporate bonds, repurchase agreements, and the State Treasurer's Investment Pool. Investments for the County are reported at fair value.

**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 either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans).

All trade and property tax receivables are shown net of an allowance for uncollectibles. The allowance of the uncollected balance for court fines and fees receivable is currently 85% for CSCD, 50% for Court Collections, 90% for County Clerk – Civil, and 70% for Justices of the Peace. The property tax allowance is calculated by year as a percentage of the outstanding levy. The allowance for property taxes for the current year, with this calculation, is approximately 60% of the uncollected balance at .

**Inventories and Prepaid Items**

All inventories are stated at cost using the first-in/first-out (FIFO) method. The costs of inventory items are recognized as expenditures in governmental funds when consumed rather than when purchased (consumption method). Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

**GREGG COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**Capital Assets**

Capital assets, which include property, plant, equipment and infrastructure assets (e.g. roads, bridges, sidewalks and similar items), are reported in the government-wide financial statements. The County defines capital assets as assets with an initial, individual cost of more than \$5,000 for equipment, \$25,000 for buildings, and \$100,000 for infrastructure and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition cost, 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 assets' lives are not capitalized.

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

Assets	Years
Buildings	10 - 40
Improvements	10 - 20
Equipment	3 - 20
Infrastructure (streets and drainage)	10 - 35

**Compensated Absences**

Vacation and sick leave benefits are accumulated by County employees according to formulas adopted by the Commissioners' Court. The County's policy requires vacation time to be used within 14 months of being earned. Upon termination or retirement, employees are paid for any unused vacation time. The County's policy allows for accumulation of sick leave up to 60 days and provides for payment of sick leave accruals only upon retirement. At September 30, 2021, a liability has been recorded in the government-wide financial statements for accrued vacation time as well as the portion of accumulated sick leave expected to be paid.

**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 TCERS's fiduciary net position have been determined on the same basis as they are reported by TCERS. 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.

**Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position.

**Deferred Revenue**

Deferred revenue recorded as of September 30, 2021 consists of grant funds received for which eligibility requirements have not yet been met.



**GREGG COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**Deferred Outflows/Inflows of Resources**

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

- Pension contributions after the measurement date – These contributions are deferred and recognized in the following fiscal year.
- Difference in expected and actual actuarial assumptions in the pension plan – This difference is deferred and amortized over the average remaining service life for all active, inactive, and retired members.
- The difference in expected and actual economic experience in the pension plan is deferred and recognized over the average remaining service life for all active, inactive, and retired members.

In addition to liabilities, the statement of financial position and/or balance sheet 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 applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has the following items that qualify for reporting in this category:

- The difference in expected and actual economic experience in the pension plan is deferred and recognized over the average remaining service life for all active, inactive, and retired members.
- Difference in projected and actual investment earnings on pension assets – This difference is deferred and amortized over a closed five-year period.
- The County has one type of item that arises only under the modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and court fines. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**Fund Balance Classification**

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

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

**GREGG COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**Fund Balance Classification – Continued**

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

**Fund Balance Flow Assumption**

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

**Minimum Fund Balance**

The County's policy is to budget to maintain a minimum fund balance of 25% of the County's General Fund annual budgeted operating expenditures.

**Net Position**

Net position represents the difference between assets, deferred inflows/outflows, and liabilities. Net position invested in capital assets, net of accumulated depreciation, is reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

**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 unrestricted net position to have been depleted before restricted net position is applied.

**Estimates**

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

**GREGG COUNTY, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**F. Revenues and Expenditures/Expenses**

**Program Revenues**

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

**Property Taxes**

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

**Proprietary Funds Operating and Nonoperating Revenues and Expenses**

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the internal service funds are charges to other funds for services. Operating expenses for internal service funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**G. Accounting Pronouncements**

In the current year, the County implemented the following new standard that had a significant impact on the financial statements:

*GASB Statement No. 84, Fiduciary Activities (“GASB 84”)*, establishes criteria for identifying fiduciary activities of all state and local governments. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. This Statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. It also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. The County had some agency funds that were determined to no longer qualify as fiduciary funds (County Clerk Advance, County Clerk Regular, District Clerk Advance, District Clerk Jury, Sheriff Fines and Fees, Sheriff Bail Bond Fees, State Fees, Juvenile Probation Operating) due to the GASB 84 analysis and were moved to the General Fund. The required changes, due to the implementation of GASB 84, are reflected in the County’s financial statements and notes to those statements. As this statement was implemented retroactively, it resulted in a restatement of the prior period net position of Fiduciary Activities, restatement of assets, liabilities and net position in Governmental Activities, and restatement of fund balance in the General Fund, as follows:

**Gregg County Fiduciary Funds  
Statement of Net Position**

Net position at September 30, 2020, as previously reported	\$ -
Addition of net position as calculated pursuant to GASB 84	19,946,624
	19,946,624
Net position September 30, 2020, as restated	\$ 19,946,624

**GREGG COUNTY, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**G. Accounting Pronouncements – Continued**

<b>Condensed Statement of Net Position</b>			
	Governmental Activities September 30, 2020	GASB Statement No. 84 Restatement	Restated September 30, 2020
Current and other assets	\$ 78,873,791	\$ 737,483	\$ 79,611,274
Capital assets	<u>61,790,112</u>	-	<u>61,790,112</u>
Total assets	140,663,903	737,483	141,401,386
Deferred outflows of resources	2,902,615	-	2,902,615
Long-term liabilities	5,440,649	-	5,440,649
Other liabilities	<u>4,042,163</u>	<u>527,169</u>	<u>4,569,332</u>
Total liabilities	9,482,812	527,169	10,009,981
Deferred inflows of resources	4,880,361	-	4,880,361
Net position:			
Net investment in capital assets	61,788,768	-	61,788,768
Restricted	10,860,836	-	10,860,836
Unrestricted	<u>56,553,741</u>	<u>210,314</u>	<u>56,764,055</u>
Total net position	<u>\$ 129,203,345</u>	<u>\$ 210,314</u>	<u>\$ 129,413,659</u>

**Gregg County General Fund  
Statement of Revenues, Expenditures and Changes in Fund Balances**

Fund balance at September 30, 2020, as previously reported	\$41,265,862
Addition of fund balance as calculated pursuant to GASB 84	<u>210,314</u>
Net position September 30, 2020, as restated	<u>\$41,476,176</u>

The GASB has issued the following statements which will be effective in future years as described below:

In May 2020, the GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. This statement provides temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018 or later. The following pronouncements have been updated to reflect the revised effective dates, as applicable.

**GREGG COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**G. Accounting Pronouncements – Continued**

GASB Statement No. 87, *Leases* is effective for reporting periods beginning after June 15, 2021. The objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments.

GASB Statement No. 91, *Conduit Debt Obligations* is effective for periods beginning December 15, 2021. The objective of this statement is to enhance the reporting of conduit debt obligations by issuers and eliminate diversity in practice associated with commitments extended by issuers, arrangements with conduit debt obligations and related note disclosures.

GASB Statement No. 92, *Omnibus 2020* is effective for periods beginning June 15, 2021. The objective of this statement is to enhance comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB statements.

GASB Statement No. 93, *Replacement of Interbank Offered Rates* is effective for periods beginning June 15, 2021. The objective of this statement is to assist state and local governments in the transition away from existing interbank offered rates (IBORs) to other reference rates.

GASB Statement No. 94, *Public-Private and Public – Public Partnerships and Availability Payment Agreements* is effective for periods beginning June 15, 2022. The objective of this statement is to improve accounting and financial reporting for public-private and public – public partnership arrangements (commonly referred to as P3s) and availability payment arrangement (APAs).

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* is effective for periods beginning June 15, 2022. The objective of this statement is to provide accounting and financial reporting guidance for subscription-based information technology arrangements (SBITAs).

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and 84, and a supersession of GASB Statement No. 32* is effective for periods beginning June 15, 2021. The objective of this statement is to increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform, mitigates costs associated with the reporting of certain defined contribution plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements, and enhances the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

In October 2021, the GASB issued Statement No. 98, *The Annual Comprehensive Financial Report*, which establishes the term Annual Comprehensive Financial Report (“ACFR”). The requirements of this statement are effective for financial statements for fiscal periods beginning after December 15, 2021. The County has implemented GASB 98 in this annual report and updated the corresponding language.

The County will implement the new GASB pronouncements in the fiscal year no later than the required effective date.

**GREGG COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**2. PRIOR PERIOD ADJUSTMENT**

It was determined during the year ended September 30, 2021, that the County had overstated its court receivables in prior years by inadvertently including fully aged, non-recoverable court receivables and by using outdated collectability percentages in determining the receivable expected to be collected by the County. Accordingly, the County recorded a prior period adjustment in the amount of \$3,386,881 to effectively restate beginning net position as of September 30, 2020 in the government-wide financial statements. No prior period adjustment was required for the governmental fund financial statements, which are reported on the modified accrual basis of accounting.

**3. DEPOSITS AND INVESTMENTS**

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. GASB Statement No. 72, *Fair Value Measurement and Application* provides a framework for measuring fair value which establishes a three-level fair value hierarchy that describes the inputs that are used to measure assets and liabilities.

- Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- Level 2 inputs are inputs—other than quoted prices included within Level 1—that are observable for an asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

Following is a description of the valuation methodologies used for assets measured at fair value:

- Certificates of deposit categorized as Level 2 are valued by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the credit-worthiness of the issuer.
- Debt securities classified as Level 2 are valued using a matrix pricing technique. Matrix pricing is used to value securities based on a securities' relationship to benchmark quoted prices.

Investment pools are not categorized as to investment risk since specific securities relating to the County cannot be identified. The County's investment pool is TexPool, a local government investment pool established in conformity with the Inter-local Cooperation Act, Chapter 791 of the Texas Government Code and the Public Investment Act, Chapter 2256 of the Code. The Texas State Comptroller oversees the operations of the investment pool, with a third party managing the daily operations of the pool under contract. The fair value of the County's position in TexPool is the same as the value of the pool's shares.

The County is required by state statute to seek formal bids for depository services. The Investment Policy includes collateral requirements in compliance with state statute and is made part of the Depository Contract. Chapter 2256 of the Texas Government Code (The Public Funds Investment Act) authorizes and requires the County to invest its funds under a written investment policy (the "Investment Policy") that primarily emphasizes safety of principal and liquidity. It also addresses investment diversification, yield, and maturity along with quality and capability of investment personnel. The investment policy defines what constitutes the legal list of investments allowed under the policy and the Court further limits certain investment instruments allowed under Texas law. Investments are held by the County's agent in the County's name. The County records all interest revenue earned from investment activities in the respective funds.

**GREGG COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**3. DEPOSITS AND INVESTMENTS - CONTINUED**

The County's deposits and investments are invested pursuant to the investment policy, which is approved annually by the Commissioners' Court. The Court appoints an investment committee to review the investment policy and submit changes for approval. The appointment of the County's investment officer is also done annually by resolution. The investment officer is authorized to invest in investment instruments provided they meet the guidelines of the investment policy. The investment policy includes a list of authorized investment instruments, and a maximum allowable stated maturity of any individual investment by source of funds. In addition, the investment policy includes an "investment strategy" that specifically addresses investment options and describes the priorities of preservation and safety of principal (suitability), liquidity, maturity, marketability, diversification and yield.

The investment officer submits an investment report quarterly to the Commissioners' Court as specified by Chapter 2256 of the Government Code. The report details the investment position of the County and the compliance of the investment portfolio as it relates to both the adopted investment policy and Texas State Statute.

The County's demand deposits are either insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized with securities held by an independent third-party bank as the County's agent, in the name of Gregg County at . Collateral other than the FDIC insurance is comprised of various governmental agencies' issues with a rating of AAA by Standard & Poor's. The County's collateral agreements require the market value of securities held by its agents exceed the total amount of cash and investments held by our depository less FDIC. All of the County's deposits are insured or collateralized at .

**GREGG COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**3. DEPOSITS AND INVESTMENTS – CONTINUED**

At of , the County held the following fair value measurements:

	9/30/2021	Fair Value Measurement Using			Percent of Total Portfolio	Weighted Average Maturity (Days)
		(Level 1)	(Level 2)	(Level 3)		
<b>Primary government</b>						
<b>Cash and cash equivalents</b>						
Cash deposits - County	\$ 30,825,155					
Cash deposits - Custodial funds	20,831,089					
<b>Total cash and cash equivalents</b>	<b>51,656,244</b>					
<b>Investments measured at net asset value per share:</b>						
Investment pools:						
TexPool - County	4,390,000				8%	48
TexPool - Custodial funds	250,000				0%	48
<b>Investments by fair value level:</b>						
Anchor Bay MI Sch Dist	2,204,466	-	2,204,466	-	4.26%	213
BMW Bank North America	247,787	-	247,787	-	0.48%	89
Capital One Bank USA NA	250,582	-	250,582	-	0.48%	543
Capital One NA	249,081	-	249,081	-	0.48%	176
Federal Agric Mtg Corp Mtn	2,996,616	-	2,996,616	-	5.79%	774
Federal Farm Credit Bank	14,466,692	-	14,466,692	-	27.95%	535
Federal Home Loan Bank	9,987,734	-	9,987,734	-	19.30%	837
Federal Home Loan Mtg Corp	999,293	-	999,293	-	1.93%	638
Federal Natl Mtg Assn	4,033,527	-	4,033,527	-	7.79%	610
Fort Bend Cnty-Ref	1,215,071	-	1,215,071	-	2.35%	883
Kingsport TN	383,066	-	383,066	-	0.74%	517
Laredo Clg TX	283,164	-	283,164	-	0.55%	305
Long Beach City SD	505,385	-	505,385	-	0.98%	562
Mchenry Etc SD #158	240,264	-	240,264	-	0.46%	503
Ocean City MD Txbl	281,249	-	281,249	-	0.54%	107
Oxnard CA Fin Auth Lease	414,574	-	414,574	-	0.80%	609
Platte River Pwr Auth	105,900	-	105,900	-	0.20%	244
Port of Morrow OR Tran Facs Rev	1,014,170	-	1,014,170	-	1.96%	336
Rosedale-Rio Bravo	300,210	-	300,210	-	0.58%	458
Texas St A&M Univ Rev Txbl	227,783	-	227,783	-	0.44%	227
Tulsa Cnty OK ISD #5 Taxable	1,524,465	-	1,524,465	-	2.95%	244
US Treasury Note	3,038,125	-	3,038,125	-	5.87%	784
Certificate of deposits	2,146,897	-	2,146,897	-	4.15%	
<b>Total investments</b>	<b>51,756,101</b>	<b>-</b>	<b>47,116,101</b>	<b>-</b>		
<b>Total cash and investments of the primary government</b>	<b>\$ 103,412,345</b>	<b>\$ -</b>	<b>\$ 47,116,101</b>	<b>\$ -</b>		
<b>Component unit</b>						
Cash deposits	\$ 124,801					
<b>Total cash and investments of the reporting entity</b>	<b>\$ 103,537,146</b>					



**GREGG COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**3. DEPOSITS AND INVESTMENTS – CONTINUED**

*Interest Rate Risk.* As a means of minimizing risk of loss due to interest rate fluctuations, the investment policy limits investment maturities. The maximum pre-approved maturity should not exceed three years. The portfolio should include at least three months anticipated expenses in highly liquid securities.

*Custodial Credit Risk.* In the case of deposits, this is the risk that, in the event of 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. On the total carrying amount of the County’s deposits was fully collateralized with securities held by the pledging financial institution in the County’s name, in money market instruments, or was covered by FDIC insurance.

*Credit Risk.* Credit risk is the risk that an issuer or other counterpart to an investment will not fulfill its obligations. The County has limited credit risk, in conformance to state statutes and County policy, by investing in only the safest types of securities as permitted by the Public Funds Investment Act, using approved brokers and investing with different issuers. In addition, the County limits its exposure to credit risk by fully insured or collateralized deposits, regulated mutual funds and individually approved investment pools. The investment portfolio of the County is diversified to avoid incurring undue concentration in securities of one type on , but the policy does not restrict the concentration of investments with one specific issuer by an explicit amount.

The County’s investments as of , were rated as follows:

<u>Investment Type</u>	<u>Rating</u>	<u>Rating Agency</u>
TexPool	AAAm	Standard & Poor's
Municipal securities	AA+	Standard & Poor's
U. S. Agency Securities:		
Federal Farm Credit Bank	AA+	Standard & Poor's
Federal Home Loan Bank	AA+	Standard & Poor's
Federal Home Loan Mtg Corp	AA+	Standard & Poor's
Federal Natl Mtg Assn	AA+	Standard & Poor's
Fort Lauderdale FL	AA+	Standard & Poor's

All significant legal and contractual provisions for investments were complied with during the year. Investments at year-end are representative of the types of investments maintained by the County during the year.

**GREGG COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**4. RECEIVABLES**

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

	General	Road and Bridge	Capital Improvement	Airport Capital Improvement	American Rescue Plan	Nonmajor Funds	Internal Service	Total
Receivables:								
Taxes	\$ 1,302,231	\$ 41,776	\$ -	\$ -	\$ -	\$ 98,946	\$ -	\$ 1,442,953
Accounts	6,927,850	2,597,485	-	-	-	516,532	22,122	10,063,989
Interest	52,609	2,731	7,534	-	-	6,269	-	69,143
Due from other governments	3,644,658	-	-	30,938	8,760	1,759,138	-	5,443,494
Gross receivables	11,927,348	2,641,992	7,534	30,938	8,760	2,380,885	22,122	17,019,579
Less: allowance for uncollectibles	(4,951,892)	(1,410,448)	-	-	-	(370,898)	-	(6,733,238)
Net total receivables	<u>\$ 6,975,456</u>	<u>\$ 1,231,544</u>	<u>\$ 7,534</u>	<u>\$ 30,938</u>	<u>\$ 8,760</u>	<u>\$ 2,009,987</u>	<u>\$ 22,122</u>	<u>\$ 10,286,341</u>

**5. CAPITAL ASSETS**

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

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 2,670,667	\$ 8,514	\$ -	\$ 2,679,181
Construction in progress	4,366,818	2,194,094	(5,252,857)	1,308,055
Total assets not being depreciated	7,037,485	2,202,608	(5,252,857)	3,987,236
Capital assets, being depreciated:				
Buildings and improvements	57,504,661	2,091,713	-	59,596,374
Equipment	22,457,920	1,404,883	(215,385)	23,647,418
Infrastructure	98,527,697	2,876,814	-	101,404,511
Total capital assets being depreciated	178,490,278	6,373,410	(215,385)	184,648,303
Accumulated depreciation:				
Buildings and improvements	(34,026,685)	(2,040,046)	-	(36,066,731)
Equipment	(17,704,238)	(1,232,841)	215,385	(18,721,694)
Infrastructure	(72,006,728)	(3,690,431)	-	(75,697,159)
Total accumulated depreciation	(123,737,651)	(6,963,318)	215,385	(130,485,584)
Total capital assets being depreciated, net	54,752,627	(589,908)	-	54,162,719
Governmental activities capital assets, net	<u>\$ 61,790,112</u>	<u>\$ 1,612,700</u>	<u>\$ (5,252,857)</u>	<u>\$ 58,149,955</u>

**GREGG COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**5. CAPITAL ASSETS - CONTINUED**

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

Governmental activities:		
General government	\$	3,367,471
Health and human services		13,362
Judicial		29,729
Public buildings		1,487,134
Public safety		466,794
Transportation and roads		<u>1,598,828</u>
Total depreciation expense - governmental activities	\$	<u>6,963,318</u>

**6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

The composition of interfund balances as of , is as follows:

**Due To/From Other Funds:**

Receivable Fund	Payable Fund	Amount
General	Grant	\$ 1,489,332
General	VIT Operating	3,858
Self Insurance	Print Shop	<u>49,677</u>
		<u>\$ 1,542,867</u>

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. These amounts also include the balance of working capital loans made to nonmajor governmental funds which the general fund expects to collect in the subsequent year.

**Interfund Transfers:**

	Transfer In				Total
	General	Road and Bridge	Capital Improvement	Nonmajor Governmental	
Transfer out:					
General	\$ -	\$ 160,000	\$ 5,576,688	\$ 746,911	\$ 6,483,599
Road and bridge	-	-	288,165	-	288,165
Capital improvement	45,715	-	-	-	45,715
Nonmajor governmental	<u>-</u>	<u>-</u>	<u>-</u>	<u>56,691</u>	<u>56,691</u>
Total transfers out	<u>\$ 45,715</u>	<u>\$ 160,000</u>	<u>\$ 5,864,853</u>	<u>\$ 803,602</u>	<u>\$ 6,874,170</u>

**GREGG COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS – CONTINUED**

**Interfund Transfers: - Continued**

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**7. LONG-TERM DEBT**

**Changes in Long-Term Liabilities**

Long-term liability activity for the year ended , was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities</b>					
Capital leases payable	\$ 1,343	\$ -	\$ 1,064	\$ 279	\$ 279
Compensated absences	1,383,791	12,441	117,611	1,278,621	1,055,705
Net pension liability	<u>4,055,515</u>	<u>8,224,114</u>	<u>4,593,826</u>	<u>7,685,803</u>	<u>-</u>
Governmental activity long-term liabilities	<u>\$ 5,440,649</u>	<u>\$ 8,236,555</u>	<u>\$ 4,712,501</u>	<u>\$ 8,964,703</u>	<u>\$ 1,055,984</u>

For compensated absences and the net pension liability, the General Fund normally liquidates approximately 80% of this liability. The Road and Bridge special revenue fund liquidates approximately 15% of the liability with the remaining liability being liquidated by nonmajor governmental funds.

**8. DEFINED BENEFIT PENSION PLAN**

**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](http://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

**GREGG COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**8. DEFINED BENEFIT PENSION PLAN - CONTINUED**

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

Inactive employees or beneficiaries currently receiving benefits	429
Inactive employees entitled to but not yet receiving benefits	651
Active employees	<u>627</u>
	<u><u>1,707</u></u>

**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 participant 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 11.86% in calendar years 2020 and 2021. The County’s contributions to TCDRS for the year ended September 30, 2021, were \$3,354,352 and were equal to the required contributions.

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

*Actuarial Assumptions*

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

Inflation	2.50% per year
Overall payroll growth	4.6% per year
Investment rate of return	7.50%, net of pension plan investment expense, including inflation

**GREGG COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**8. DEFINED BENEFIT PENSION PLAN - CONTINUED**

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.

The actuarial assumptions that determined the total pension liability as of December 31, 2020 were based on the results of an actuarial experience study for the period January 1, 2013 through December 31, 2016, except where required to be different by GASB 68. The economic assumptions were reviewed at the March 2021 TCDRS Board of Trustees meeting and revised assumptions were adopted. These revisions included reductions in the investment return, wage growth, and maximum payroll growth assumptions. The assumptions are reviewed annually for continued compliance with the relevant actuarial standards of practice.

The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS' investment consultant, Cliffwater LLC. The numbers shown are based on January 2021 information for a 10-year time horizon. The valuation assumption for long-term expected return is re-assessed at a minimum of every four years and is set based on a long-term time horizon. The TCDRS Board of Trustees adopted the current assumption at their March 2021 meeting. The assumption is reviewed annually for continued compliance with relevant standards of practice.

**GREGG COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**8. DEFINED BENEFIT PENSION PLAN - CONTINUED**

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

Asset Class	Benchmark	Target Allocation <sup>(1)</sup>	Geometric Real Rate of Return (Expected minus Inflation) <sup>(2)</sup>
US Equities	Dow Jones U.S. Total Stock Market Index	11.50%	4.25%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index <sup>(3)</sup>	25.00%	7.25%
Global Equities	MSCI World (net) Index	2.50%	4.55%
International Equities - Developed	MSCI World Ex USA (net)	5.00%	4.25%
International Equities - Emerging	MSCI EM Standard (net) Index	6.00%	4.75%
Investment-Grade Bonds	Bloomberg Barclays U.S. Aggregate Bond Index	3.00%	-0.85%
Strategic Credit	FTSE High-Yield Cash-Pay Capped Index	9.00%	2.11%
Direct Lending	S&P/LSTA Leveraged Loan Index	16.00%	6.70%
Distressed Debt	Cambridge Associates Real Estate Index <sup>(4)</sup>	4.00%	5.70%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% Global Real Estate (net) Index	2.00%	3.45%
Master Limited Partnerships (MLPs)	Alerian MLP Index	2.00%	5.10%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index <sup>(5)</sup>	6.00%	4.90%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	6.00%	1.85%

<sup>(1)</sup> Target asset allocation adopted at the March 2021 TCDRS Board meeting.

<sup>(2)</sup> Geometric real rates of return equal the expected return minus the assumed inflation rate of 2.0%, per Cliffwater's 2021 capital market assumptions.

<sup>(3)</sup> Includes vintage years 2005-present of Quarter Pooled Horizon IRRs.

<sup>(4)</sup> Includes vintage years 2007-present of Quarter Pooled Horizon IRRs.

<sup>(5)</sup> Includes vintage years 2006-present of Quarter Pooled Horizon IRRs.

**Discount Rate**

The discount rate used to measure the Total Pension Liability was 7.6%. This rate reflects the long-term assumed rate of return on assets for funding purposes of 7.5%, net of all expenses, increased by 0.1% to be gross of administrative expenses.

**GREGG COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**8. DEFINED BENEFIT PENSION PLAN - CONTINUED**

Since the projected fiduciary net position is projected to be sufficient to pay projected benefit payments in all future years, the discount rate for purposes of calculating the total pension liability and net pension liability of the employer is equal to the long-term assumed rate of return on investments. This long-term assumed rate of return should be net of investment expenses, but gross of administrative expenses for GASB 68 purposes.

*Changes in the Net Pension Liability*

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balance at 12/31/2019	\$ 151,394,976	\$ 147,339,461	\$ 4,055,515
Changes for the year:			
Service cost	3,508,234	-	3,508,234
Interest on total pension liability <sup>(1)</sup>	12,220,941	-	12,220,941
Effect of economic/demographic gains or losses	(1,012,624)	-	(1,012,624)
Effect of assumptions changes or inputs	9,128,541		9,128,541
Refund of contributions	(479,857)	(479,857)	-
Benefit payments	(7,734,860)	(7,734,860)	-
Administrative expenses	-	(116,591)	116,591
Member contributions	-	1,926,685	(1,926,685)
Net investment income	-	15,214,977	(15,214,977)
Employer contributions	-	3,264,409	(3,264,409)
Other <sup>(2)</sup>	-	(74,676)	74,676
Balance at 12/31/2020	<u>\$ 167,025,351</u>	<u>\$ 159,339,548</u>	<u>\$ 7,685,803</u>

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

*Sensitivity Analysis*

The following presents the net pension liability of the County, calculated using the discount rate of 7.6%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.6%) or 1-percentage-point higher (8.6%) than the current rate:

	Current		
	1% Decrease	Discount Rate	1% Increase
	6.6%	7.6%	8.6%
Total pension liability	\$ 188,596,426	\$ 167,025,351	\$ 148,965,356
Fiduciary net position	<u>159,339,550</u>	<u>159,339,548</u>	<u>159,339,550</u>
Net pension liability/(asset)	<u>\$ 29,256,876</u>	<u>\$ 7,685,803</u>	<u>\$ (10,374,194)</u>



**GREGG COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**8. DEFINED BENEFIT PENSION PLAN - CONTINUED**

*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 at [www.tcdrs.org](http://www.tcdrs.org).

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

For the year ended September 30, 2021, the County recognized pension expense of \$2,317,691. At September 30, 2021, 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	\$ 70,385	\$ 1,332,276
Changes in actuarial assumptions	6,846,406	-
Difference between projected and actual investment earnings	-	5,500,465
Contributions subsequent to the measurement date	2,605,152	-
Total	\$ 9,521,943	\$ 6,832,741

Of the deferred outflows of resources, \$2,605,152 was related to pension employer contributions subsequent to the measurement date which will be recognized as a reduction of the net pension liability in the year ending September 30, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expenses as follows:

For The Year Ended September 30	
2022	\$ (264,996)
2023	1,868,425
2024	(837,750)
2025	(681,629)
Total	\$ 84,050

**GREGG COUNTY, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**9. COMMITMENTS AND CONTINGENCIES**

**Construction Commitments**

The County is committed under various contracts, including construction contracts for County facilities and buildings. At year-end, the County’s commitments with contractors are as follows:

Project	Spent To-Date	Commitment
Capital road & bridge	\$ 333,734	\$ 484,819
Airport improvements	414,943	3,824,403
Computer upgrades	12,600	132,386
Renovations & capital acquisitions	960,692	1,417,075
Other	497,955	1,033,386
	<u>\$ 2,219,924</u>	<u>\$ 6,892,069</u>

**Contingent Liabilities**

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

**10. RISK MANAGEMENT**

The County and/or employees of the County are defendants in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the County's legal counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the County.

The County provides for the management of risks through a combination of self-insurance and traditional insurance. 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. During fiscal year 2021, the County was covered under a general liability insurance plan. Additionally, the County has commercial insurance for other risks of loss, including workers’ compensation, unemployment compensation, public official liability, property and employee life, accident insurance, and law enforcement liability. There were no significant reductions in insurance coverage, nor did any settlement exceed coverage in the past three years.

**11. TAX ABATEMENTS**

The County enters into property tax abatement agreements with local businesses under the provisions of the Property Redevelopment and Tax Abatement Act found in Chapter 312 of the Texas Tax Code. The Property Redevelopment and Tax Abatement Act provides governing bodies the power to establish Enterprise Zones and Reinvestment Zones for the abatement of ad valorem taxes assessed against real property or tangible personal property located on the real property provided that certain conditions as detailed in the law are met. The goal of tax abatement is to provide long term significant positive impact on the community and to utilize area contractors and work force to the maximum extent feasible by developing, redeveloping and improving real property.

**GREGG COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**11. TAX ABATEMENTS – CONTINUED**

For the year ended September 30, 2021, the County abated property taxes totaling \$344,025 under this program, including the following tax abatement agreements:

<u>Type of Business</u>	<u>Purpose</u>	<u>Percent Abated</u>	<u>Amount Abated</u>
Dollar General	Construction and improvement to real property; personal property investment; jobs creation	100%	\$ 247,383
Skeeter Products, Inc.	Construction and improvement to real property; personal property investment; jobs creation	100%	\$ 6,418
Hammer Time Owner	Construction and improvement to real property; personal property investment; jobs creation	100%	\$ 46,259
Orgill Inc.	Construction and improvement to real property; personal property investment; jobs creation	100%	\$ 24,485
Ryder Truck Rental	Construction and improvement to real property; personal property investment; jobs creation	100%	\$ 7,169
Indevco Plastics	Construction and improvement to real property; personal property investment; jobs creation	100%	\$ 12,311

During the year ended September 30, 2021, the County entered into tax abatement agreements with multiple entities for construction and improvement to real property, personal property investment, and creation of jobs. As a result, the County estimates abatement of property taxes in the amount of \$415,523 for the year beginning October 1, 2021.

**12. SUBSEQUENT EVENTS**

Subsequent events have been evaluated for potential recognition or disclosure in the financial statements through June 28, 2022, the date which the combined financial statements were available to be issued.

**REQUIRED  
SUPPLEMENTARY INFORMATION**

**GREGG COUNTY, TEXAS**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Current property	\$ 19,108,072	\$ 19,108,072	\$ 19,069,853	\$ (38,219)
Current penalty and interest	71,500	71,500	115,795	44,295
Delinquent property	574,277	574,277	431,362	(142,915)
Delinquent penalty and interest	96,000	96,000	133,881	37,881
Alcoholic beverage	235,000	235,000	295,750	60,750
Bingo	90,000	90,000	120,648	30,648
Sales tax	14,402,107	14,402,107	16,977,068	2,574,961
Motor vehicle sales	1,780,000	1,780,000	1,728,871	(51,129)
Total taxes	<u>36,356,956</u>	<u>36,356,956</u>	<u>38,873,228</u>	<u>2,516,272</u>
Licenses and permits:				
Alcoholic beverage licenses	45,000	45,000	39,890	(5,110)
Sexually oriented businesses	24,500	24,500	30,600	6,100
Bail bond applications	2,000	2,000	2,000	-
Sewage disposal systems	26,500	26,500	31,200	4,700
Total licenses and permits	<u>98,000</u>	<u>98,000</u>	<u>103,690</u>	<u>5,690</u>
Intergovernmental:				
Juvenile salary supplement	5,000	5,000	5,000	-
State supplement - juvenile services	847,205	623,344	849,952	226,608
State supplement - court at law	168,000	168,000	168,000	-
State supplement - assistant prosecutors	15,000	15,000	32,945	17,945
State - indigent defense	98,000	98,000	95,479	(2,521)
State - juror reimbursement	42,000	42,000	31,819	(10,181)
State - commercial waste management fees	150	150	166	16
City of Lakeport - sewer fees	1,200	1,200	1,200	-
Fiscal service fee	16,166	16,166	5,999	(10,167)
Social security incentive payment	21,000	21,000	7,800	(13,200)
Drug enforcement task force	11,200	11,200	17,542	6,342
Sabine ISD resource officer	48,635	48,635	48,635	-
City of Longview - prisoner care	550,000	550,000	550,000	-
State - Title IV-E Legal Reimbursement	15,000	15,000	21,653	6,653
Child welfare board reimbursement	10,000	10,000	2,363	(7,637)
ATF task force	10,300	10,300	8,116	(2,184)
10th administrative judicial region	82,250	82,250	77,918	(4,332)
Total intergovernmental	<u>1,941,106</u>	<u>1,717,245</u>	<u>1,924,587</u>	<u>207,342</u>

**GREGG COUNTY, TEXAS**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**(Continued)**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>REVENUES (Continued)</b>				
Charges for services:				
Sheriff	274,000	274,000	269,120	(4,880)
Constable # 1	51,500	51,500	34,737	(16,763)
Constable # 2	39,000	39,000	38,225	(775)
Constable # 3	24,900	24,900	28,598	3,698
Constable # 4	47,000	47,000	40,564	(6,436)
County clerk	735,000	735,000	904,924	169,924
County clerk - bond administrative fee	4,300	4,300	3,342	(958)
County clerk - archival fee	178,000	178,000	216,110	38,110
County clerk - electronic trans fee	500	500	-	(500)
Sheriff - bond administrative fee	1,870	1,870	-	(1,870)
District clerk - archival fee	19,500	19,500	21,081	1,581
District clerk - electronic trans fee	500	500	24	(476)
Tax assessor - collector	618,000	618,000	638,791	20,791
Tax collection contract fees	260,000	260,000	263,171	3,171
District attorney	15,250	15,250	22,217	6,967
District clerk	276,000	276,000	311,423	35,423
Justice of the Peace # 1	31,500	31,500	33,003	1,503
Justice of the Peace # 2	20,300	20,300	19,548	(752)
Justice of the Peace # 3	16,000	16,000	14,705	(1,295)
Justice of the Peace # 4	17,250	17,250	16,467	(783)
Jury	8,500	8,500	16,207	7,707
Juvenile services	365,000	35,445	403,379	367,934
Probate judge education fees	2,800	2,800	3,575	775
Other arrest fees	63,000	63,000	51,494	(11,506)
Judges fee - probate	3,300	3,300	3,960	660
State fees	72,000	72,000	63,759	(8,241)
State fees - TP - judicial efficiency	17,250	17,250	23,049	5,799
State fee - drug court program	22,200	22,200	27,195	4,995
Court reporter service fees	38,000	38,000	41,225	3,225
DRO fees	142	142	164	22
Guardianship fee	10,800	10,800	14,600	3,800
Parking lot fees	5,850	5,850	4,930	(920)
Family protection fees	7,500	7,500	8,572	1,072
Defensive driving fees	56,500	56,500	39,746	(16,754)
Child safety fees	2,700	2,700	1,200	(1,500)
Traffic fees	3,400	3,400	365	(3,035)
Video fees	3,050	3,050	3,705	655
Inmate reimbursement	8,400	8,400	8,045	(355)
Total charges for services	3,320,762	2,991,207	3,591,220	600,013

**GREGG COUNTY, TEXAS**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**(Continued)**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES (Continued)</b>				
Fines and forfeitures:				
Justice court fines - JP 1	70,000	70,000	66,854	(3,146)
Justice court fines - JP 2	75,000	75,000	65,866	(9,134)
Justice court fines - JP 3	208,000	208,000	238,435	30,435
Justice court fines - JP 4	88,000	88,000	102,347	14,347
Total fines and forfeitures	<u>441,000</u>	<u>441,000</u>	<u>473,502</u>	<u>32,502</u>
Investment earnings:				
Interest	550,000	550,000	401,947	(148,053)
Unrealized gains (losses)	-	-	(187,153)	(187,153)
Total investment earnings	<u>550,000</u>	<u>550,000</u>	<u>214,794</u>	<u>(335,206)</u>
Rent and commissions:				
BorgWarner Automotive	33,806	33,806	33,638	(168)
A & M Tower, Inc.	14,200	14,200	16,050	1,850
Community buildings	4,000	4,000	3,595	(405)
Other rent	9,600	9,600	19,500	9,900
Royalties	2,300	2,300	1,102	(1,198)
Telephone coin stations	330,000	330,000	427,852	97,852
Federal - jail lease	1,030,000	1,030,000	1,391,824	361,824
Concession sales	-	-	33,440	33,440
Vending machine sales	-	-	4,300	4,300
Longview community center	8,000	8,000	-	(8,000)
Total rent and commissions	<u>1,431,906</u>	<u>1,431,906</u>	<u>1,931,301</u>	<u>499,395</u>
Miscellaneous:				
Miscellaneous	80,000	80,000	178,133	98,133
Total miscellaneous	<u>80,000</u>	<u>80,000</u>	<u>178,133</u>	<u>98,133</u>
Total revenues	<u>44,219,730</u>	<u>43,666,314</u>	<u>47,290,455</u>	<u>3,624,141</u>

**GREGG COUNTY, TEXAS**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**(Continued)**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>EXPENDITURES</b>				
General government:				
County clerk - administration:				
Salaries	722,510	722,510	710,565	11,945
Fringe benefits	439,709	439,709	408,317	31,392
Operating	62,868	62,868	58,613	4,255
Total county clerk - administration	<u>1,225,087</u>	<u>1,225,087</u>	<u>1,177,495</u>	<u>47,592</u>
County clerk - archive restoration:				
Salaries	49,778	49,821	45,141	4,680
Fringe benefits	23,240	23,197	22,353	844
Operating	117,453	117,453	106,908	10,545
Capital outlay	7,190	7,190.00	2,799	4,391
Total county clerk - archive restoration	<u>197,661</u>	<u>197,661</u>	<u>177,201</u>	<u>20,460</u>
Telecommunications:				
Salaries	52,375	52,375.00	43,385	8,990
Fringe benefits	9,730	9,730	6,769	2,961
Operating	150	150	46	104
Total telecommunications	<u>62,255</u>	<u>62,255</u>	<u>50,200</u>	<u>12,055</u>
Purchasing:				
Salaries	223,965	226,449	216,072	10,377
Fringe benefits	111,295	106,811	101,541	5,270
Operating	22,630	34,630	27,578	7,052
Total purchasing	<u>357,890</u>	<u>367,890</u>	<u>345,191</u>	<u>22,699</u>
Human resources:				
Salaries	182,019	181,419	170,010	11,409
Fringe benefits	76,160	76,760	63,838	12,922
Operating	15,690	32,690	31,113	1,577
Total human resources	<u>273,869</u>	<u>290,869</u>	<u>264,961</u>	<u>25,908</u>
Nondepartmental - general government:				
Salaries	-	62,928	29,523	33,405
Fringe benefits	250,000	150,000	-	150,000
Operating	3,160,670	1,512,106	951,716	560,390
Capital outlay	2,000	2,000	-	2,000
Total nondepartmental - general government	<u>3,412,670</u>	<u>1,727,034</u>	<u>981,239</u>	<u>745,795</u>



**GREGG COUNTY, TEXAS**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**(Continued)**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>EXPENDITURES (Continued)</b>				
General government: (Continued)				
County judge:				
Salaries	200,331	199,803	196,315	3,488
Fringe benefits	79,755	80,283	75,554	4,729
Operating	11,275	11,275	5,905	5,370
Total county judge	<u>291,361</u>	<u>291,361</u>	<u>277,774</u>	<u>13,587</u>
Postal services:				
Salaries	-	4,250	4,082	168
Fringe benefits	-	3,050	2,758	292
Operating	12,450	13,450	12,114	1,336
Total postal services	<u>12,450</u>	<u>20,750</u>	<u>18,954</u>	<u>1,796</u>
Concession operations:				
Operating	-	-	29,180	(29,180)
Capital outlay	-	-	1,999	(1,999)
Total concession operations	<u>-</u>	<u>-</u>	<u>31,179</u>	<u>(31,179)</u>
Elections:				
Salaries	232,048	232,048	220,627	11,421
Fringe benefits	106,488	106,488	93,767	12,721
Operating	202,202	202,202	191,944	10,258
Total elections	<u>540,738</u>	<u>540,738</u>	<u>506,338</u>	<u>34,400</u>
County auditor:				
Salaries	615,282	615,282	607,939	7,343
Fringe benefits	307,735	307,735	284,127	23,608
Operating	19,945	19,945	19,875	70
Total county auditor	<u>942,962</u>	<u>942,962</u>	<u>911,941</u>	<u>31,021</u>
Tax assessor-collector:				
Salaries	1,065,933	1,065,933	1,016,784	49,149
Fringe benefits	612,830	612,830	539,800	73,030
Operating	166,519	176,109	171,233	4,876
Total tax assessor-collector	<u>1,845,282</u>	<u>1,854,872</u>	<u>1,727,817</u>	<u>127,055</u>

**GREGG COUNTY, TEXAS**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**(Continued)**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>EXPENDITURES (Continued)</b>				
General government: (Continued)				
Information services:				
Salaries	465,439	465,439	462,725	2,714
Fringe benefits	234,745	234,745	213,786	20,959
Operating	1,060,225	1,074,830	1,050,695	24,135
Total information services	<u>1,760,409</u>	<u>1,775,014</u>	<u>1,727,206</u>	<u>47,808</u>
Agricultural extension service:				
Salaries	74,894	75,180	74,940	240
Fringe benefits	22,715	22,891	23,475	(584)
Operating	19,350	19,350	14,028	5,322
Total agricultural extension service	<u>116,959</u>	<u>117,421</u>	<u>112,443</u>	<u>4,978</u>
Total general government	<u>11,039,593</u>	<u>9,413,914</u>	<u>8,309,939</u>	<u>1,103,975</u>
Judicial:				
Court of civil appeals:				
Salaries	16,008	16,008	16,008	-
Fringe benefits	1,230	1,230	1,229	1
Total court of civil appeals	<u>17,238</u>	<u>17,238</u>	<u>17,237</u>	<u>1</u>
County court-at-law no. 1:				
Salaries	276,382	275,892	275,892	-
Fringe benefits	102,390	102,880	98,600	4,280
Operating	19,774	19,774	12,071	7,703
Total county court-at-law no. 1	<u>398,546</u>	<u>398,546</u>	<u>386,563</u>	<u>11,983</u>
County court-at-law no. 2:				
Salaries	296,779	296,264	296,264	-
Fringe benefits	106,590	107,106	101,571	5,535
Operating	11,095	22,095	19,183	2,912
Capital Outlay	-	4,000.00	2,988	1,012
Total county court-at-law no. 2	<u>414,464</u>	<u>429,465</u>	<u>420,006</u>	<u>9,459</u>

**GREGG COUNTY, TEXAS**  
**GENERAL FUND**  
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**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**(Continued)**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>EXPENDITURES (Continued)</b>				
Judicial: (Continued)				
Attorney general master:				
Operating	550	550	-	550
Total attorney general master	<u>550</u>	<u>550</u>	<u>-</u>	<u>550</u>
124th district court:				
Salaries	115,019	114,804	114,450	354
Fringe benefits	49,525	49,741	49,393	348
Operating	16,980	16,980	7,954	9,026
Total 124th district court	<u>181,524</u>	<u>181,525</u>	<u>171,797</u>	<u>9,728</u>
188th district court:				
Salaries	112,635	112,109	112,058	51
Fringe benefits	49,045	49,571	49,190	381
Operating	23,950	23,950	9,781	14,169
Total 188th district court	<u>185,630</u>	<u>185,630</u>	<u>171,029</u>	<u>14,601</u>
307th district court:				
Salaries	112,129	111,597	111,552	45
Fringe benefits	48,920	49,452	48,711	741
Operating	17,100	17,100	12,134	4,966
Total 307th district court	<u>178,149</u>	<u>178,149</u>	<u>172,397</u>	<u>5,752</u>
Judicial:				
Operating expenditures	2,464,845	2,464,845	1,617,601	847,244
Total judicial	<u>2,464,845</u>	<u>2,464,845</u>	<u>1,617,601</u>	<u>847,244</u>
District clerk:				
Salaries	644,611	644,611	593,856	50,755
Fringe benefits	414,940	414,940	353,909	61,031
Operating	59,050	59,050	26,524	32,526
Total district clerk	<u>1,118,601</u>	<u>1,118,601</u>	<u>974,289</u>	<u>144,312</u>

**GREGG COUNTY, TEXAS  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>EXPENDITURES (Continued)</b>				
Judicial: (Continued)				
Justice of the peace no. 1:				
Salaries	278,408	278,408	261,572	16,836
Fringe benefits	167,595	167,595	130,265	37,330
Operating	72,200	72,200	36,869	35,331
Total justice of the peace no. 1	<u>518,203</u>	<u>518,203</u>	<u>428,706</u>	<u>89,497</u>
Justice of the peace no. 2:				
Salaries	147,672	147,672	147,026	646
Fringe benefits	96,630	96,630	79,620	17,010
Operating	35,160	35,160	29,922	5,238
Total justice of the peace no. 2	<u>279,462</u>	<u>279,462</u>	<u>256,568</u>	<u>22,894</u>
Justice of the peace no. 3:				
Salaries	170,012	170,012	151,173	18,839
Fringe benefits	87,320	87,320	75,931	11,389
Operating	30,900	30,900	16,509	14,391
Total justice of the peace no. 3	<u>288,232</u>	<u>288,232</u>	<u>243,613</u>	<u>44,619</u>
Justice of the peace no. 4:				
Salaries	145,048	144,943	144,699	244
Fringe benefits	82,345	82,450	69,000	13,450
Operating	57,900	64,200	61,099	3,101
Total justice of the peace no. 4	<u>285,293</u>	<u>291,593</u>	<u>274,798</u>	<u>16,795</u>
District attorney:				
Salaries	2,056,845	2,046,553	1,888,041	158,512
Fringe benefits	858,405	868,697	757,060	111,637
Operating	171,830	171,905	115,310	56,595
Total district attorney	<u>3,087,080</u>	<u>3,087,155</u>	<u>2,760,411</u>	<u>326,744</u>
10th Admin Judicial Region:				
Salaries	67,000	67,161	65,250	1,911
Fringe benefits	13,500	13,339	12,587	752
Operating	1,750	1,750	80	1,670
Total 10th Admin Judicial Region	<u>82,250</u>	<u>82,250</u>	<u>77,917</u>	<u>4,333</u>

**GREGG COUNTY, TEXAS**  
**GENERAL FUND**  
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**(Continued)**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>EXPENDITURES (Continued)</b>				
Judicial: (Continued)				
Bail bond board:				
Salaries	3,000	3,000	-	3,000
Fringe benefits	595	595	-	595
Operating	1,355	1,355	35	1,320
Total bail bond board	<u>4,950</u>	<u>4,950</u>	<u>35</u>	<u>4,915</u>
Collections office:				
Salaries	170,786	170,786	161,491	9,295
Fringe benefits	100,565	100,565	89,595	10,970
Operating	15,180	15,180	12,713	2,467
Total collections office	<u>286,531</u>	<u>286,531</u>	<u>263,799</u>	<u>22,732</u>
Total judicial	<u>9,791,548</u>	<u>9,812,925</u>	<u>8,236,766</u>	<u>1,576,159</u>
Public safety:				
Constable no. 1:				
Salaries	46,565	46,565	46,565	-
Fringe benefits	23,355	23,355	9,660	13,695
Operating	7,090	8,497	7,025	1,472
Capital Outlay	9,050	9,050	8,892	158
Total constable no. 1	<u>86,060</u>	<u>87,467</u>	<u>72,142</u>	<u>15,325</u>
Constable no. 2:				
Salaries	46,565	46,329	45,965	364
Fringe benefits	23,355	23,591	23,067	524
Operating	5,865	7,467	4,095	3,372
Total constable no. 2	<u>75,785</u>	<u>77,387</u>	<u>73,127</u>	<u>4,260</u>
Constable no. 3:				
Salaries	69,285	69,285	46,565	22,720
Fringe benefits	27,265	27,265	23,122	4,143
Operating	12,030	13,531	11,766	1,765
Capital Outlay	9,050	9,050	8,892	158
Total constable no. 3	<u>117,630</u>	<u>119,131</u>	<u>90,345</u>	<u>28,786</u>

**GREGG COUNTY, TEXAS  
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SCHEDULE OF REVENUES, EXPENDITURES AND  
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(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>EXPENDITURES (Continued)</b>				
Public safety: (Continued)				
Constable no. 4:				
Salaries	46,565	46,565	40,661	5,904
Fringe benefits	23,355	23,355	18,997	4,358
Operating	8,195	9,797	7,043	2,754
Total constable no. 4	<u>78,115</u>	<u>79,717</u>	<u>66,701</u>	<u>13,016</u>
Sheriff - corrections:				
Salaries	3,946,498	4,208,750	4,123,674	85,076
Fringe benefits	1,907,350	1,915,651	1,784,907	130,744
Operating	561,550	579,825	554,463	25,362
Capital outlay	44,275	50,275	50,275	-
Total sheriff - corrections	<u>6,459,673</u>	<u>6,754,501</u>	<u>6,513,319</u>	<u>241,182</u>
Contract jail operations:				
Salaries	6,634,123	6,488,623	6,034,235	454,388
Fringe benefits	3,626,620	3,086,009	2,903,186	182,823
Operating	1,971,790	2,189,527	2,167,625	21,902
Total contract jail operations	<u>12,232,533</u>	<u>11,764,159</u>	<u>11,105,046</u>	<u>659,113</u>
Criminal Justice Center operations:				
Salaries	276,832	315,419	282,711	32,708
Fringe benefits	164,765	157,748	121,514	36,234
Operating	74,880	74,880	35,634	39,246
Total Criminal Justice Center operations	<u>516,477</u>	<u>548,047</u>	<u>439,859</u>	<u>108,188</u>
Department of Public Safety:				
Operating	7,636	9,668	9,637	31
Total Department of Public Safety	<u>7,636</u>	<u>9,668</u>	<u>9,637</u>	<u>31</u>
Parks and wildlife:				
Operating	1,530	1,530	1,529	1
Total parks and wildlife	<u>1,530</u>	<u>1,530</u>	<u>1,529</u>	<u>1</u>
Texas alcoholic beverage commissions:				
Operating	225	225	-	225
Total alcoholic beverage commissions	<u>225</u>	<u>225</u>	<u>-</u>	<u>225</u>

**GREGG COUNTY, TEXAS**  
**GENERAL FUND**  
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**(Continued)**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>EXPENDITURES (Continued)</b>				
Public safety: (Continued)				
Pre-trial services:				
Salaries	28,565	28,325	27,761	564
Fringe benefits	18,995	18,995	17,365	1,630
Operating	1,340	1,340	1,220	120
Total pre-trial services	<u>48,900</u>	<u>48,660</u>	<u>46,346</u>	<u>2,314</u>
Social security incentive:				
Operating	55,000	55,000	-	55,000
Total social security incentive	<u>55,000</u>	<u>55,000</u>	<u>-</u>	<u>55,000</u>
Juvenile board:				
Salaries	1,712,387	1,692,564	1,635,414	57,150
Fringe benefits	773,620	827,616	837,192	(9,576)
Operating	417,794	474,395	273,220	201,175
Capital Outlay	-	50,715	48,701	2,014
Total juvenile board	<u>2,903,801</u>	<u>3,045,290</u>	<u>2,794,527</u>	<u>250,763</u>
Total public safety	<u>22,583,365</u>	<u>22,590,782</u>	<u>21,212,578</u>	<u>1,378,204</u>
Health and human services:				
Veterans services:				
Salaries	71,602	71,876	71,876	-
Fringe benefits	40,900	40,942	40,942	-
Operating	13,600	15,300	14,866	434
Total veterans services	<u>126,102</u>	<u>128,118</u>	<u>127,684</u>	<u>434</u>
Civil defense:				
Operating	32,475	34,775	34,727	48
Total civil defense	<u>32,475</u>	<u>34,775</u>	<u>34,727</u>	<u>48</u>
COVID-19:				
Operating	-	41,709	41,709	83,418
Total Covid-19	<u>-</u>	<u>41,709</u>	<u>41,709</u>	<u>83,418</u>
911 Addressing:				
Salaries	67,219	87,476	74,673	12,803
Fringe benefits	27,530	20,504	15,852	4,652
Operating	5,900	3,600	2,477	1,123
Total 911 addressing	<u>100,649</u>	<u>111,580</u>	<u>93,002</u>	<u>18,578</u>

**GREGG COUNTY, TEXAS**  
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**(Continued)**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>EXPENDITURES (Continued)</b>				
Health:				
Salaries	350,781	348,942	313,961	34,981
Fringe benefits	188,490	190,329	162,545	27,784
Operating	637,590	659,905	448,433	211,472
Total health	<u>1,176,861</u>	<u>1,199,176</u>	<u>924,939</u>	<u>274,237</u>
Historical commission:				
Operating	11,745	11,745	9,985	1,760
Total historical commission	<u>11,745</u>	<u>11,745</u>	<u>9,985</u>	<u>1,760</u>
Family Protection:				
Operating	7,200	7,200	7,200	-
Total family protection	<u>7,200</u>	<u>7,200</u>	<u>7,200</u>	<u>-</u>
Contributions:				
Operating	462,158	462,158	435,957	26,201
Total contributions	<u>462,158</u>	<u>462,158</u>	<u>435,957</u>	<u>26,201</u>
Total health and human services	<u>1,917,190</u>	<u>1,996,461</u>	<u>1,675,203</u>	<u>321,258</u>
Public buildings:				
ADA Compliance	-	200,870	42,557	158,313
Operating	35,000	10,000	117,437	(107,437)
Capital Outlay	-	4,083	4,083	-
Total courthouse building	<u>35,000</u>	<u>214,953</u>	<u>164,077</u>	<u>50,876</u>
Courthouse building:				
Salaries	420,838	420,838	410,921	9,917
Fringe benefits	226,175	226,175	216,095	10,080
Operating	588,080	588,540	591,524	(2,984)
Total courthouse building	<u>1,235,093</u>	<u>1,235,553</u>	<u>1,218,540</u>	<u>17,013</u>
Jail building:				
Operating	376,280	401,280	394,912	6,368
	<u>376,280</u>	<u>401,280</u>	<u>394,912</u>	<u>6,368</u>



**GREGG COUNTY, TEXAS**  
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**(Continued)**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>EXPENDITURES (Continued)</b>				
Service center building:				
Operating	38,330	46,530	38,841	7,689
Total service center building	<u>38,330</u>	<u>46,530</u>	<u>38,841</u>	<u>7,689</u>
Longview Whaley Street community building:				
Salaries	46,970	43,370	22,470	20,900
Fringe benefits	10,280	13,880	5,794	8,086
Operating	44,215	44,215	36,126	8,089
Total Longview Whaley Street community building	<u>101,465</u>	<u>101,465</u>	<u>64,390</u>	<u>37,075</u>
Judson community building:				
Operating	5,150	5,150	4,748	402
Total Judson community building	<u>5,150</u>	<u>5,150</u>	<u>4,748</u>	<u>402</u>
Greggton community building:				
Operating	32,460	32,567	23,315	9,252
Total Greggton community building	<u>32,460</u>	<u>32,567</u>	<u>23,315</u>	<u>9,252</u>
Gladewater Commerce Street building:				
Operating	4,015	4,015	2,785	1,230
Total Gladewater Commerce street building	<u>4,015</u>	<u>4,015</u>	<u>2,785</u>	<u>1,230</u>
Liberty City office/community building:				
Operating	29,685	29,685	26,606	3,079
Total Liberty City office/ community building	<u>29,685</u>	<u>29,685</u>	<u>26,606</u>	<u>3,079</u>
Hugh Camp Memorial Park:				
Operating	28,345	38,783	34,684	4,099
Total Hugh Camp Memorial Park	<u>28,345</u>	<u>38,783</u>	<u>34,684</u>	<u>4,099</u>
Olivia R. Hilburn community building:				
Operating	14,835	6,922	6,661	261
Total Olivia R. Hilburn community building	<u>14,835</u>	<u>6,922</u>	<u>6,661</u>	<u>261</u>
Kilgore office and community building:				
Salaries	35,709	35,709	30,883	4,826
Fringe benefits	21,405	21,405	17,060	4,345
Operating	22,100	19,600	17,913	1,687
Total Kilgore office and community building	<u>79,214</u>	<u>76,714</u>	<u>65,856</u>	<u>10,858</u>

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**(Continued)**  
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	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>EXPENDITURES (Continued)</b>				
Public buildings: (Continued)				
Kilgore South Street building:				
Operating	250	306	306	-
Total Kilgore South Street building	<u>250</u>	<u>306</u>	<u>306</u>	<u>-</u>
Elderville community building:				
Operating	20,670	19,670	16,737	2,933
Total Elderville community building	<u>20,670</u>	<u>19,670</u>	<u>16,737</u>	<u>2,933</u>
Longview Eastman Road building:				
Operating	18,675	18,675	16,918	1,757
Total Longview Easton Road building	<u>18,675</u>	<u>18,675</u>	<u>16,918</u>	<u>1,757</u>
Purchasing Surplus Building				
Operating	1,825	2,125	1,854	271
Total Purchasing Surplus building	<u>1,825</u>	<u>2,125</u>	<u>1,854</u>	<u>271</u>
M. A. Smith Criminal Justice Center:				
Operating	54,510	54,510	45,637	8,873
Total M. A. Smith Criminal Justice Center	<u>54,510</u>	<u>54,510</u>	<u>45,637</u>	<u>8,873</u>
Courthouse housekeeping:				
Salaries	203,937	203,937	190,357	13,580
Fringe benefits	151,540	151,540	129,685	21,855
Operating	36,050	36,050	28,723	7,327
Total courthouse housekeeping	<u>391,527</u>	<u>391,527</u>	<u>348,765</u>	<u>42,762</u>
Total public buildings	<u>2,467,329</u>	<u>2,680,430</u>	<u>2,475,632</u>	<u>204,798</u>
Debt service - principal:				
Capital lease	1,000	1,000	1,066	(66)
Total debt service - principal	<u>1,000</u>	<u>1,000</u>	<u>1,066</u>	<u>(66)</u>
Debt service - interest:				
Capital lease	500	500	72	428
Total debt service - interest	<u>500</u>	<u>500</u>	<u>72</u>	<u>428</u>
Total expenditures	<u>\$ 44,994,707</u>	<u>\$ 46,496,012</u>	<u>\$ 41,911,256</u>	<u>\$ 4,584,756</u>

**GREGG COUNTY, TEXAS  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(774,977)</u>	<u>(2,829,698)</u>	<u>5,379,199</u>	<u>8,208,897</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer in:				
Capital improvement fund	-	45,715	45,715	-
Transfers out:				
Grant fund	(9,800,614)	(38,750)	(162)	38,588
Road and bridge fund	(200,000)	(160,000)	(160,000)	-
Capital improvement fund	(4,553,932)	(5,655,688)	(5,575,688)	80,000
Records management and preservation fund	-	(29,772)	(29,772)	-
Violence against women	(45,000)	(30,000)	(30,000)	-
Violence against women	(57,000)	(57,000)	(57,000)	-
Renovations & capital acquisitions	-	(1,000)	(1,000)	-
Community healthcore grant	(25,000)	(105,800)	-	105,800
Airport	-	(376,248)	(376,248)	-
Victim Assistance Coord	-	(45,950)	(8,729)	37,221
NETRMA	-	(60,000)	(60,000)	-
CTIF	-	(185,000)	(185,000)	-
COVID 2	-	(46,029)	-	46,029
Total transfers out	<u>(14,681,546)</u>	<u>(6,791,237)</u>	<u>(6,483,599)</u>	<u>307,638</u>
Sale of capital assets	15,000	15,000	42,930	27,930
Insurance recoveries	-	185,995	185,995	-
Total other financing sources (uses)	<u>(14,666,546)</u>	<u>(6,544,527)</u>	<u>(6,208,959)</u>	<u>335,568</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(15,441,523)</u>	<u>(9,374,225)</u>	<u>(829,760)</u>	<u>8,544,465</u>
<b>FUND BALANCE, BEGINNING</b>	<u>41,476,176</u>	<u>41,476,176</u>	<u>41,476,176</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 26,034,653</u>	<u>\$ 32,101,951</u>	<u>\$ 40,646,416</u>	<u>\$ 8,544,465</u>

**GREGG COUNTY, TEXAS  
ROAD AND BRIDGE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Current property	\$ 1,988,469	\$ 1,988,469	\$ 1,986,862	\$ (1,607)
Current penalty and interest	10,000	10,000	12,064	2,064
Delinquent property	59,751	59,751	44,941	(14,810)
Delinquent penalty and interest	8,100	8,100	13,948	5,848
Total taxes	<u>2,066,320</u>	<u>2,066,320</u>	<u>2,057,815</u>	<u>(8,505)</u>
Licenses and permits:				
Motor vehicle registration	1,515,000	1,515,000	1,547,793	32,793
Weight permits	24,000	24,000	21,494	(2,506)
Total licenses and permits	<u>1,539,000</u>	<u>1,539,000</u>	<u>1,569,287</u>	<u>30,287</u>
Intergovernmental:				
Lateral road	18,500	18,500	18,875	375
Donation of RAP	-	-	31,400	31,400
Total intergovernmental	<u>18,500</u>	<u>18,500</u>	<u>50,275</u>	<u>31,775</u>
Charges for services:				
Reimbursement of capital projects overhead	-	296,070	148,715	(147,355)
Total charges for services	<u>-</u>	<u>296,070</u>	<u>148,715</u>	<u>(147,355)</u>
Fines and forfeitures:				
Misdemeanor fines	285,000	285,000	249,889	(35,111)
Felony fines	54,250	54,250	212,772	158,522
Civil/BF fines	11,500	11,500	17,246	5,746
Total fines and forfeitures	<u>350,750</u>	<u>350,750</u>	<u>479,907</u>	<u>129,157</u>
Investment earnings:				
Interest	7,500	7,500	12,203	4,703
Unrealized gains (losses)	-	-	(9,106)	(9,106)
Total investment earnings	<u>7,500</u>	<u>7,500</u>	<u>3,097</u>	<u>(4,403)</u>
Miscellaneous:				
Miscellaneous	1,525	301,936	8,423	(293,513)
Total miscellaneous	<u>1,525</u>	<u>301,936</u>	<u>8,423</u>	<u>(293,513)</u>
Total revenues	<u>3,983,595</u>	<u>4,580,076</u>	<u>4,317,519</u>	<u>(262,557)</u>
<b>EXPENDITURES</b>				
Transportation and roads:				
Administration:				
Salaries	267,284	272,784	267,709	5,075
Fringe benefits	113,325	107,825	105,336	2,489
Operating	-	242,630	189,337	53,293
Total administration	<u>380,609</u>	<u>623,239</u>	<u>562,382</u>	<u>60,857</u>

The accompanying notes are an integral part of this schedule.

**GREGG COUNTY, TEXAS**  
**ROAD AND BRIDGE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**(Continued)**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>EXPENDITURES (Continued)</b>				
Transportation and roads: (Continued)				
Road and bridge - general:				
Operating	47,392	46,017	-	46,017
Total road and bridge - general	<u>47,392</u>	<u>46,017</u>	<u>-</u>	<u>46,017</u>
Road and bridge - precinct no. 1:				
Salaries	656,766	673,192	658,772	14,420
Fringe benefits	330,150	315,850	292,176	23,674
Operating	321,885	293,071	368,433	(75,362)
Capital outlay	4,232	35,261	15,943	19,318
Total road and bridge - precinct no. 1	<u>1,313,033</u>	<u>1,317,374</u>	<u>1,335,324</u>	<u>(17,950)</u>
Road and bridge - precinct no. 2:				
Salaries	38,827	38,582	37,467	1,115
Fringe benefits	20,875	21,120	20,795	325
Operating	25,500	25,500	2,771	22,729
Total road and bridge - precinct no. 2	<u>85,202</u>	<u>85,202</u>	<u>61,033</u>	<u>24,169</u>
Road and bridge - precinct no. 3:				
Salaries	720,049	708,549	683,525	25,024
Fringe benefits	369,431	358,360	321,536	36,824
Operating	352,710	416,987	490,452	(73,465)
Capital outlay	-	37,283	-	37,283
Total road and bridge - precinct no. 3	<u>1,442,190</u>	<u>1,521,179</u>	<u>1,495,513</u>	<u>25,666</u>
Road and bridge - precinct no. 4:				
Salaries	572,472	604,042	556,334	47,708
Fringe benefits	322,200	290,630	267,194	23,436
Operating	301,510	330,659	444,036	(113,377)
Capital outlay	23,000	25,175	24,440	735
Total road and bridge - precinct no. 4	<u>1,219,182</u>	<u>1,250,506</u>	<u>1,292,004</u>	<u>(41,498)</u>
Total transportation and roads	<u>4,487,608</u>	<u>4,843,517</u>	<u>4,746,256</u>	<u>97,261</u>
Total expenditures	<u><u>4,487,608</u></u>	<u><u>4,843,517</u></u>	<u><u>4,746,256</u></u>	<u><u>97,261</u></u>

The accompanying notes are an integral part of this schedule.

**GREGG COUNTY, TEXAS  
ROAD AND BRIDGE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(504,013)</u>	<u>(263,441)</u>	<u>(428,737)</u>	<u>(165,296)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
General fund	<u>100,000</u>	<u>160,000</u>	<u>160,000</u>	<u>-</u>
Total transfers in	<u>100,000</u>	<u>160,000</u>	<u>160,000</u>	<u>-</u>
Transfers out:				
Renovations & Capital Acquisitions	<u>-</u>	<u>(289,151)</u>	<u>(288,165)</u>	<u>986</u>
Total transfers out	<u>-</u>	<u>(289,151)</u>	<u>(288,165)</u>	<u>986</u>
Sale of capital assets	<u>30,000</u>	<u>30,000</u>	<u>7,422</u>	<u>(22,578)</u>
Total other financing sources	<u>130,000</u>	<u>(99,151)</u>	<u>(120,743)</u>	<u>(21,592)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(374,013)</u>	<u>(362,592)</u>	<u>(549,480)</u>	<u>(186,888)</u>
<b>FUND BALANCE, BEGINNING</b>	<u>2,770,074</u>	<u>2,770,074</u>	<u>2,770,074</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 2,396,061</u>	<u>\$ 2,407,482</u>	<u>\$ 2,220,594</u>	<u>\$ (186,888)</u>

The accompanying notes are an integral part of this schedule.

**GREGG COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**CAPITAL IMPROVEMENT FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budgeted Amounts</u>		Actual Amounts Budgetary Basis	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Investment earnings	\$ 156,900	\$ 156,900	\$ 35,978	\$ (120,922)
Total revenues	<u>156,900</u>	<u>156,900</u>	<u>35,978</u>	<u>(120,922)</u>
<b>EXPENDITURES</b>				
General government	185,000	-	-	-
Capital outlay	2,233,315	2,660,698	2,241,308	419,390
Total expenditures	<u>2,418,315</u>	<u>2,660,698</u>	<u>2,241,308</u>	<u>419,390</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(2,261,415)	(2,503,798)	(2,205,330)	298,468
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	7,408,364	5,864,853	(1,543,511)
Transfers out	(1,357,130)	(1,741,941)	(45,715)	1,696,226
Disposal of capital assets	470,000	-	-	-
Insurance recoveries	-	-	-	-
Total other financing sources (uses)	<u>(887,130)</u>	<u>5,666,423</u>	<u>5,819,138</u>	<u>152,715</u>
<b>NET CHANGE IN FUND BALANCE</b>	(3,148,545)	3,162,625	3,613,808	451,183
<b>FUND BALANCE, BEGINNING</b>	<u>16,248,331</u>	<u>16,248,331</u>	<u>16,248,331</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 13,099,786</u>	<u>\$ 19,410,956</u>	<u>\$ 19,862,139</u>	<u>\$ 451,183</u>

**GREGG COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**AIRPORT CAPITAL IMPROVEMENT FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 1,000,000	\$ 3,258,724	\$ 206,622	\$ (3,052,102)
Charges for services	74,000	74,000	75,561	1,561
Total revenues	1,074,000	3,332,724	282,183	(3,050,541)
<b>EXPENDITURES</b>				
Current:				
Capital outlay	1,000,000	712,557	208,321	504,236
Total expenditures	1,000,000	712,557	208,321	504,236
<b>(DEFICIENCY) OF REVENUES</b>				
<b>(UNDER) EXPENDITURES</b>	74,000	2,620,167	73,862	(2,546,305)
<b>OTHER FINANCING SOURCES</b>				
Transfers in	100,000	(233,701)	-	233,701
Total other financing sources	100,000	(233,701)	-	233,701
<b>NET CHANGE IN FUND BALANCE</b>	174,000	2,386,466	73,862	(2,312,604)
<b>FUND BALANCE, BEGINNING</b>	238,612	238,612	238,612	-
<b>FUND BALANCE, ENDING</b>	\$ 412,612	\$ 2,625,078	\$ 312,474	\$ (2,312,604)



**GREGG COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**AMERICAN RESCUE PLAN**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budgeted Amounts</u>		Actual Amounts Budgetary Basis	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental	\$ 19,012,692	\$ 19,012,692	\$ 5,062,171	\$ (13,950,521)
Total revenues	<u>19,012,692</u>	<u>19,012,692</u>	<u>5,062,171</u>	<u>(13,950,521)</u>
<b>EXPENDITURES</b>				
Current:				
Health and human services	1,159,369	1,159,369	1,159,368	1
Capital outlay	336,725	336,725	336,725	-
Total expenditures	<u>1,159,369</u>	<u>1,496,094</u>	<u>1,496,093</u>	<u>1</u>
<b>(DEFICIENCY) OF REVENUES</b>				
<b>(UNDER) EXPENDITURES</b>	17,853,323	17,516,598	3,566,078	(13,950,520)
<b>FUND BALANCE, BEGINNING</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 17,853,323</u>	<u>\$ 17,516,598</u>	<u>\$ 3,566,078</u>	<u>\$ (13,950,520)</u>

**GREGG COUNTY, TEXAS**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION –**  
**BUDGETARY SCHEDULES**  
**SEPTEMBER 30, 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Budgetary Information**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles. State law provides that amendments approved by the Commissioners Court may be made to the original budget provided that funds are available for the added expenditures. Reported budget amounts reflect the budget as originally adopted and all budget amendments and transfers approved by the Commissioners Court. Revenues are budgeted at the account level and expenditures are budgeted at the category/department level with the following categories: salaries, fringe benefits, operating, and capital outlay.

The County uses encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation. All open purchase orders lapse at year-end and are subject to re-appropriation in the subsequent year's budgetary process.

Budgetary comparison schedules are presented as required supplementary information for the General Fund and for each major capital project and special revenue fund. The budgetary comparison schedules included in the required supplementary information present a comparison of budgetary data to actual results of operations for the General Fund, Road and Bridge Fund, Capital Improvement Fund, Airport Capital Improvement Fund, and American Rescue Plan Fund. Comparisons of budgetary data to actual results of operations for the Airport Fund (nonmajor special revenue), Law Enforcement Fund (nonmajor special revenue), Court Technology and Security Fund (nonmajor special revenue), Records Management and Preservation Fund (nonmajor special revenue), Voting and Elections (nonmajor special revenue), Grant Fund (nonmajor special revenue), Law Library Fund (nonmajor special revenue), Health Care Fund (nonmajor special revenue) and Coronavirus Relief Fund (nonmajor special revenue) are presented as supplementary information.

The following nonmajor special revenue funds do not have legally adopted budgets; therefore, no budgetary comparison schedules are presented: Code Enforcement Fund, VIT Operating Fund, Local Truancy Prevention/Diversion Fund, District Attorney Fund, and Sheriff Fund.

**B. Excess of Expenditures Over Appropriations**

For the year ended September 30, 2021, expenditures exceeded appropriations in the Road & Bridge Operating accounts for Precincts 1 and 4 as reported on the Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual reported budget overages due to a non-cash adjustment to the value of donated Reclaimed Asphalt Pavement (RAP). Texas Department of Transportation provided information on the valuation of donated RAP, which the County used to adjust their inventory of RAP. The inventory adjustment was required for inventory accounting in accordance with GAAP, which is the basis the County uses for budget reporting. However, there was not an overage on the available resources method (i.e. cash method) therefore the budget amendment was inadvertently overlooked.

**GREGG COUNTY, TEXAS**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY**  
**AND RELATED RATIOS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

Plan Year Ended December 31	2020	2019	2018	2017	2016	2015	2014
<b>Total Pension Liability</b>							
Service Cost	\$ 3,508,234	\$ 3,194,477	\$ 3,314,571	\$ 3,503,561	\$ 3,531,610	\$ 3,307,965	\$ 3,352,760
Interest total pension liability	12,220,941	11,651,113	11,288,323	10,628,971	9,867,996	9,364,860	8,831,106
Effect of plan changes	-	-	-	-	-	( 483,308)	-
Effect of assumption changes or inputs	9,128,541	-	-	1,127,308	-	1,346,961	-
Effect of economic/demographic (gains) or losses	( 1,012,624)	140,771	( 2,291,235)	( 155,792)	90,665	( 1,630,892)	( 820,005)
Benefit payments/refunds of contributions	( 8,214,717)	( 8,313,751)	( 7,134,574)	( 6,428,980)	( 5,327,748)	( 5,430,771)	( 4,930,501)
Net change in total pension liability	15,630,375	6,672,610	5,177,085	8,675,068	8,162,523	6,474,815	6,433,360
Total pension liability - beginning	<u>151,394,976</u>	<u>144,722,366</u>	<u>139,545,281</u>	<u>130,870,213</u>	<u>122,707,690</u>	<u>116,232,875</u>	<u>109,799,515</u>
Total pension liability - ending (a)	<u>\$ 167,025,351</u>	<u>\$ 151,394,976</u>	<u>\$ 144,722,366</u>	<u>\$ 139,545,281</u>	<u>\$ 130,870,213</u>	<u>\$ 122,707,690</u>	<u>\$ 116,232,875</u>
<b>Plan Fiduciary Net Position</b>							
Employer contributions	\$ 3,264,409	\$ 3,064,477	\$ 2,786,539	\$ 2,813,979	\$ 2,833,558	\$ 2,700,427	\$ 2,687,677
Member contributions	1,926,685	1,943,539	1,776,371	1,800,635	1,836,277	1,727,961	1,719,683
Investment income (loss) net of investment expenses	15,214,977	21,281,165	( 2,540,927)	17,396,356	8,259,029	( 264,690)	7,228,206
Benefit payments/refunds of contributions	( 8,214,717)	( 8,313,751)	( 7,134,574)	( 6,428,980)	( 5,327,747)	( 5,430,771)	( 4,930,501)
Administrative expenses	( 116,591)	( 112,278)	( 104,070)	( 89,679)	( 89,748)	( 80,839)	( 84,645)
Other	( 74,675)	( 92,654)	( 63,073)	( 25,162)	202,729	( 123,434)	( 155,736)
Net change in plan fiduciary net position	12,000,088	17,770,498	( 5,279,734)	15,467,149	7,714,098	( 1,471,346)	6,464,684
Plan fiduciary net position - beginning	<u>147,339,461</u>	<u>129,568,963</u>	<u>134,848,697</u>	<u>119,381,548</u>	<u>111,667,450</u>	<u>113,138,796</u>	<u>106,674,112</u>
Plan fiduciary net position - ending (b)	<u>159,339,549</u>	<u>147,339,461</u>	<u>129,568,963</u>	<u>134,848,697</u>	<u>119,381,548</u>	<u>111,667,450</u>	<u>113,138,796</u>
Net pension liability - ending (a) - (b)	<u>\$ 7,685,802</u>	<u>\$ 4,055,515</u>	<u>\$ 15,153,403</u>	<u>\$ 4,696,584</u>	<u>\$ 11,488,665</u>	<u>\$ 11,040,240</u>	<u>\$ 3,094,079</u>
Fiduciary net position as a percentage of total pension liability	95.40%	97.32%	89.53%	96.63%	91.22%	91.00%	97.34%
Pensionable covered payroll	\$ 27,524,070	\$ 26,740,638	\$ 25,376,729	\$ 25,723,351	\$ 25,900,948	\$ 24,685,154	\$ 24,566,896
Net pension liability as a percentage of covered payroll	27.92%	15.17%	59.71%	18.26%	44.36%	44.72%	12.59%

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

**GREGG COUNTY, TEXAS  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

<b>Fiscal Year Ended September 30,</b>	<b>Actuarially Determined Contribution</b>	<b>Actual Employer Contribution</b>	<b>Contribution Deficiency (Excess)</b>	<b>Pensionable Covered Payroll</b>	<b>Actual Contribution as a % of Covered Payroll</b>
2014	\$ 2,661,394	\$ 2,661,394	\$ -	\$ 24,561,424	10.84%
2015	2,675,491	2,675,491	-	24,456,039	10.94%
2016	2,756,645	2,756,645	-	25,197,850	10.94%
2017	2,805,690	2,805,690	-	25,773,377	10.89%
2018	2,779,766	2,779,766	-	25,337,881	10.97%
2019	2,982,090	2,982,090	-	25,376,729	11.75%
2020	3,242,296	3,242,296	-	26,740,638	12.12%
2021	3,354,351	3,354,351	-	28,282,334	11.86%

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

**GREGG COUNTY, TEXAS**  
**NOTES TO SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

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

**Methods and assumptions used to determine contributions rates:**

<b>Actuarial Cost Method</b>	Entry age
<b>Amortization Method</b>	Level percentage of payroll, closed
<b>Remaining Amortization Period</b>	20.0 years (based on contribution rate calculated in 12/31/2020 valuation)
<b>Asset Valuation Method</b>	5-year smoothed market
<b>Inflation</b>	2.50%
<b>Salary Increases</b>	Varies by age and service. 4.6% average over career including inflation.
<b>Investment Rate of Return</b>	7.50%, net of investment expenses, including inflation.
<b>Retirement Age</b>	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.
<b>Mortality</b>	130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.

**Changes in Assumptions and Methods Reflected in the Schedule of Employer Contributions\*** 2015: New inflation, mortality and other assumptions were reflected.

2017: New mortality assumptions were reflected.

2019: New inflation, mortality and other assumptions were reflected.

**Changes in Plan Provisions Reflected in the Schedule of Employer Contributions** 2015: No changes in plan provisions were reflected in the Schedule.

2016: No changes in plan provisions were reflected in the Schedule.

2017: New Annuity Purchase Rates were reflected for benefits earned after 2017.

2018: No changes in plan provisions were reflected in the Schedule.

2019: No changes in plan provisions were reflected in the Schedule.

2020: No changes in plan provisions were reflected in the Schedule.

\*Only changes that affect the benefit amount and that are effective 2015 and later are shown in the these notes.

**COMBINING AND INDIVIDUAL  
FUND STATEMENTS AND SCHEDULES**

## NONMAJOR GOVERNMENTAL FUNDS

**Special Revenue Funds** are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

**Airport Fund** – This fund accounts for the activities of the East Texas Regional Airport.

**Law Enforcement Fund** – This fund is used to account for law enforcement revenues and expenditures restricted by federal and state statutes.

**Court Technology and Security Fund** – This fund accounts for the fees collected from defendants in criminal cases pursuant to the Code of Criminal Procedure §102.0169, §102.017, and §102.0173. Proceeds are used to cover the costs of continuing education and training for the judges and clerks on technological enhancements and for the purchase and maintenance of technological enhancements including computer systems, networks, hardware and software, imaging systems, electronic kiosks, and docket management systems.

**Records Management and Preservation Fund** – This fund is used to account for receipts and disbursements related to the record management and preservation program. Resources from this fund are used to manage, organize, promote, implement, preserve, and maintain county records.

**Voting and Elections Fund** – This fund is used to account for activities related to voting and elections within the County which are restricted by federal and state statutes.

**Grant Fund** – This fund is used to account for activities related to federal, state, and local grants received by the County.

**Law Library Fund** – This fund accounts for fees collected pursuant to Local Government Code §323.023 for the operations of the law library.

**Health Care Fund** – This fund is used to account for the federal and state funding received for health care activities.

**Code Enforcement Fund** – This fund is used to account for the activities related to code enforcement.

**VIT Operating Fund** – This fund is used to account for the vehicle inventory tax functions of the County tax office.

**Local Truancy Prevention/Diversion** - This fund accounts for fees collected for Justice of the Peace level misdemeanors pursuant to Local Government Code 134.156. Proceeds can be used to finance the position of a juvenile case manager or programs directly related to the position.

**District Attorney Fund** – This fund accounts for all receipts and disbursements related to the discretionary funding of the District Attorney.

**Sheriff Fund** – This fund is used to account for the inmate welfare activities at the County jail as well as asset forfeitures. These funds are restricted by the statute.

**Coronavirus Relief Fund** – This fund is used to account for expenditures specific to addressing the Coronavirus pandemic and the reimbursement of those expenditures by the Coronavirus Relief Funds Federal grant.

**GREGG COUNTY  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2021**

	Special Revenue			
	Airport	Law Enforcement	Court Technology and Security	Records Management and Preservation
<b>ASSETS</b>				
Cash and cash equivalents	\$ 325,214	\$ 57,019	\$ 623,453	\$ 835,394
Investments	892,844	-	-	200,000
Receivables (net of allowance for uncollectibles):				
Accounts	17,980	-	65,720	108,959
Taxes	40,094	-	-	-
Interest	1,580	-	-	10
Due from other governments	3,660	-	-	-
Inventory	24,064	-	-	-
Total assets	<u>\$ 1,305,436</u>	<u>\$ 57,019</u>	<u>\$ 689,173</u>	<u>\$ 1,144,363</u>
<b>LIABILITIES</b>				
Accounts payable	54,345	41,430	2,453	1,499
Due to other governments	-	-	-	-
Accrued liabilities	81,096	-	-	5,126
Due to other funds	-	-	-	-
Total liabilities	<u>135,441</u>	<u>41,430</u>	<u>2,453</u>	<u>6,625</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue - property taxes	30,992	-	-	-
Unavailable revenue - court fines	-	-	63,540	95,545
Total deferred inflows of resources	<u>30,992</u>	<u>-</u>	<u>63,540</u>	<u>95,545</u>
<b>FUND BALANCES</b>				
Nonspendable:				
Inventories	24,064	-	-	-
Restricted for:				
Public safety operations	-	15,589	-	-
Judicial operations	-	-	-	-
Transportation and roads	-	-	-	-
Court technology and security	-	-	623,180	-
Records management and preservator	-	-	-	1,042,193
Voting and elections	-	-	-	-
Health and human services operations	-	-	-	-
VIT operations	-	-	-	-
Committed for:				
Airport operations	1,114,939	-	-	-
Donations to healthcare organizations	-	-	-	-
Total fund balances	<u>1,139,003</u>	<u>15,589</u>	<u>623,180</u>	<u>1,042,193</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,305,436</u>	<u>\$ 57,019</u>	<u>\$ 689,173</u>	<u>\$ 1,144,363</u>



Special Revenue

Voting and Elections	Grant	Law Library	Health Care	Code Enforcement	VIT Operating
\$ 50,440	\$ 645,738	\$ 126,723	\$ 155,788	\$ 187,599	\$ 20,675
-	-	-	3,125,152	-	-
-	-	5,903	-	-	-
-	-	-	4,679	-	-
-	685,666	-	-	-	-
-	-	-	-	-	-
<u>\$ 50,440</u>	<u>\$ 1,331,404</u>	<u>\$ 132,626</u>	<u>\$ 3,285,619</u>	<u>\$ 187,599</u>	<u>\$ 20,675</u>
-	487,775	3,029	-	-	-
-	492	-	-	-	-
-	15,310	1,242	-	-	-
-	425,520	-	-	-	3,859
-	<u>929,097</u>	<u>4,271</u>	-	-	<u>3,859</u>
-	-	-	-	-	-
-	-	559	-	-	-
-	-	<u>559</u>	-	-	-
-	-	-	-	-	-
-	102,030	-	-	187,599	-
-	9,677	127,796	-	-	-
-	153,183	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
50,440	86,545	-	-	-	-
-	50,872	-	-	-	-
-	-	-	-	-	16,816
-	-	-	-	-	-
-	-	-	3,285,619	-	-
<u>50,440</u>	<u>402,307</u>	<u>127,796</u>	<u>3,285,619</u>	<u>187,599</u>	<u>16,816</u>
<u>\$ 50,440</u>	<u>\$ 1,331,404</u>	<u>\$ 132,626</u>	<u>\$ 3,285,619</u>	<u>\$ 187,599</u>	<u>\$ 20,675</u>

**GREGG COUNTY  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2021**

	Special Revenue				Total Nonmajor Governmental Funds
	Local Truancy Prevention/ Diversion	District Attorney	Sheriff	Coronavirus Relief	
<b>ASSETS</b>					
Cash and cash equivalents	\$ 22,937	67,630	805,215	\$ -	\$ 3,923,825
Investments	-	-	-	-	4,217,996
Receivables (net of allowance for uncollectibles):					
Accounts	5,742	-	182	-	204,486
Taxes	-	-	-	-	40,094
Interest	-	-	-	-	6,269
Due from other governments	-	-	-	1,069,812	1,759,138
Inventory	-	-	-	-	24,064
Total assets	<u>\$ 28,679</u>	<u>\$ 67,630</u>	<u>\$ 805,397</u>	<u>\$ 1,069,812</u>	<u>\$ 10,175,872</u>
<b>LIABILITIES</b>					
Accounts payable	-	-	3,340	6,000	599,871
Due to other governments	-	-	-	-	492
Accrued liabilities	-	-	-	-	102,774
Due to other funds	-	-	-	1,063,812	1,493,191
Total liabilities	<u>-</u>	<u>-</u>	<u>3,340</u>	<u>1,069,812</u>	<u>2,196,328</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue - property taxes	-	-	-	-	30,992
Unavailable revenue - court fines	5,542	-	-	-	165,186
Total deferred inflows of resources	<u>5,542</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>196,178</u>
<b>FUND BALANCES</b>					
Nonspendable:					
Inventories	-	-	-	-	24,064
Restricted for:					
Public safety operations	-	-	802,057	-	1,107,275
Judicial operations	23,137	67,630	-	-	228,240
Transportation and roads	-	-	-	-	153,183
Court technology and security	-	-	-	-	623,180
Records management and preservati	-	-	-	-	1,042,193
Voting and elections	-	-	-	-	136,985
Health and human services operations	-	-	-	-	50,872
VIT operations	-	-	-	-	16,816
Committed for:					
Airport operations	-	-	-	-	1,114,939
Donations to healthcare organizations	-	-	-	-	3,285,619
Total fund balances	<u>23,137</u>	<u>67,630</u>	<u>802,057</u>	<u>-</u>	<u>7,783,366</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 28,679</u>	<u>\$ 67,630</u>	<u>\$ 805,397</u>	<u>\$ 1,069,812</u>	<u>\$ 10,175,872</u>

**GREGG COUNTY**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2021**

	Special Revenue			
	Airport	Law Enforcement	Court Technology and Security	Records Management and Preservation
<b>REVENUES</b>				
Current property taxes	\$ 2,034,450	\$ -	\$ -	\$ -
Delinquent property taxes	59,938	-	-	-
Intergovernmental	21,900	-	-	-
Charges for services	16,675	-	86,367	330,591
Fines and forfeitures	-	-	-	-
Investment earnings	943	-	-	204
Rent and commissions	380,605	-	-	-
Miscellaneous	630	-	-	-
Total revenues	<u>2,515,141</u>	<u>-</u>	<u>86,367</u>	<u>330,795</u>
<b>EXPENDITURES</b>				
Current:				
General government	1,325,036	-	-	237,639
Judicial	-	-	11,935	4,664
Public safety	1,243,945	-	4,220	-
Health and human services	-	-	-	-
Transportation & Roads	-	-	-	-
Capital outlay	-	-	2,456	20,929
Total expenditures	<u>2,568,981</u>	<u>-</u>	<u>18,611</u>	<u>263,232</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(53,840)	-	67,756	67,563
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	376,248	-	-	59,772
Transfers out	(50,000)	-	-	-
Insurance proceeds	6,911	-	-	-
Total other financing sources (uses)	<u>333,159</u>	<u>-</u>	<u>-</u>	<u>59,772</u>
<b>NET CHANGE IN FUND BALANCES</b>	279,319	-	67,756	127,335
<b>FUND BALANCES, BEGINNING</b>	<u>859,684</u>	<u>15,589</u>	<u>555,424</u>	<u>914,858</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 1,139,003</u>	<u>\$ 15,589</u>	<u>\$ 623,180</u>	<u>\$ 1,042,193</u>

Special Revenues

Voting and Elections	Grant	Law Library	Health Care	Code Enforcement	VIT Operating
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	1,615,743	-	64,181	-	-
44,115	-	91,887	-	-	18,014
-	-	-	-	20,661	-
-	-	-	5,117	891	106
-	-	-	-	-	-
-	-	87	-	-	-
<u>44,115</u>	<u>1,615,743</u>	<u>91,974</u>	<u>69,298</u>	<u>21,552</u>	<u>18,120</u>
10,169	786,992	-	-	-	15,715
-	174,598	75,869	-	-	-
-	30,123	-	-	10,238	-
-	270,062	-	40,000	-	-
-	429,087	-	-	-	-
1,576	305,298	-	-	-	-
<u>11,745</u>	<u>1,996,160</u>	<u>75,869</u>	<u>40,000</u>	<u>10,238</u>	<u>15,715</u>
32,370	(380,417)	16,105	29,298	11,314	2,405
-	367,582	-	-	-	-
(6,691)	-	-	-	-	-
-	100,166	-	-	-	-
<u>(6,691)</u>	<u>467,748</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
25,679	87,331	16,105	29,298	11,314	2,405
<u>24,761</u>	<u>314,976</u>	<u>111,691</u>	<u>3,256,321</u>	<u>176,285</u>	<u>14,411</u>
<u>\$ 50,440</u>	<u>\$ 402,307</u>	<u>\$ 127,796</u>	<u>\$ 3,285,619</u>	<u>\$ 187,599</u>	<u>\$ 16,816</u>

**GREGG COUNTY**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2021**

	Special Revenues				Total Nonmajor Governmental Funds
	Local Truancy Prevention/ Diversion	District Attorney	Sheriff	Coronavirus Relief	
<b>REVENUES</b>					
Current property taxes	\$ -	\$ -	\$ -	\$ -	\$ 2,034,450
Delinquent property taxes	-	-	-	-	59,938
Intergovernmental	-	60,930	-	1,409,420	3,172,174
Charges for services	15,285	5,211	18,834	-	626,979
Fines and forfeitures	-	-	195,707	-	216,368
Interest	-	-	71	-	7,332
Rent and commissions	-	-	501,835	-	882,440
Miscellaneous	-	18	-	-	735
Total revenues	<u>15,285</u>	<u>66,159</u>	<u>716,447</u>	<u>1,409,420</u>	<u>7,000,416</u>
<b>EXPENDITURES</b>					
Current:					
General government	-	-	-	1,056,055	3,431,606
Judicial	-	25,499	-	-	292,565
Public safety	-	-	319,558	-	1,608,084
Health and human services	-	-	-	339,609	649,671
Transportation & Roads	-	-	-	-	429,087
Capital outlay	-	-	6,000	13,756	350,015
Total expenditures	<u>-</u>	<u>25,499</u>	<u>325,558</u>	<u>1,409,420</u>	<u>6,761,028</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	15,285	40,660	390,889	-	239,388
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	-	-	803,602
Transfers out	-	-	-	-	(56,691)
Insurance proceeds	-	-	-	-	107,077
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>853,988</u>
<b>NET CHANGE IN FUND BALANCES</b>	15,285	40,660	390,889	-	1,093,376
<b>FUND BALANCES, BEGINNING</b>	<u>7,852</u>	<u>26,970</u>	<u>411,168</u>	<u>-</u>	<u>6,689,990</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 23,137</u>	<u>\$ 67,630</u>	<u>\$ 802,057</u>	<u>\$ -</u>	<u>\$ 7,783,366</u>

## INTERNAL SERVICE FUNDS

**Internal Service Funds** are used to account for services provided to other departments or agencies of the County on a cost-reimbursement basis.

**Print Shop Fund** – This fund was established in 2001 and accounts for printing functions provided to County departments. Operational cost associated with the print shop are supported by charges to user departments.

**Self-insurance Fund** – This fund accounts for revenues and expenses related to employee insurance benefits. The County provides health and dental benefits for full-time employees. The County transitioned to a self-funded medical plan from a traditional fully-insured plan in fiscal year 2001 to help lower costs.

**GREGG COUNTY, TEXAS**  
**COMBINING STATEMENT OF NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**SEPTEMBER 30, 2021**

	<u>Print Shop</u>	<u>Self- Insurance</u>	<u>Totals</u>
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 53	\$ 1,176,032	\$ 1,176,085
Accounts receivable, net of allowance	27	22,095	22,122
Due from other funds	-	49,677	49,677
Inventory	4,844	-	4,844
Total current assets	<u>4,924</u>	<u>1,247,804</u>	<u>1,252,728</u>
Noncurrent assets:			
Capital assets:			
Equipment	60,578	-	60,578
Less accumulated depreciation	(40,998)	-	(40,998)
Total capital assets	<u>19,580</u>	<u>-</u>	<u>19,580</u>
Total noncurrent assets	<u>19,580</u>	<u>-</u>	<u>19,580</u>
Total assets	<u>24,504</u>	<u>1,247,804</u>	<u>1,272,308</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	508	5,428	5,936
Due to other funds	49,677	-	49,677
Accrued liabilities	1,950	416,583	418,533
Total liabilities	<u>52,135</u>	<u>422,011</u>	<u>474,146</u>
<b>NET POSITION</b>			
Unrestricted	<u>(27,631)</u>	<u>825,793</u>	<u>798,162</u>
Total net position	<u>\$ (27,631)</u>	<u>\$ 825,793</u>	<u>\$ 798,162</u>

**GREGG COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Print Shop	Self- Insurance	Totals
<b>OPERATING REVENUES</b>			
Charges for services	\$ 35,935	\$ 8,735,323	\$ 8,771,258
Total operating revenues	<u>35,935</u>	<u>8,735,323</u>	<u>8,771,258</u>
<b>OPERATING EXPENSES</b>			
Salaries	24,218	-	24,218
Fringe benefits	16,711	-	16,711
Materials and supplies	11,824	-	11,824
Repairs & maintenance	3,440	-	3,440
Insurance consultant	-	65,000	65,000
Claims	-	6,851,118	6,851,118
Administrative	-	929,140	929,140
Total operating expenses	<u>56,193</u>	<u>7,845,258</u>	<u>7,901,451</u>
<b>CHANGE IN NET POSITION</b>	(20,258)	890,065	869,807
<b>TOTAL NET POSITION, BEGINNING</b>	<u>(7,373)</u>	<u>(64,272)</u>	<u>(71,645)</u>
<b>TOTAL NET POSITION, ENDING</b>	<u>\$ (27,631)</u>	<u>\$ 825,793</u>	<u>\$ 798,162</u>



**GREGG COUNTY, TEXAS  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Print Shop	Self- Insurance	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash receipts from interfund charges for print shop services	\$ 36,440	\$ -	\$ 36,440
Cash receipts from interfund charges for self-insurance services	-	8,828,572	8,828,572
Payments to suppliers for goods and services	(16,229)	(8,070,537)	(8,086,766)
Payments to employees for salaries and benefits	(40,420)	-	(40,420)
Net cash (used in) provided by operating activities	(20,209)	758,035	737,826
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Payments from other funds	39,842	-	39,842
Payments to other funds	-	(39,842)	(39,842)
Net cash flows provided by (used in) noncapital financing activities	39,842	(39,842)	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchases of capital equipment	(19,580)	-	(19,580)
Net cash flows used in investing activities	(19,580)	-	(19,580)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>			
	53	718,193	718,246
<b>CASH AND CASH EQUIVALENTS, BEGINNING</b>			
	-	457,839	457,839
<b>CASH AND CASH EQUIVALENTS, ENDING</b>			
	\$ 53	\$ 1,176,032	\$ 1,176,085
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ (20,258)	\$ 890,065	\$ 869,807
Adjustments to reconcile operating income (loss) to net cash used in operating activities:			
Changes in assets and liabilities:			
(Increase) decrease in assets:			
Inventory	(631)	-	(631)
Accounts receivable	505	93,249	93,754
Increase (decrease) in liabilities:			
Accounts payable	171	(230)	(59)
Accrued liabilities	4	(225,049)	(225,045)
Net cash used in operating activities	\$ (20,209)	\$ 758,035	\$ 737,826

## **FIDUCIARY FUNDS CUSTODIAL FUNDS**

**Custodial funds** are used to account for short-term custodial collections of resources on behalf of another individual, entity, or government.

**Tax Assessor-Collector Fund** – This fund is used to account for funds held by the Tax Office as an agent for other taxing entities. Collections are initially accounted for here and subsequently submitted to the appropriate State, County or other taxing entity. It is also used to account for interest earned on the Vehicle Inventory Tax for the Tax Assessor-Collector to defray the cost of administration of the prepayment procedure.

**County Clerk Special Trust Account** – An agency account used to facilitate the collection and disbursement of funds held in trust by court order. The Account is used to hold monies for individuals such as cash bonds, minors (trusts), monies held in estate and ad litem fee deposits.

**District Clerk Trust Fund** – Agency account used to facilitate the collection and disbursement of funds ordered held in trust by district courts. The Account is used to hold monies for individuals such as cash bonds, minors (trusts), and ad litem fee deposits.

**Sheriff Cash Bond Account** – Agency account used to facilitate the collection and disbursement of cash bonds.

**Sheriff Inmate Trust Account** – Trust account is used to facilitate the collection and disbursement of inmate commissary items as well as items charged to the inmate accounts such as medications, doctor/nurse visits, indigent supplies and destruction of property.

**Sheriff Asset & Seizure Pending** – This fund is used to account for monies seized in criminal cases. The funds are held until their disposition, primarily as forfeitures to law enforcement agencies and the District Attorney's office, as established by court order.

**District Attorney Fund** – This fund is used to account for restitution payable to victims and temporarily holds fees collected on hot checks.

**Code Forfeiture Pending Fund** – This funding is used to account for monies seized in criminal cases. The funds are held until their disposition, primarily as forfeitures to law enforcement agencies and the District Attorney's office, as established by court order.

**Gregg/Harrison First Call Warning Fund** – This fund is used to account for donations and payments of funding for software to run a First Call Warning system. The fund has been inactive in recent years.

**Juvenile Probation Trust Fund** – Agency account used to facilitate the collection of probation fees, court costs, attorney and interpreter fees and victim restitution related to juveniles under supervision by the Juvenile Probation Department.

**Adult Probation Fund** – This fund is used to account for funds held by the County for the Gregg County Adult Probation Department or the Gregg County Community and Correction Department.

**Local Provider Participation Fund** – This fund is used to account for local third-party funding provided for the Texas Medicaid Supplemental and directed payment program and passed through to the Texas Health & Human Services Commission.

**GREGG COUNTY, TEXAS**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Tax Assessor- Collector	County Clerk	District Clerk	Sheriff	District Attorney
<b>ASSETS</b>					
Cash and cash equivalents	\$ 3,628,287	\$ 390,929	\$ 1,049,888	\$ 572,539	\$ 103,661
Investments	-	182,556	1,964,341	-	-
Accounts receivables	762	-	-	-	-
Total assets	<u>3,629,049</u>	<u>573,485</u>	<u>3,014,229</u>	<u>572,539</u>	<u>103,661</u>
<b>LIABILITIES</b>					
Held for others	771	-	-	61,552	101,558
Due to other governments	1,766,576	-	-	5,453	1,280
Due to Gregg County	330,001	-	-	-	-
Total liabilities	<u>2,097,348</u>	<u>-</u>	<u>-</u>	<u>67,005</u>	<u>102,838</u>
<b>NET POSITION</b>					
Individuals, organizations and other governments	1,531,701	573,485	3,014,229	505,534	823
Total net position	<u>\$ 1,531,701</u>	<u>\$ 573,485</u>	<u>\$ 3,014,229</u>	<u>\$ 505,534</u>	<u>\$ 823</u>

<u>Code Forfeiture Pending</u>	<u>Gregg/ Harrison First Call Warning</u>	<u>Juvenile Probation</u>	<u>Adult Probation</u>	<u>Local Provider Participation</u>	<u>Totals</u>
\$ 44,562	\$ 10,107	\$ 378	\$ 1,898,921	\$ 13,131,817	\$ 20,831,089
-	-		250,000	-	2,396,897
-	-		-	-	762
<u>44,562</u>	<u>10,107</u>	<u>378</u>	<u>2,148,921</u>	<u>13,131,817</u>	<u>23,228,748</u>
1,649	-	378	156,162	-	322,070
-	-	-	184,358	9,859,457	11,817,124
-	-	-	-	-	330,001
<u>1,649</u>	<u>-</u>	<u>378</u>	<u>340,520</u>	<u>9,859,457</u>	<u>12,469,195</u>
42,913	10,107	-	1,808,401	3,272,360	10,759,553
<u>\$ 42,913</u>	<u>\$ 10,107</u>	<u>\$ -</u>	<u>\$ 1,808,401</u>	<u>\$ 3,272,360</u>	<u>\$ 10,759,553</u>

**GREGG COUNTY, TEXAS**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Tax Assessor- Collector	County Clerk	District Clerk	Sheriff	District Attorney
<b>ADDITIONS</b>					
Tax collections for other governments	\$ 197,466,677	\$ -	\$ -	\$ -	\$ -
Held for others	13,316,920	179,244	1,648,018	1,199,495	54,287
Interest on investments	14,677	2,140	22,582	119	-
Total additions	<u>210,798,274</u>	<u>181,384</u>	<u>1,670,600</u>	<u>1,199,614</u>	<u>54,287</u>
<b>DEDUCTIONS</b>					
Payments to other governments	208,499,355	8,073	-	-	-
Payments to individuals	1,976,000	197,189	1,368,574	1,035,305	54,287
Total deductions	<u>210,475,355</u>	<u>205,262</u>	<u>1,368,574</u>	<u>1,035,305</u>	<u>54,287</u>
Net increase (decrease) in fiduciary net position	322,919	(23,878)	302,026	164,309	-
Net position - beginning restated (Note 1G)	1,208,782	597,363	2,712,203	341,225	823
Net position - ending	<u>\$ 1,531,701</u>	<u>\$ 573,485</u>	<u>\$ 3,014,229</u>	<u>\$ 505,534</u>	<u>\$ 823</u>

Code Forfeiture Pending	Gregg/ Harrison First Call Warning	Juvenile Probation	Adult Probation	Local Provider Participation	Totals
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 197,466,677
306	-	2,527	2,682,811	33,341,679	52,425,287
263	-	-	4,828	-	44,609
<u>569</u>	<u>-</u>	<u>2,527</u>	<u>2,687,639</u>	<u>33,341,679</u>	<u>249,936,573</u>
-	-	-	298,126	43,230,936	252,036,490
2,572	-	2,527	2,450,700	-	7,087,154
<u>2,572</u>	<u>-</u>	<u>2,527</u>	<u>2,748,826</u>	<u>43,230,936</u>	<u>259,123,644</u>
(2,003)	-	-	(61,187)	(9,889,257)	(9,187,071)
44,916	10,107	-	1,869,588	13,161,617	19,946,624
<u>\$ 42,913</u>	<u>\$ 10,107</u>	<u>\$ -</u>	<u>\$ 1,808,401</u>	<u>\$ 3,272,360</u>	<u>\$ 10,759,553</u>

**GREGG COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**AIRPORT FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Current property taxes	\$ 2,036,963	\$ 2,036,963	\$ 2,034,450	\$ (2,513)
Delinquent property taxes	71,396	71,396	59,938	(11,458)
Intergovernmental	22,000	22,000	21,900	(100)
Charges for services	15,500	15,500	16,675	1,175
Investment earnings	5,000	5,000	943	(4,057)
Rents and commissions	286,600	286,600	380,605	94,005
Miscellaneous	400	400	630	230
Total revenues	2,437,859	2,437,859	2,515,141	77,282
<b>EXPENDITURES</b>				
Current:				
General government	1,310,944	1,519,131	1,325,036	194,095
Public safety	1,121,776	1,289,836	1,243,945	45,891
Total expenditures	2,432,720	2,808,967	2,568,981	239,986
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	5,139	(371,108)	(53,840)	317,268
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	376,248	376,248	-
Transfers out	(50,000)	(50,000)	(50,000)	-
Sale of assets	(500)	(500)	-	(500)
Insurance proceeds	-	-	6,911	6,911
Total other financing sources (uses)	(50,500)	325,748	333,159	7,411
<b>NET CHANGE IN FUND BALANCE</b>	(45,361)	(45,360)	279,319	324,679
<b>FUND BALANCE, BEGINNING</b>	859,684	859,684	859,684	-
<b>FUND BALANCE, ENDING</b>	\$ 814,323	\$ 814,324	\$ 1,139,003	\$ 324,679

**GREGG COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**LAW ENFORCEMENT FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budgeted Amounts</u>		Actual Amounts Budgetary Basis	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>EXPENDITURES</b>				
Current:				
Judicial	3,552	3,552	-	3,552
Total expenditures	<u>3,552</u>	<u>3,552</u>	<u>-</u>	<u>3,552</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(3,552)	(3,552)	-	3,552
<b>FUND BALANCE, BEGINNING</b>	<u>15,589</u>	<u>15,589</u>	15,589	-
<b>FUND BALANCE, ENDING</b>	<u><u>\$ 12,037</u></u>	<u><u>\$ 12,037</u></u>	<u><u>\$ 15,589</u></u>	<u><u>\$ 3,552</u></u>



**GREGG COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**COURT TECHNOLOGY AND SECURITY FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budgeted Amounts</u>		Actual Amounts Budgetary Basis	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Charges for services	\$ 73,785	\$ 73,785	\$ 86,367	\$ 12,582
Total revenues	<u>73,785</u>	<u>73,785</u>	<u>86,367</u>	<u>12,582</u>
<b>EXPENDITURES</b>				
Current:				
Judicial	76,210	61,594	11,935	49,659
Public Safety	6,760	7,160	4,220	2,940
Capital Outlay	102,618	21,456	2,456	19,000
Total expenditures	<u>185,588</u>	<u>90,210</u>	<u>18,611</u>	<u>71,599</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(111,803)	(16,425)	67,756	84,181
<b>FUND BALANCE, BEGINNING</b>	<u>555,424</u>	<u>555,424</u>	<u>555,424</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 443,621</u>	<u>\$ 538,999</u>	<u>\$ 623,180</u>	<u>\$ 84,181</u>

**GREGG COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**RECORDS MANAGEMENT AND PRESERVATION FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budgeted Amounts</u>		Actual Amounts Budgetary Basis	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Charges for services	\$ 283,850	283,850	\$ 330,591	\$ 46,741
Investment earnings	2,000	2,000	204	(1,796)
Total revenues	<u>285,850</u>	<u>285,850</u>	<u>330,795</u>	<u>44,945</u>
<b>EXPENDITURES</b>				
Current:				
General government	270,590	300,362	237,639	62,723
Judicial	41,050	41,050	4,664	36,386
Capital outlay	-	21,500	20,929	571
Total expenditures	<u>311,640</u>	<u>362,912</u>	<u>263,232</u>	<u>99,680</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(25,790)	(77,062)	67,563	144,625
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	40,300	70,072	59,772	(10,300)
Transfers out	(10,300)	(10,300)	-	10,300
Total other financing sources	<u>30,000</u>	<u>59,772</u>	<u>59,772</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	4,210	(17,290)	127,335	144,625
<b>FUND BALANCE, BEGINNING</b>	<u>914,858</u>	<u>914,858</u>	<u>914,858</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 919,068</u>	<u>\$ 897,568</u>	<u>\$ 1,042,193</u>	<u>\$ 144,625</u>

**GREGG COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**VOTING AND ELECTIONS FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	44,115	44,115
Total revenues	-	-	44,115	44,115
<b>EXPENDITURES</b>				
Current:				
General government	-	7,500	10,169	(2,669)
Capital outlay	-	1,600	1,576	24
Total expenditures	-	9,100	11,745	(2,645)
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	-	(9,100)	32,370	41,470
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	-	-	(6,691)	(6,691)
Total other financing sources	-	-	(6,691)	(6,691)
<b>NET CHANGE IN FUND BALANCE</b>	-	(9,100)	25,679	34,779
<b>FUND BALANCE, BEGINNING</b>	24,761	24,761	24,761	-
<b>FUND BALANCE, ENDING</b>	\$ 24,761	\$ 15,661	\$ 50,440	\$ 34,779

**GREGG COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**GRANT FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 1,437,709	\$ 1,437,709	\$ 1,615,743	\$ 178,034
Total revenues	<u>1,437,709</u>	<u>1,437,709</u>	<u>1,615,743</u>	<u>178,034</u>
<b>EXPENDITURES</b>				
Current:				
General government	819,586	819,586	786,992	32,594
Judicial	194,190	194,190	174,598	19,592
Public safety	30,123	30,123	30,123	-
Health and human services	453,273	453,273	270,062	183,211
Transportation & Roads	-	429,087	429,087	-
Capital outlay	316,196	316,196	305,298	10,898
Total expenditures	<u>1,813,368</u>	<u>2,242,455</u>	<u>1,996,160</u>	<u>246,295</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(375,659)</u>	<u>(804,746)</u>	<u>(380,417)</u>	<u>424,329</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	370,443	370,443	367,582	(2,861)
Insurance proceeds	-	100,166	100,166	-
Total other financing sources (uses)	<u>370,443</u>	<u>470,609</u>	<u>467,748</u>	<u>(2,861)</u>
<b>NET CHANGE IN FUND BALANCE</b>	(5,216)	(334,137)	87,331	421,468
<b>FUND BALANCE, BEGINNING</b>	<u>314,976</u>	<u>314,976</u>	<u>314,976</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 309,760</u>	<u>\$ (19,161)</u>	<u>\$ 402,307</u>	<u>\$ 421,468</u>

**GREGG COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**LAW LIBRARY FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Charges for services	\$ 86,750	\$ 86,750	\$ 91,887	\$ 5,137
Miscellaneous	150	150	87	(63)
Total revenues	86,900	86,900	91,974	5,074
<b>EXPENDITURES</b>				
Current:				
Judicial	83,451	83,451	75,869	7,582
Total expenditures	83,451	83,451	75,869	7,582
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	3,449	3,449	16,105	12,656
<b>FUND BALANCE, BEGINNING</b>	111,691	111,691	111,691	-
<b>FUND BALANCE, ENDING</b>	\$ 115,140	\$ 115,140	\$ 127,796	\$ 12,656

**GREGG COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**HEALTH CARE FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budgeted Amounts</u>		Actual Amounts Budgetary Basis	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental	\$ 52,000	\$ 52,000	\$ 64,181	\$ 12,181
Investment earnings	38,000	38,000	5,117	(32,883)
Total revenues	<u>90,000</u>	<u>90,000</u>	<u>69,298</u>	<u>(20,702)</u>
<b>EXPENDITURES</b>				
Current:				
Health and human services	40,000	40,000	40,000	-
Total expenditures	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>	<u>-</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	50,000	50,000	29,298	(20,702)
<b>FUND BALANCE, BEGINNING</b>	<u>3,256,321</u>	<u>3,256,321</u>	<u>3,256,321</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 3,306,321</u>	<u>\$ 3,306,321</u>	<u>\$ 3,285,619</u>	<u>\$ (20,702)</u>

**GREGG COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**CORONAVIRUS RELIEF FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ -	\$ 1,409,420	\$ 1,409,420
Total revenues	-	-	1,409,420	1,409,420
<b>EXPENDITURES</b>				
Current:				
General government	1,056,055	1,056,055	1,056,055	-
Health and human services	565,916	565,916	339,609	226,307
Capital outlay	13,757	13,757	13,756	1
Total expenditures	1,635,728	1,635,728	1,409,420	226,308
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	(1,635,728)	(1,635,728)	-	1,635,728
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	(341,709)	(341,709)	-	341,709
Total other financing sources (uses)	(341,709)	(341,709)	-	341,709
<b>NET CHANGE IN FUND BALANCE</b>	(1,977,437)	(1,977,437)	-	1,977,437
<b>FUND BALANCE, BEGINNING</b>	-	-	-	-
<b>FUND BALANCE, ENDING</b>	\$ (1,635,728)	\$ (1,635,728)	\$ -	\$ 1,635,728

## **STATISTICAL SECTION (Unaudited)**

This portion of the Gregg County, Texas, comprehensive annual financial report presents multiple years of data to provide a historical perspective for understanding the information in the financial statements, note disclosures, and required supplementary information and for assessing the County's overall financial health.

### **Contents**

#### Financial Trends

These schedules contain information to assist readers in understanding and assessing how the County's financial position has changed over time.

- Table 1.1 – Net Position by Component
- Table 1.2 – Changes in Net Position
- Table 1.3 – Fund Balances of Governmental Funds
- Table 1.4 – Changes in Fund Balances of Governmental Funds

#### Revenue Capacity

These schedules contain trend information that is intended to assist readers in understanding and assessing the factors affecting the County's ability to generate its own source revenues.

- Table 2.1 – Assessed Value and Estimated Taxable Value of Property
- Table 2.2 – Property Tax Rates – Direct and Overlapping Governments
- Table 2.3 – Principal Taxpayers and Chart
- Table 2.4 – Property Tax Levies and Collections
- Table 2.5 – Governmental Revenue by Source

#### Debt Capacity

These schedules contain trend information to help the reader in understanding and assessing the County's debt burden and its ability to issue additional debt in the future.

- Table 3.1 – Ratios of Outstanding Debt by Type
- Table 3.2 – Ratios of General Bonded Debt Outstanding
- Table 3.3 – Direct and Overlapping Governmental Activities Debt
- Table 3.4 – Legal Debt Margin Information

#### Demographic and Economic Information

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

- Table 4.1 – Demographic and Economic Statistics
- Table 4.2 – Principal Employers and Chart

#### Operating Information

Operating information is intended to provide statistical information about the County's operations and resources to assist readers in understanding how the information relates to the services and activities performed by the County.



**GREGG COUNTY TEXAS**  
**Table 1.1 NET POSITION BY COMPONENT**  
**Last Ten Fiscal Years**  
**(Accrual Basis of Accounting)**

	2012	2013	2014	2015
Governmental activities:				
Net investment in capital assets	\$ 59,664,989	\$ 58,814,064	\$ 58,218,734	\$ 63,174,980
Restricted for:				
Archive restoration	813,419	475,923	506,979	549,472
Transportation and road improvements	4,789,161	5,447,169	7,664,128	6,608,420
Public safety operations	606,516	527,863	561,196	584,247
Judicial operations	131,596	139,605	164,282	126,653
Bail bond board operations	-	29,439	34,820	36,169
Airport operations	170,363	197,781	203,040	170,363
Court technology and security	210,598	239,711	313,465	344,102
Records management and preservation	702,052	755,926	919,572	932,554
Voting and elections	35,366	24,643	23,195	25,158
Health and human services operations	56,341	71,209	29,250	33,771
Vehicle inventory tax administration	-	-	1,589	2,673
Water System Improvements	-	-	-	-
Permanent improvements	4,272,310	4,659,594	4,573,899	4,959,943
COVID recovery	-	-	-	-
Unrestricted	<u>62,548,344</u>	<u>61,863,595</u>	<u>63,043,040</u>	<u>60,350,642</u>
Total governmental activities net position	<u>\$ 134,001,055</u>	<u>\$ 133,246,522</u>	<u>\$ 136,257,189</u>	<u>\$ 137,899,147</u>
Business-type activities:				
Net investment in capital assets	\$ 313,158	\$ 298,645	\$ 490,770	\$ -
Unrestricted	<u>49,553</u>	<u>( 6,125)</u>	<u>( 93,857)</u>	<u>-</u>
Total business-type activities net position	<u>\$ 362,711</u>	<u>\$ 292,520</u>	<u>\$ 396,913</u>	<u>\$ -</u>
Primary government:				
Net investment in capital assets	\$ 59,978,147	\$ 59,112,709	\$ 58,709,504	\$ 63,174,980
Restricted for:				
Archive restoration	813,419	475,923	506,979	549,472
Transportation and road improvements	4,789,161	5,447,169	7,664,128	6,608,420
Public safety operations	606,516	527,863	561,196	584,247
Bail bond board operations	-	29,439	34,820	36,169
Judicial operations	131,596	139,605	164,282	126,653
Airport operations	170,363	197,781	203,040	170,363
Court technology and security	210,598	239,711	313,465	334,102
Records management and preservation	702,052	755,926	919,572	932,554
Voting and elections	35,366	24,643	23,195	25,158
Health and human services operations	56,341	71,209	29,250	33,771
Vehicle inventory tax administration	-	-	1,589	2,673
Water System Improvements	-	-	-	-
Permanent improvements	4,272,310	4,659,594	4,573,899	4,959,943
COVID recovery	-	-	-	-
Unrestricted	<u>62,597,897</u>	<u>61,857,470</u>	<u>62,949,183</u>	<u>60,350,642</u>
Total primary government net position	<u>\$ 134,363,766</u>	<u>\$ 133,539,042</u>	<u>\$ 136,654,102</u>	<u>\$ 137,889,147</u>

Fiscal Year						
2016	2017	2018	2019	2020	2021	
\$ 64,504,455	\$ 65,833,674	\$ 64,668,350	\$ 63,600,358	\$ 61,788,769	\$ 58,149,676	
415,018	447,686	252,514	263,928	396,223	456,212	
5,488,768	5,567,382	5,316,591	4,326,763	4,210,888	2,815,514	
467,702	477,648	1,018,044	816,293	769,306	1,427,911	
110,549	126,704	144,327	139,507	189,141	228,797	
38,600	41,973	44,334	46,313	51,278	53,244	
170,363	170,368	208,385	286,758	270,030	343,467	
345,819	418,139	490,523	563,116	638,603	686,717	
912,570	911,568	921,998	977,970	1,134,622	1,137,739	
35,722	19,402	30,742	41,013	139,687	136,985	
22,797	26,055	29,940	39,193	40,723	68,856	
11,801	8,224	4,814	5,853	14,411	16,816	
-	-	-	6,800	-	-	
3,865,325	3,615,437	3,907,542	3,039,599	3,005,924	2,861,054	
-	-	-	-	-	3,566,078	
<u>60,883,184</u>	<u>53,811,155</u>	<u>53,841,001</u>	<u>55,859,382</u>	<u>56,553,741</u>	<u>59,464,100</u>	
\$ <u>137,272,673</u>	\$ <u>131,475,415</u>	\$ <u>130,879,105</u>	\$ <u>130,012,846</u>	\$ <u>129,203,346</u>	\$ <u>131,413,166</u>	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
\$ 64,504,455	\$ 65,833,674	\$ 64,668,350	\$ 63,600,358	\$ 61,788,768	\$ 58,149,676	
415,018	447,686	252,514	263,928	396,223	456,212	
5,488,768	5,567,382	5,316,591	4,326,763	4,210,888	2,815,514	
467,702	477,648	1,018,044	816,293	769,306	1,427,911	
38,600	41,973	44,334	46,313	51,278	228,797	
110,549	126,704	144,327	139,507	189,141	53,244	
170,363	170,368	208,385	286,758	270,030	343,467	
345,819	418,139	490,523	563,116	638,603	686,717	
912,570	911,568	921,998	977,970	1,134,622	1,137,739	
35,722	19,402	30,742	41,013	139,687	136,985	
22,797	26,055	29,940	39,193	40,723	68,856	
11,801	8,224	4,814	5,853	14,411	16,816	
-	-	-	6,800	-	-	
3,865,325	3,615,437	3,907,542	3,039,599	3,005,924	2,861,054	
-	-	-	-	-	3,566,078	
<u>60,883,184</u>	<u>53,811,155</u>	<u>53,841,001</u>	<u>55,859,382</u>	<u>56,553,741</u>	<u>59,464,100</u>	
\$ <u>137,272,673</u>	\$ <u>131,475,415</u>	\$ <u>130,879,105</u>	\$ <u>130,012,846</u>	\$ <u>129,203,346</u>	\$ <u>131,413,166</u>	

**GREGG COUNTY TEXAS**  
**Table 1.2 CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(Accrual Basis of Accounting)**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>EXPENSES</b>				
<i>Governmental activities:</i>				
General government	\$ 11,829,723	\$ 12,874,593	\$ 12,848,089	\$ 12,705,059
Judicial	7,263,692	7,604,265	7,554,982	7,775,332
Public safety	15,617,020	15,872,926	16,931,848	16,649,033
Health and human services	2,938,243	2,828,937	2,771,049	3,026,687
Public buildings	3,021,237	3,244,751	3,273,248	3,399,292
Transportation and roads	6,551,074	13,154,752	7,929,120	9,132,170
Interest on long-term debt	<u>1,250</u>	<u>590</u>	<u>74</u>	<u>5,242</u>
Total expenses, governmental activities	<u>47,222,239</u>	<u>55,580,815</u>	<u>51,308,410</u>	<u>52,692,815</u>
<i>Business-type activities:</i>				
Longview community center	<u>111,194</u>	<u>148,929</u>	<u>159,406</u>	<u>-</u>
Total expenses, business-type activities	<u>111,194</u>	<u>148,929</u>	<u>159,406</u>	<u>-</u>
Total expenses, primary government	<u>\$ 47,333,433</u>	<u>\$ 55,729,744</u>	<u>\$ 51,467,816</u>	<u>\$ 52,692,815</u>
<b>PROGRAM REVENUES</b>				
<i>Governmental activities:</i>				
Charges for services:				
General government	\$ 2,787,306	\$ 2,812,045	\$ 2,825,010	\$ 2,767,426
Judicial	1,706,448	1,548,149	1,630,996	1,415,001
Public safety	1,393,005	1,157,352	1,239,998	1,177,427
Health and human services	196,892	193,902	178,194	38,970
Public buildings	2,773,416	2,680,598	2,118,869	1,880,943
Transportation and roads	2,079,088	1,841,454	2,040,208	1,920,942
Operating grants and contributions	1,245,358	1,052,759	1,014,974	1,785,205
Capital grants and contributions	<u>380,331</u>	<u>2,312,910</u>	<u>3,274,049</u>	<u>4,647,778</u>
Total program revenue, governmental activities	<u>12,561,844</u>	<u>13,599,169</u>	<u>14,322,298</u>	<u>15,633,692</u>
<i>Business-type activities:</i>				
Charges for services:				
Longview community center	<u>54,936</u>	<u>63,738</u>	<u>50,633</u>	<u>-</u>
Total program revenue, business-type activities	<u>54,936</u>	<u>63,738</u>	<u>50,633</u>	<u>-</u>
Total program revenue, primary government	<u>\$ 12,616,780</u>	<u>\$ 13,662,907</u>	<u>\$ 14,372,931</u>	<u>\$ 15,633,692</u>
<b>NET (EXPENSE) REVENUE</b>				
Governmental activities	\$( 34,660,395)	\$( 41,981,646)	\$( 36,986,112)	\$( 37,059,123)
Business-type activities	<u>( 56,258)</u>	<u>( 85,191)</u>	<u>( 108,773)</u>	<u>-</u>
Total primary government net expense	<u>\$( 34,716,653)</u>	<u>\$( 42,066,837)</u>	<u>\$( 37,094,885)</u>	<u>\$( 37,059,123)</u>

Fiscal Year

	2016	2017	2018	2019	2020	2021
\$	13,609,494	\$ 13,851,975	\$ 13,927,884	\$ 14,797,092	\$ 14,395,419	\$ 14,832,112
	8,195,921	8,797,765	8,526,064	8,900,412	8,725,085	8,190,162
	18,879,371	19,802,883	18,729,013	21,021,882	21,221,134	22,130,067
	2,969,427	2,875,016	2,033,655	2,188,647	3,086,783	3,460,025
	3,266,908	3,475,073	3,684,481	3,778,985	3,756,749	3,906,247
	7,449,750	9,063,627	6,665,651	6,642,772	6,253,874	6,464,096
	7,698	10,115	13,262	10,838	150	73
	<u>54,378,569</u>	<u>57,876,454</u>	<u>53,580,010</u>	<u>57,340,628</u>	<u>57,439,194</u>	<u>58,982,782</u>
	-	-	-	-	-	-
	-	-	-	-	-	-
\$	<u>54,378,569</u>	<u>57,876,454</u>	<u>53,580,010</u>	<u>57,340,628</u>	<u>57,439,194</u>	<u>58,982,782</u>
\$	2,752,922	\$ 2,923,510	\$ 3,185,507	\$ 3,112,835	\$ 3,003,846	\$ 3,168,662
	1,446,437	1,428,754	1,628,129	1,739,059	1,608,365	1,570,155
	1,880,271	1,423,690	2,213,009	1,785,996	1,381,048	2,189,043
	39,331	33,871	35,003	41,469	38,428	41,138
	2,090,108	1,214,336	1,082,799	1,615,833	1,636,024	1,828,201
	2,176,065	1,999,583	2,070,214	2,292,409	2,102,880	2,240,285
	1,743,595	1,570,400	1,612,051	1,236,127	2,620,918	9,496,808
	3,331,207	3,355,888	573,426	1,059,468	1,639,363	206,622
	<u>15,459,936</u>	<u>13,950,032</u>	<u>12,400,138</u>	<u>12,883,196</u>	<u>14,030,872</u>	<u>20,740,914</u>
	-	-	-	-	-	-
	-	-	-	-	-	-
\$	<u>15,459,936</u>	<u>13,950,032</u>	<u>12,400,138</u>	<u>12,883,196</u>	<u>14,030,872</u>	<u>20,740,914</u>
\$	( 38,918,633)	\$ ( 43,926,422)	\$ ( 41,179,872)	\$ ( 44,457,432)	\$ ( 43,408,321)	\$ ( 38,241,868)
	-	-	-	-	-	-
	-	-	-	-	-	-
\$	<u>( 38,918,633)</u>	<u>( 43,926,422)</u>	<u>( 41,179,872)</u>	<u>( 44,457,432)</u>	<u>( 43,408,321)</u>	<u>( 38,241,868)</u>

**GREGG COUNTY TEXAS**  
**Table 1.2 CHANGES IN NET POSITION**  
**(Continued)**  
**LAST TEN FISCAL YEARS**  
**(Accrual Basis of Accounting)**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>General revenue and other changes in net position</b>				
<i>Governmental activities</i>				
Property taxes	\$ 21,177,159	\$ 21,660,737	\$ 21,899,820	\$ 22,016,974
Sales taxes	16,902,274	18,981,037	17,854,086	16,542,149
Alcoholic beverage taxes	189,867	190,613	234,572	245,031
Other taxes	112,333	116,369	91,337	98,421
Unrestricted investment earnings	177,938	137,628	130,130	236,805
Gain on sale of assets	37,865	98,775	-	87,374
Miscellaneous	95,890	56,954	-	21,892
Transfers	<u>( 418,969)</u>	<u>( 15,000)</u>	<u>( 213,166)</u>	<u>396,913</u>
Total governmental activities	<u>38,274,357</u>	<u>41,227,113</u>	<u>39,996,779</u>	<u>39,645,559</u>
<i>Business-type activities</i>				
Transfers	<u>418,969</u>	<u>15,000</u>	<u>213,166</u>	<u>( 396,913)</u>
Total business-type activities	<u>418,969</u>	<u>15,000</u>	<u>213,166</u>	<u>( 396,913)</u>
Total primary government	<u>38,693,326</u>	<u>41,242,113</u>	<u>40,209,945</u>	<u>39,248,646</u>
<b>Changes in net position</b>				
Governmental activities	3,613,962	( 754,533)	3,010,667	2,586,436
Business-type activities	<u>362,711</u>	<u>( 70,191)</u>	<u>104,393</u>	<u>( 396,913)</u>
Total primary government	<u>\$ 3,976,673</u>	<u>\$ ( 824,724)</u>	<u>\$ 3,115,060</u>	<u>\$ 2,189,523</u>

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ 21,975,330	\$ 21,712,637	\$ 21,963,195	\$ 22,412,596	\$ 23,486,627	\$ 23,901,293
15,317,566	15,403,190	17,484,152	18,380,283	17,267,702	18,705,939
256,688	268,852	284,838	314,175	238,313	295,750
103,769	106,430	81,127	92,634	115,333	120,649
578,646	440,265	629,133	2,109,272	1,283,662	261,203
-	-	-	-	-	-
70,160	197,790	141,117	282,213	207,183	343,423
-	-	-	-	-	-
<u>38,302,159</u>	<u>38,129,164</u>	<u>40,583,562</u>	<u>43,591,173</u>	<u>42,598,820</u>	<u>43,628,257</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>38,302,159</u>	<u>38,129,164</u>	<u>40,583,562</u>	<u>43,591,173</u>	<u>42,598,820</u>	<u>43,628,257</u>
( 616,474)	( 5,797,258)	( 596,310)	( 866,259)	( 809,501)	5,386,388
-	-	-	-	-	-
<u>\$( 616,474)</u>	<u>\$( 5,797,258)</u>	<u>\$( 596,310)</u>	<u>\$( 866,259)</u>	<u>\$( 809,501)</u>	<u>\$ 5,386,388</u>

**GREGG COUNTY, TEXAS**  
**Table 1.3 FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified Accrual Basis of Accounting)**

	2012	2013	2014	2015
General fund:				
Nonspendable	\$ 27,517	\$ 23,827	\$ 7,216	\$ 3,260
Restricted	832,926	591,407	583,839	629,028
Assigned	256,442	217,040	450,410	598,796
Unassigned	<u>32,672,039</u>	<u>38,422,086</u>	<u>34,676,637</u>	<u>32,520,331</u>
Total general fund	<u>33,788,924</u>	<u>39,254,360</u>	<u>35,718,102</u>	<u>33,751,415</u>
All other governmental funds				
Nonspendable	112,030	134,282	133,327	896,741
Restricted	10,724,171	11,883,420	12,428,031	11,631,632
Committed	1,399,986	4,357,002	4,569,024	4,059,191
Assigned	20,033,666	13,029,616	18,344,340	17,800,616
Unassigned	<u>( 718)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total all other governmental funds	<u>32,269,135</u>	<u>29,404,320</u>	<u>35,474,722</u>	<u>34,388,180</u>
Total governmental funds	<u>\$ 66,058,059</u>	<u>\$ 68,658,680</u>	<u>\$ 71,192,824</u>	<u>\$ 68,139,595</u>

Extracted from Balance Sheet - Governmental Funds  
Includes General, Special Revenue, Debt Service and Capital Projects Funds  
\*The fund balances reported prior to the GASB  
Statement 54 implementation are reported with  
reservations and designations as they were reported in  
those years.

Fiscal Year

2016	2017	2018	2019	2020	2021
\$ 7,963	\$ 16,045	\$ 2,701	\$ 25,667	\$ 29,371	\$ 17,696
486,486	522,785	330,859	344,832	483,622	862,042
1,470,589	266,892	252,619	295,795	942,001	791,996
<u>31,124,930</u>	<u>29,882,152</u>	<u>34,153,891</u>	<u>41,665,065</u>	<u>39,810,869</u>	<u>38,974,682</u>
<u>33,089,968</u>	<u>30,687,874</u>	<u>34,740,070</u>	<u>42,331,359</u>	<u>41,265,863</u>	<u>40,646,416</u>
1,005,349	1,082,534	929,661	956,563	914,485	663,735
9,110,706	8,980,072	9,650,677	7,534,919	7,577,721	11,669,116
4,037,226	4,076,286	4,104,224	3,914,918	4,086,651	4,400,558
19,758,839	18,173,388	14,894,318	11,819,913	13,368,150	17,011,242
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>33,912,120</u>	<u>32,312,280</u>	<u>29,578,880</u>	<u>24,226,313</u>	<u>25,947,007</u>	<u>33,744,651</u>
<u>\$ 67,002,088</u>	<u>\$ 63,000,154</u>	<u>\$ 64,318,950</u>	<u>\$ 66,557,672</u>	<u>\$ 67,212,870</u>	<u>\$ 74,391,067</u>



**GREGG COUNTY, TEXAS**  
**Table 1.4 CHANGE IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified Accrual Basis of Accounting)**

	2012	2013	2014	2015
<b>REVENUES</b>				
Taxes	\$ 38,594,743	\$ 40,895,686	\$ 40,075,700	\$ 38,883,763
Licenses and permits	1,398,039	1,342,638	1,391,051	1,318,187
Intergovernmental	2,061,285	3,755,376	4,716,379	6,706,941
Charges for services	3,713,143	3,754,191	3,675,306	3,657,872
Fines and forfeitures	1,444,602	1,217,869	1,237,949	1,020,076
Investment earnings	171,354	137,628	128,868	230,099
Rents and commissions	3,352,952	3,273,148	2,694,410	2,468,488
Miscellaneous	359,238	255,947	285,407	288,464
Total revenues	<u>51,095,356</u>	<u>54,632,483</u>	<u>54,205,070</u>	<u>54,573,890</u>
<b>EXPENDITURES</b>				
General government	9,325,778	10,270,374	10,139,547	10,242,264
Judicial	7,285,879	7,563,512	7,870,174	7,996,962
Public safety	15,429,054	16,140,745	16,782,174	16,404,214
Health and human services	2,944,827	2,816,765	2,779,179	3,035,557
Public buildings	2,130,553	2,214,203	2,220,231	2,283,921
Transportation and roads	4,924,912	11,348,421	6,690,923	7,120,809
Debt service:				
Principal	6,478	5,619	2,216	-
Interest	1,250	590	74	-
Capital outlay	1,823,401	4,752,119	5,312,160	10,956,107
Total expenditures	<u>43,872,132</u>	<u>55,112,348</u>	<u>51,796,678</u>	<u>58,039,834</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>7,223,224</u>	<u>( 479,865)</u>	<u>2,408,392</u>	<u>( 3,465,944)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	569,510	7,232,851	9,447,050	11,108,908
Transfers out	( 669,510)	( 7,247,851)	( 9,447,050)	(11,202,765)
Issuance of capital lease	-	-	-	390,689
Sale of capital assets	44,658	108,642	64,243	93,991
Sale of right-of-way	-	-	-	-
Insurance recoveries	95,890	56,954	61,408	21,892
Total other financing sources and uses	<u>40,548</u>	<u>150,596</u>	<u>125,651</u>	<u>412,715</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 7,263,772</u>	<u>\$ ( 329,269)</u>	<u>\$ 2,534,043</u>	<u>\$ ( 3,053,229)</u>
<b>DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES</b>	0.0%	0.0%	0.0%	0.0%

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ 37,680,522	\$ 37,397,684	\$ 39,832,098	\$ 41,073,738	\$ 41,226,509	\$ 43,025,432
1,368,688	1,611,272	1,640,018	1,671,693	1,655,966	1,672,977
6,002,423	5,290,478	2,532,804	2,667,343	4,785,889	10,415,830
3,762,203	3,652,141	3,813,950	3,898,398	3,688,913	4,442,472
1,053,456	908,746	1,855,873	1,396,983	888,576	1,169,777
566,938	430,102	605,223	2,090,265	1,283,491	261,203
2,681,868	1,885,931	1,762,233	2,413,561	2,442,128	2,813,739
266,969	484,111	626,993	411,416	219,402	187,291
<u>53,383,067</u>	<u>51,660,465</u>	<u>52,669,192</u>	<u>55,623,397</u>	<u>56,190,874</u>	<u>63,988,721</u>
10,732,178	10,156,100	10,547,494	11,006,600	11,007,130	11,736,746
8,189,239	8,304,087	8,511,970	8,611,558	9,109,841	8,526,344
17,735,449	17,792,423	17,872,901	19,256,488	20,642,224	22,703,903
2,942,710	2,769,152	2,018,964	2,128,033	3,058,813	3,484,246
2,068,225	2,061,398	2,253,368	2,251,114	2,298,970	2,471,549
5,337,956	7,011,659	4,812,169	4,511,345	4,512,042	5,134,963
390,689	393,659	510,408	513,665	988	1,065
8,853	9,163	12,285	16,853	150	72
<u>8,005,304</u>	<u>8,271,961</u>	<u>5,932,875</u>	<u>5,319,966</u>	<u>5,113,552</u>	<u>3,305,377</u>
<u>55,410,603</u>	<u>56,769,602</u>	<u>52,472,434</u>	<u>53,615,622</u>	<u>55,743,710</u>	<u>57,364,265</u>
( 2,027,536)	( 5,109,137)	196,758	2,007,775	447,164	6,624,456
4,803,175	3,305,204	2,266,067	1,179,908	4,957,633	6,874,169
( 4,803,175)	( 3,305,204)	( 2,266,067)	( 1,179,908)	( 4,957,633)	( 6,874,169)
393,063	514,252	512,749	-	161,655	-
426,806	420,632	590,000	147,750	46,379	50,352
-	-	-	-	-	-
<u>70,160</u>	<u>172,319</u>	<u>19,289</u>	<u>83,196</u>	<u>-</u>	<u>293,071</u>
<u>890,029</u>	<u>1,107,203</u>	<u>1,122,038</u>	<u>230,946</u>	<u>208,034</u>	<u>343,423</u>
<u>\$( 1,137,507)</u>	<u>\$( 4,001,934)</u>	<u>\$ 1,318,796</u>	<u>\$ 2,238,721</u>	<u>\$ 655,198</u>	<u>\$ 6,967,879</u>
0.8%	0.8%	1.1%	1.1%	0.0%	0.0%

**GREGG COUNTY, TEXAS**  
**Table 2.1 ASSESSED VALUE AND ESTIMATED TAXABLE VALUE OF PROPERTY**  
**LAST TEN FISCAL YEARS**

Fiscal Year	Real Property			Personal Property	All Other	Total Assessed Value	Total Direct Tax Rate	Total Estimated Adjusted Taxable Value	Ratio of Assessed to Taxable Value
	Residential	Commercial and Industrial	Property						
2021	\$ 5,132,654,033	\$ 1,894,740,795	\$ 2,383,523,983	\$ 1,304,389,295	\$ 10,715,308,106	0.2625	\$ 9,326,166,678	87.04%	
2020	4,937,491,609	1,869,971,596	2,450,970,628	1,351,949,475	10,610,383,308	0.2625	9,271,817,888	87.38%	
2019	4,816,156,986	1,715,120,893	2,257,125,453	1,241,121,407	10,029,524,739	0.2625	8,807,335,194	87.81%	
2018	4,783,998,161	1,683,497,067	2,201,544,674	1,195,065,994	9,864,105,896	0.2625	8,613,348,448	87.32%	
2017	4,703,337,968	1,680,887,027	2,245,585,257	1,114,605,868	9,744,416,120	0.2625	8,508,354,050	87.32%	
2016	4,557,346,032	1,646,063,178	2,426,246,461	1,238,924,358	9,868,580,029	0.2625	8,651,079,813	87.66%	
2015	4,465,741,722	1,558,361,232	2,510,554,165	1,345,006,507	9,879,663,626	0.2625	8,668,365,415	87.74%	
2014	4,350,648,888	1,496,395,216	2,598,610,843	1,303,433,696	9,749,088,643	0.2625	8,551,471,159	87.72%	
2013	4,272,847,976	1,482,068,047	2,625,917,889	1,366,234,962	9,747,068,874	0.2625	8,531,427,424	87.53%	
2012	4,163,385,481	1,458,990,774	2,614,937,186	1,304,153,840	9,541,467,281	0.2650	8,274,304,580	86.72%	

Source: Gregg County Appraisal District

Note: The difference between total assessed value and total estimated adjusted taxable value is due to tax exemptions and exclusions. Adjusted previous FY amounts to match tax base to relevant FY.

**GREGG COUNTY, TEXAS**  
**Table 2.2 PROPERTY TAX RATES**  
**DIRECT AND OVERLAPPING GOVERNMENTS**  
**LAST TEN FISCAL YEARS**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Direct rates:</b>										
Gregg County general rate	0.2597	0.2572	0.2572	0.2572	0.2572	0.2572	0.2572	0.2572	0.2572	0.2572
Gregg Co. special road and bridge rate	0.0053	0.0053	0.0053	0.0053	0.0053	0.0053	0.0053	0.0053	0.0053	0.0053
<b>Total direct debt</b>	<u>0.2650</u>	<u>0.2625</u>	<u>0.2625</u>	<u>0.2625</u>	<u>0.2625</u>	<u>0.2625</u>	<u>0.2625</u>	<u>0.2625</u>	<u>0.2625</u>	<u>0.2625</u>
<b>Overlapping debt:</b>										
<b>City rates:</b>										
Clarksville City	0.4886	0.4196	0.4501	0.4501	0.5999	0.7399	0.6442	0.6135	0.5713	0.6475
East Mountain	0.1000	0.1000	0.1000	0.1200	0.1200	0.1400	0.1334	0.2500	0.1401	0.1401
Easton	0.7943	0.0913	0.2500	0.2500	0.2500	0.2500	0.2500	0.1334	0.2500	0.2500
Gladewater	0.6426	0.6426	0.6445	0.6414	0.6563	0.7499	0.7500	0.7500	0.7500	0.7516
Kilgore	0.3900	0.4000	0.4200	0.4500	0.4731	0.5057	0.5390	0.5390	0.5390	0.5390
Lakeport	0.5915	0.6023	0.6275	0.6145	0.5820	0.5820	0.5799	0.5799	0.5799	0.5785
Longview	0.5009	0.5009	0.5009	0.5099	0.5099	0.5099	0.5099	0.5099	0.5589	0.5589
Warren City	0.5000	0.2500	0.2500	0.2500	0.2500	0.2500	0.2403	0.2500	0.2500	0.2500
White Oak	0.5200	0.5200	0.5201	0.5317	0.5469	0.5868	0.5863	0.5863	0.6024	0.6024
<b>School districts:</b>										
Gladewater ISD	1.1700	1.1700	1.1700	1.4900	1.5650	1.5650	1.5650	1.5650	1.4634	1.4497
Kilgore ISD	1.3092	1.3092	1.3092	1.3092	1.3092	1.3092	1.3092	1.3092	1.2392	1.2256
Longview ISD	1.5130	1.5130	1.5130	1.5130	1.5130	1.5130	1.5130	1.5130	1.4430	1.4394
Pine Tree ISD	1.5110	1.5110	1.5500	1.5550	1.5550	1.5550	1.5550	1.5250	1.4233	1.3997
Sabine ISD	1.0400	1.0400	1.2928	1.2730	1.3014	1.3014	1.3014	1.3014	1.2314	1.2278
Spring Hill ISD	1.5400	1.6700	1.6700	1.6700	1.6700	1.6700	1.6700	1.6700	1.5683	1.5532
White Oak ISD	1.2439	1.2333	1.2432	1.2460	1.2360	1.2475	1.5030	1.4493	1.3665	1.3324
<b>Special district rates:</b>										
Gregg Co. ESD #1	0.0983	0.0983	0.0983	0.0983	0.0983	0.9829	0.0983	0.0983	0.0983	0.0983
Gregg Co. ESD #2					0.1000	0.1000	0.1000	0.1000	0.1000	0.1000
Gregg Co. ESD #3									0.1000	0.0999
Kilgore Junior College	0.1540	0.1540	0.1540	0.1540	0.1750	0.1750	0.1750	0.1750	0.1750	0.1750
<b>Total direct and overlapping rates</b>	<u>14.3722</u>	<u>13.4880</u>	<u>14.0261</u>	<u>14.3886</u>	<u>14.7735</u>	<u>15.9958</u>	<u>15.2854</u>	<u>15.1807</u>	<u>14.7125</u>	<u>14.6815</u>

Source: Gregg County Appraisal District

Note: Adjusted previous FY tax rates to match relevant FY

GREGG COUNTY, TEXAS

**Table 2.3 - PRINCIPAL TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	2021			2012		
	2020 Total Assessed Value	Rank	Percentage of Total Assessed Value	2011 Total Assessed Value	Rank	Percentage of Total Assessed Value
AEP Southwestern Elec Power Co./ AEP/SWEPCO/Southwestern Electric Power Co.	\$ 157,822,450	1	1.69%	\$ 94,322,820	3	1.14%
Komatsu Mining Corp	89,587,100	2	0.96%			
Wal-Mart / Sam's	71,016,530	3	0.76%	81,242,410	4	0.98%
Longview Medical Center/Longview Regional Hospital/Texas HCP Holding	65,065,850	4	0.70%	56,523,270	7	0.68%
Halliburton Co./Halliburton Energy	52,588,480	5	0.56%	162,210,510	1	1.96%
Health/Hospital/North Park	50,058,830	6	0.54%			
Trinity Industries Inc/Trinity Tank Car	47,830,940	7	0.51%			
Dollar General	45,471,850	8	0.49%			
Orgill, Inc	43,951,445	9	0.47%			
Sysco Food Services of East Texas	42,940,770	10	0.40%			
Letourneau Inc				146,699,215	2	1.77%
Trican (Liberty Pressure Pump)				73,187,820	5	0.88%
BJ Services/BJ coiltech/BJ Dynacoil				64,521,490	6	0.78%
XTO Energy						
Well Services Division of STC				51,634,720	8	0.62%
Southern Plastics				42,704,960	9	0.52%
JW Power Co/JW Manufacturing				41,261,280	10	0.50%
Total	\$ <u>666,334,245</u>		<u>7.09%</u>	\$ <u>814,308,495</u>		<u>9.84%</u>

Source: Gregg County Appraisal District

**GREGG COUNTY, TEXAS**  
**Table 2.4 PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**

Fiscal Year	Tax Levy for Fiscal Year	Collected Within Fiscal Year of Levy		Adjustments to Levy in Subsequent Years	Total Adj. Levy	Collections in Subsequent Years	Total Collections to Date		Delinquent Taxes 09/30/19	Delinquent Taxes to Total Adj. Levy
		Levy Collected	Percent of Original Levy				Total Collections To Date	Percent of Adjusted Levy		
2021	\$ 24,118,746	\$ 23,771,683	98.56%	\$ 40,774	\$ 24,159,520	-	\$ 23,771,683	98.39%	\$ 387,837	1.61%
2020	24,005,405	23,574,886	98.21%	( 43,883)	23,961,522	168,249	23,743,135	99.09%	218,387	0.91%
2019	22,783,600	22,401,181	98.32%	49,734	22,833,334	276,165	22,677,346	99.32%	155,988	0.68%
2018	22,252,567	21,904,972	98.44%	12,772	22,265,339	228,106	22,133,078	99.41%	132,260	0.59%
2017	21,970,434	21,583,173	98.24%	( 55,628)	21,914,807	246,298	21,829,471	99.61%	85,336	0.39%
2016	22,328,401	21,950,095	98.31%	( 71,673)	22,256,727	229,513	22,179,608	99.65%	77,119	0.35%
2015	22,365,509	22,035,855	98.53%	( 62,948)	22,302,561	202,137	22,237,992	99.71%	64,570	0.29%
2014	22,067,295	21,783,376	98.71%	( 68,676)	21,998,619	166,909	21,950,284	99.78%	48,335	0.22%
2013	22,022,808	21,567,906	97.93%	( 144,721)	21,878,087	263,602	21,831,508	99.79%	46,579	0.21%
2012	21,541,094	21,294,083	98.85%	48,091	21,589,185	254,735	21,548,818	99.81%	40,366	0.19%

- (1) Taxes are levied on assessed property values on January 1 of prior calendar year (i.e., in 2019, taxes are levied on calendar year 2018)
- (2) Adjustments to the original levy include exonerations, tax relief, and supplemental assessments
- (3) This table includes real estate taxes only and does not include penalty and interest

**GREGG COUNTY, TEXAS**  
**Table 2.5 GOVERNMENT REVENUE BY SOURCE**

Fiscal Year	Licenses and Permits							Totals
	Taxes	Inter-Governmental	Charges for Services	Fines and Forfeitures	Investment Earnings	Rents and Commissions	Miscellaneous	
2021	\$ 43,025,432	\$ 1,672,977	\$ 10,415,830	\$ 4,442,472	\$ 1,169,777	\$ 261,203	\$ 2,813,739	\$ 63,988,720
2020	41,226,507	1,655,966	4,785,889	3,688,910	888,577	1,283,491	2,442,127	56,190,883
2019	41,073,738	1,671,693	2,667,343	3,898,398	1,396,983	2,090,265	2,413,561	55,623,397
2018	39,832,100	1,640,018	2,532,805	3,813,949	1,855,873	605,222	1,762,233	52,669,192
2017	37,397,684	1,611,272	5,290,478	3,652,141	908,746	430,102	1,885,931	51,660,465
2016	37,680,521	1,368,687	6,002,422	3,762,205	1,053,456	567,035	2,681,868	53,383,067
2015	38,883,763	1,318,187	6,706,941	3,657,872	1,020,076	230,099	2,468,488	54,573,890
2014	40,075,700	1,391,051	4,716,379	3,675,306	1,237,949	128,868	2,694,410	54,205,070
2013	40,895,684	1,342,638	3,744,387	3,784,071	1,217,868	137,629	3,273,148	54,621,437
2012	38,594,743	1,398,039	2,096,963	3,750,936	1,406,809	171,354	3,352,952	51,095,356

Source: Extracted from Statement of Revenues, Expenditures, and Changes in Fund Balances

**GREGG COUNTY, TEXAS**  
**Table 3.1 RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**

Fiscal Year	General Obligation Bonds	Capital Leases	Notes Payable	Available in Debt Service Fund	Total Primary Government	Percentage of Personal Income <sup>1</sup>	Per Capita <sup>1</sup>
2021	\$ -	\$ 279	\$ -	\$ -	\$ 279	*	*
2020	-	1,344	-	-	1,344	0.00%	0.01
2019	-	2,332	-	-	2,332	0.00%	0.02
2018	-	515,997	-	-	515,997	0.01%	4.17
2017	-	513,656	-	-	513,656	0.01%	4.16
2016	-	393,063	-	-	393,063	0.01%	3.18
2015	-	390,689	-	-	390,689	0.01%	3.15
2014	-	-	-	-	-	0.00%	-
2013	-	2,216	-	-	2,216	0.00%	0.02
2012	-	7,833	-	-	7,833	0.00%	0.06

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

<sup>1</sup> See the Schedule of Demographic and Economic Statistics for personal income and population data.

\* Personal income and per capita income data unavailable



**GREGG COUNTY, TEXAS**  
**Table 3.2 RATIOS OF GENERAL BONDED DEBT OUTSTANDING**  
**LAST TEN FISCAL YEARS**

The County has had no general bonded debt outstanding in the past ten fiscal years.

**GREGG COUNTY, TEXAS**  
**Table 3.3 DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**AS OF SEPTEMBER 30, 2021**

Government Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Direct and Overlapping Debt
<b>Direct Debt:</b>			
Gregg County	\$ 279	100.00%	\$ 279
Total Direct Debt	<u>279</u>		<u>279</u>
<b>Overlapping Debt:</b>			
Clarksville City, City of	2,227,000	99.97%	2,226,259
East Mountain, City of	-	2.32%	-
Easton, City of	-	90.19%	-
Gladewater, City of	3,188,045	61.51%	1,961,039
Kilgore, City of	24,320,000	87.48%	21,275,215
Lakeport, City of	1,056,000	100.00%	1,056,000
Longview, City of	104,204,511	94.41%	98,375,175
Warren City, City of	-	96.76%	-
White Oak, City of	7,860,000	100.00%	7,860,000
Gladewater Independent School District	27,359,291	51.32%	14,039,962
Kilgore Independent School District	40,328,918	73.12%	29,489,505
Longview Independent School District	181,164,947	100.00%	181,164,947
Pine Tree Independent School District	48,981,791	100.00%	48,981,791
Sabine Independent School District	17,984,715	100.00%	17,984,715
Spring Hill Independent School District	37,291,000	100.00%	37,291,000
White Oak Independent School District	26,047,090	100.00%	26,047,090
Kilgore College	15,369,841	65.50%	10,067,045
Gregg County ESD# 1	-	66.54%	-
Gregg County ESD# 2	106,164	100.00%	106,164
Gregg County ESD# 3	291,543	100.00%	291,543
Total Overlapping Debt	<u>537,780,856</u>		<u>498,217,450</u>
 Total Direct and Overlapping Debt	 <u>\$ 537,781,135</u>		 <u>\$ 498,217,729</u>

Note: (1) The percentage of overlapping debt is estimated using taxable assessed property values.

**GREGG COUNTY, TEXAS**  
**Table 3.4 LEGAL DEBT MARGIN INFORMATION**  
**LAST TEN FISCAL YEARS**

	Fiscal Year			
	2012	2013	2014	2015
Debt Limit	\$ 2,132,856,856	\$ 2,137,867,790	\$ 2,167,091,354	\$ 2,467,145,007
Total net debt applicable to limit	-	-	-	-
Legal Debt Margin	<u>\$ 2,132,856,856</u>	<u>\$ 2,137,867,790</u>	<u>\$ 2,167,091,354</u>	<u>\$ 2,467,145,007</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ 2,436,104,030	\$ 2,466,026,474	\$ 2,507,381,185	\$ 2,652,595,827	\$ 2,678,827,027	\$ 2,737,241,037
-	-	-	-	-	-
<u>\$ 2,436,104,030</u>	<u>\$ 2,466,026,474</u>	<u>\$ 2,507,381,185</u>	<u>\$ 2,652,595,827</u>	<u>\$ 2,678,827,027</u>	<u>\$ 2,737,241,037</u>
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**GREGG COUNTY, TEXAS**  
**Table 4.1 DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN CALENDAR YEARS**

Year	Population	Personal Income (thousands of dollars)	Per Capita Income	Unemployment Rate
2021	*	*	*	5.5%
2020	124,239	\$ 6,106,055	\$ 49,152	9.2%
2019	123,945	5,838,955	47,109	3.7%
2018	123,707	5,616,460	45,401	4.0%
2017	123,367	5,437,195	44,073	4.5%
2016	123,745	5,516,563	44,580	6.6%
2015	124,108	5,791,380	46,664	5.0%
2014	123,204	6,149,459	49,913	4.3%
2013	123,024	5,897,052	47,934	5.5%
2012	122,658	5,759,320	46,954	5.6%

Sources: Texas Workforce Commission  
Bureau of Economic Analysis

\* Data unavailable

**GREGG COUNTY, TEXAS**  
**Table 4.2 PRINCIPAL EMPLOYERS**  
**CURRENT YEAR AND NINE YEARS AGO**

Employer	2021			2012		
	Employees	Rank	Percentage of Total County Employees	Employees	Rank	Percentage of Total County Employees
Christus Good Shepherd Health System	2,530	1	3.5%	3,000	1	4.0%
Eastman Chemical	1,481	2	2.1%	1,477	2	2.0%
Longview ISD	1,260	3	1.7%	1,239	3	1.7%
Longview Regional Medical Center	1,150	4	1.6%	763	8	1.0%
Wal-Mart	1,050	5	1.5%	1,207	4	1.6%
Trinity Rail, LLC	900	6	1.2%	1,143	5	1.5%
Dollar General	875	7	1.2%	-	-	0.0%
Pine Tree ISD	848	8	1.2%	-	-	0.0%
City of Longview	839	9	1.2%	927	7	1.2%
Komatsu	560	10	0.8%	-	-	0.0%
Joy Global				1,075	6	1.4%
Haliburton Services				705	9	0.9%
Diagnostic Clinic of Longview				690	10	0.9%
Total	<u>11,493</u>		<u>15.9%</u>	<u>12,226</u>		<u>16.4%</u>

Source: Longview Economic Development Corporation

Notes: 2021 Percentage of total County employment is based on County employment of 72,094.

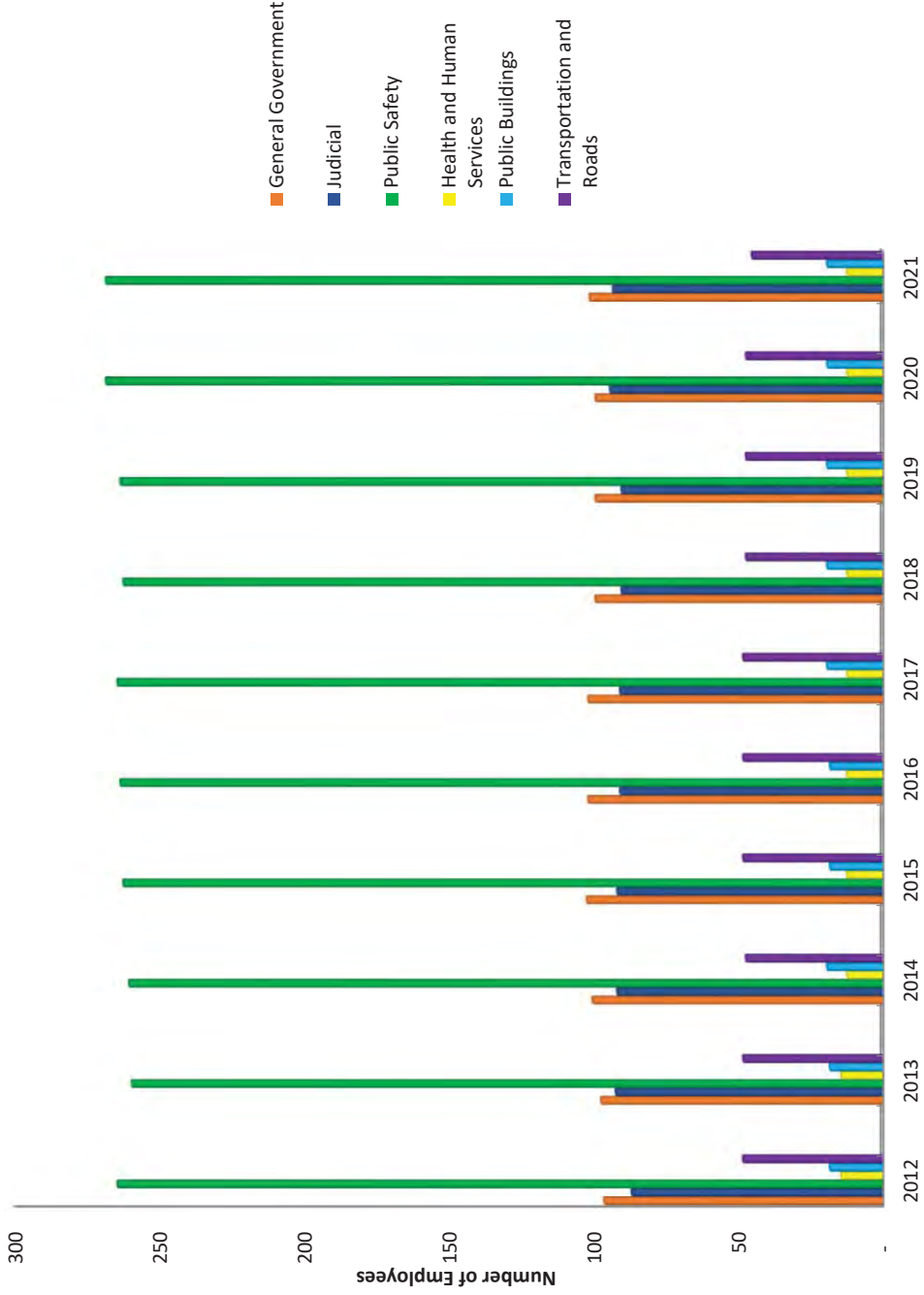
2012 Percentage of total County employment is based on County employment of 74,514.

**GREGG COUNTY, TEXAS**  
**Table 5.1 COUNTY EMPLOYEES BY FUNCTION**  
**LAST TEN FISCAL YEARS**  
**SEPTEMBER 30, 2021**

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government	96	97	100	102	102	102	99	99	99	101
Judicial	87	92	92	92	91	91	90	90	94	93
Public Safety	264	259	260	262	263	264	262	263	268	268
Health and Human Services	14	14	12	12	12	12	12	12	12	12
Public Buildings	18	18	19	18	18	19	19	19	19	19
Transportation and Roads	48	48	47	48	48	48	47	47	47	45
Totals	527	528	530	534	533	535	529	530	539	538

Source: Gregg County Budget

# Employees By Function





**GREGG COUNTY, TEXAS**  
**Table 5.2 OPERATING INDICATORS BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**  
**SEPTEMBER 30, 2021**

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>General Government</b>										
County Finance										
Accounts Payable Checks Processed	8,409	8,789	8,493	8,365	8,592	8,652	8,786	8,466	7,967	7,835
Tax Office (1)										
Motor vehicle registrations	133,481	133,761	134,302	131,334	129,890	128,866	130,036	131,713	126,567	129,775
Motor vehicle titles issued	49,178	49,411	48,757	47,843	45,630	45,020	49,307	49,024	44,760	50,092
Elections Office										
Registered Voters	66,464	65,680	66,146	65,678	68,833	67,696	69,321	69,316	73,272	71,728
Number of Elections Held	11	10	11	6	10	4	9	8	3	7
<b>Judicial</b>										
District Court level										
Civil & Family cases filed	3,064	3,417	3,297	3,091	3,253	3,004	2,788	2,711	2,634	2,413
Criminal cases filed	1,266	1,389	1,519	1,266	1,368	1,233	1,326	1,665	1,764	1,946
County Court level										
Probate/Mental Health cases filed	629	525	516	542	627	621	556	549	546	740
Statutory County Court level (2)										
Civil cases filed	1,174	1,180	1,117	1,195	1,108	1,083	1,173	1,324	1,202	852
Criminal cases filed	4,005	4,129	3,684	3,541	3,300	3,250	3,671	3,868	3,616	2,511
<b>Law Enforcement/Corrections (3)</b>										
Jail facilities										
Jail Book-ins	10,696	10,282	9,419	9,098	9,171	9,150	9,550	9,862	5,335	4,625
<b>Law Enforcement</b>										
Warrants executed	4,340	5,770	4,496	4,461	4,469	4,225	5,377	4,849	2,038	1,555
Civil process served	4,165	3,523	4,629	4,314	4,780	3,218	2,879	2,885	1,832	1,838
<b>Health &amp; Human Services</b>										
Patients seen by Doctor	757	646	477	603	586	617	479	518	354	328
Patients seen by Nurse	2,848	2,354	2,032	2,433	2,676	2,764	2,436	2,161	2,162	1,601
Rx - Medications Filled	5,398	4,611	3,926	3,838	4,994	5,668	4,298	3,537	2,788	2,226
Welfare Applicants	1,377	1,004	820	1,274	1,235	1,291	1,124	1,419	2,058	2,514
Immunizations (# of shots)	7,504	5,440	5,254	5,077	4,962	4,374	4,120	5,367	4,007	2,808
<b>Transportation &amp; Roads</b>										
Miles of County Roads	281	281	281	281	281	281	281	281	281	281

Sources: County departmental and court statistical reports for state and local reporting requirements

(1) Tax Office data based on State Fiscal year

(2) Change in Texas OCA reporting requirements

(3) Law Enforcement data based on calendar year

**GREGG COUNTY, TEXAS**  
**Table 5.3 CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**  
**SEPTEMBER 30, 2021**

FUNCTION/PROGRAM	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General government										
Vehicles	6	10	9	10	9	9	9	10	10	16
Judicial										
Vehicles	3	4	5	6	5	5	5	3	3	3
Video/sound system	2	2	2	2	2	2	2	2	2	2
Law enforcement/corrections										
Vehicles	93	99	88	97	98	106	109	103	106	108
Transportation and roads										
Road and bridge vehicles	36	29	31	32	33	31	34	32	35	40
Road and bridge equipment	116	111	111	109	112	118	117	116	121	124
Public buildings										
Vehicles	4	4	4	3	4	3	4	4	4	4
Health and human services										
Vehicles	2	2	2	2	2	2	2	3	2	2

Source: Gregg County depreciation schedules

**GREGG COUNTY, TEXAS**  
**Table 5.4 SCHEDULE OF INSURANCE**  
**SEPTEMBER 30, 2021**

Insuring Company	Type of Coverage	Policy From	Policy To	Summary of Coverage	Liability Limits
Texas Association of Counties Risk Management Pool	Property	10/01/20	10/01/21	Buildings Valuable Papers Flood - Special Hazard Zones Equipment Breakdown Crime Law Enforcement Animals	\$ 116,046,162 2,500,000 10,000,000 100,000,000 500,000 30,000
Texas Association of Counties Risk Management Pool	Auto Liability	10/01/20	10/01/21	Bodily Injury - Each Person Bodily injury- Each Accident Property Damage - Each Accident Comprehensive  Collision	100,000 300,000 100,000 Actual cash value or cost of repair (lessor of)  Actual cash value or cost of repair (lessor of)
Texas Association of Counties Risk Management Pool	General Liability	10/01/20	10/01/21	Bodily Injury and Property Damage Crisis Management Employee Benefits Liability - Per Claim Garage Keepers Legal Liability	1,000,000 100,000 1,000,000 50,000
Tac Risk Management Pool	Public Officials Liability Privacy or Security Event Liability and Expense	10/01/20	10/01/21	Aggregate-District Judge-District Attorn Aggregate	2,000,000 2,000,000
JamisonPro	State Judges Professional Liability	01/01/21	01/01/22	Damages / Claims Exp.	1,000,000
Tac Risk Management Pool	Law Enforcement Liability	10/01/20	10/01/21	Aggregate District Judge Endorsement	2,000,000
Hudson Excess Insurance Company Agent: Rooker Downing & Booth	Health Department/Jail Medical	11/01/20	11/01/21	Aggregate Each Claim Professional Professional Aggregate	3,000,000 1,000,000 3,000,000 1,000,000
Old Republic Insurance Company Agent: Rooker Downing & Booth	East Texas Regional Airport	10/01/20	10/01/21	Products Personal Injury Malpractice Hangar keepers Fire Damage	5,000,000 5,000,000 5,000,000 5,000,000 50,000
Nautilus Insurance Company	Storage Tank Systems	08/04/21	08/04/22	Clean up costs, Third Party Liability, Property damage Liability	1,000,000

**SINGLE AUDIT SECTION**



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

The Honorable County Judge  
and Members of the Commissioners' Court  
Gregg County,  
Longview, 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Gregg County, Texas (the "County"), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise County's basic financial statements, and have issued our report thereon dated June 28, 2022.

### Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2021-001 that we consider to be a material weakness.

### Compliance and Other Matters

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

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### **Gregg County's Response to Finding**

*Government Auditing Standards* requires the auditor to perform limited procedures on Gregg County's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. Gregg County's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **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.

Henry & Peters, PC

Longview, Texas  
June 28, 2022



## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

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

### Report on Compliance for Each Major Federal Program

We have audited Gregg County, Texas (the "County") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of County's major federal programs for the year ended September 30, 2021. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

#### *Management's Responsibility*

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

#### *Opinion on Each Major Federal Program*

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2021.

### Report on Internal Control over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

Our consideration of internal control over compliance 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 compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Henry & Peters, PC

Longview, Texas  
June 28, 2022



**GREGG COUNTY, TEXAS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

Federal Grantor or Pass-through Entity Identifying Number	Federal Grantor/ Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Total Federal Expenditures	Passed Through to Subrecipients
<b><u>U.S. Department of Justice</u></b>				
Direct Programs:				
Task Force Agmt	Drug Enforcement Administration Overtime Grant	16.001	\$ 17,542	-
21-DAL-246-AFF	ATF Task Force	16.U01	8,116	-
TX0920000	Equitable Sharing Program	16.922	195,163	-
Total Direct Programs			220,821	-
Passed Through the Texas Office of the Governor- Criminal Justice Division:				
2929705	Crime Victim Assistance	16.575	47,500	-
2816507	Violence Against Women Formula Grant	16.588	49,318	-
2816508	Violence Against Women Formula Grant	16.588	11,888	-
4168401	Coronavirus Emergency Supplemental Funding (CESF) Program	16.034	35,245	-
Total Passed Through the Texas Office of Governor- Criminal Justice Division			143,951	-
Total U.S. Department of Justice			364,772	-
<b><u>U.S. Department of Transportation</u></b>				
Direct Programs:				
3-48-0137-045-2018/ 3-48-0137-050-2020	Airport Improvement Program	20.106	206,622	-
3-48-0137-049-2020	COVID-19 FAA CARES Act Airport Grant	20.106	761,408	-
3-48-0137-051-2021	Coronavirus Response and Relief Supplemental Appropriation Act	20.106	11,577	-
Total Direct Programs			979,607	-
Total U.S. Department of Transportation			979,607	-
<b><u>U.S. Department of Health &amp; Human Services</u></b>				
Passed through the Texas Department of State Health Services				
HHS000119700013	Immunization Branch - Locals	93.268	154,814	-
Total Passed through the Texas Department of State Health Services			154,814	-
Passed through the Texas Department of Family and Protective Services:				
HHS000285000029	Title IV-E Foster Care Services	93.658	2,363	-
HHS000285100019	Title IV-E Legal Services	93.658	21,653	-
Total Passed through the Texas Department of Family & Protective Services:			24,016	-
Total U.S. Department of Health & Human Services			178,830	-

**GREGG COUNTY, TEXAS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**(Continued)**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

Federal Grantor or Pass-through Entity Identifying Number	Federal Grantor/ Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Total Federal Expenditures	Passed Through to Subrecipients
<b><u>U.S. Department of Homeland Security:</u></b>				
Direct Programs:				
70T02021T6114N121	Law Enforcement Officer Reimbursement Agreement Program	97.090	21,900	-
	Total Direct Programs		21,900	-
	Total U.S. Department of Homeland Security		21,900	-
<b><u>U.S. Election Assistance Commission:</u></b>				
Direct Programs:				
TX18101001-01-092	Help America Vote Security Act	90.404	120,000	-
	Total Direct Programs		120,000	-
	Total U.S. Department of the Treasury		120,000	-
<b><u>U.S. Department of the Treasury:</u></b>				
Direct Programs:				
SLT-6990	Coronavirus State and Local Fiscal Recovery Funds	21.027	5,062,171	-
	Total Direct Programs		5,062,171	-
2020-CF-21019	Passed through Texas Department of Emergency Management Coronavirus Relief Fund	21.019	1,409,420	-
	Total Passed through the Texas Department of Emergency Management:		1,409,420	-
	Total U.S. Department of the Treasury		6,471,591	-
<b><u>U.S. Department of Housing and Urban Development:</u></b>				
Passed through Texas Department of Agriculture				
7218180	Community Development Block Grant	14.228	6,600	-
	Total Passed through the Texas Department of Agriculture:		6,600	-
	Total U.S. Department of Housing and Urban Development		6,600	-
	Total Federal Awards		<u>\$ 8,143,300</u>	<u>-</u>

**GREGG COUNTY, TEXAS**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**SEPTEMBER 30, 2021**

**1. GENERAL**

The Schedule of Expenditures of Federal Awards presents the activity of all applicable federal award programs of Gregg County. The County's reporting entity is defined in Note 1 of the financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the Schedule of Expenditures of Federal Awards.

**2. BASIS OF ACCOUNTING**

The Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting. The modified accrual basis of accounting is described in Note 1 of the financial statements.

**3. INDIRECT COST**

The County has elected not to use the 10% de minimis indirect cost rate as allowed in the *Uniform Guidance*.

**GREGG COUNTY, TEXAS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**Section I - Summary of Auditor's Results**

**Summary of Auditor's Results**

Financial Statements:

Type of auditor's report issued	<u>Unmodified</u>
Internal control over financial reporting:	
Material weakness(es) identified?	<u> X </u> Yes <u>    </u> No
Significant deficiency(ies) identified?	<u>    </u> Yes <u> X </u> None reported
Noncompliance material to financial statements noted?	<u>    </u> Yes <u> X </u> No

Federal Awards:

Internal control over major programs:	
Material weakness(es) identified?	<u>    </u> Yes <u> X </u> No
Significant deficiency(ies) identified?	<u>    </u> Yes <u> X </u> None reported

Type of auditor's report issued on compliance for major programs

Unmodified

Any audit findings disclosed that are required to be reported in accordance with the *Uniform Guidance*

     Yes     X  No

Identification of major programs:

CFDA Number:

20.106  
21.019  
21.027

Name of Federal Program:  
Airport Improvement Program  
Coronavirus Relief Funds  
Coronavirus State and Local  
Fiscal Recovery Funds

Dollar threshold used to distinguish between type A and type B programs

\$ 750,000

Auditee qualified as a low-risk auditee?

X  Yes         No

**GREGG COUNTY, TEXAS**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**Section II - Findings Required to be Reported by *Government Auditing Standards***

**FINDING 2021-001**

*Criteria or specific requirement:*

Material Weakness in Internal Control Related to Financial Reporting

*Condition:*

The County is required to establish and maintain internal control over financial reporting in order to prevent, or detect and correct, misstatements due to error or fraud during the course of performing their normal duties.

*Context:*

Audit procedures detected that court receivables, net of the related allowance for doubtful collections, and related revenue were materially overstated in the government-wide financial statements.

*Effect:*

The government-wide financial statements of the County reported receivables and the related court revenue in excess of the amounts that were expected to be collected. As such, the net position of the county was overstated. A correction to the prior year financials was made in the amount of \$3,386,881 and an audit adjustment in the amount of \$598,268 was made to the financial statements as of September 31, 2021.

*Cause:*

The allowance for uncollectible accounts had not been reviewed and updated for several years; therefore the amounts recorded as collectible revenue were overstated. In addition, the County had inadvertently included all court receivables in the calculation rather than only the receivables for a specific number of prior years, which are the ones that are still available to collect.

*Recommendation:*

It is recommended that the County fully analyze the collectability of court receivables for the various courts collecting revenue for the County. The estimated collectability should be based upon data of actual historical collections as compared to the fines and fees assessed. Further, it is recommended that this assessment of collectability be performed annually to determine whether updates are needed to the collectability percentages used to calculate receivables and the related revenue recorded in the financials statements.

*Views of responsible officials and planned corrective action:*

The County Auditor's Office has performed a complete analysis of all court receivables and their estimated collectability based upon historical collections by the courts. This analysis is how the prior period adjustment was calculated in order to correct prior period net assets, as well as, properly state current year net receivables and related revenue. In addition, the County Auditor's Office has developed a procedure and a methodology to continually analyze the collectability of court receivables and update the collectability percentages being used as needed.

**Section III - Findings Required to be Reported by the Uniform Guidance**

No matters requiring reporting were noted.

**GREGG COUNTY, TEXAS  
SUMMARY OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

None