NEW ISSUE BOOK-ENTRY-ONLY Rating: S&P: "AA"

(See "OTHER PERTINENT INFORMATION - Ratings", herein)

OFFICIAL STATEMENT
Dated: December 13, 2022

In the opinion of Bond Counsel (identified below), assuming continuing compliance by the Issuer (defined below) after the date of initial delivery of the Certificates (defined below) with certain covenants contained in the Order (defined below) and subject to the matters described under "TAX MATTERS" herein, interest on the Certificates under existing statutes, regulations, published rulings, and court decisions (1) will be excludable from the gross income of the owners thereof for federal income tax purposes under Section 103 of the Internal Revenue Code, as amended to the date of initial delivery of the Certificates and (2) will not be included in computing the alternative minimum taxable income of the owners thereof who are individuals. (See "TAX MATTERS" herein.)

THE CERTIFICATES HAVE BEEN DESIGNATED AS "QUALIFIED TAX-EXEMPT OBLIGATIONS" FOR FINANCIAL INSTITUTIONS

$9,550,000
RANDALL COUNTY, TEXAS
COMBINATION TAX AND LIMITED PLEDGE REVENUE CERTIFICATES OF OBLIGATION, SERIES 2022

Dated Date: December 15, 2022 **Due: February 1, as shown on page ii**

The $9,550,000 Randall County, Texas (the "County" or the "Issuer") Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2022 (the "Certificates") are being issued pursuant to the Constitution and the general laws of the State of Texas (the "State"), including particularly Texas Local Government Code, Subchapter C, Chapter 271, as amended, Texas Local Government Code, Section 361.052, as amended, Texas Local Government Code, and an order (the "Order") adopted by the Commissioners Court on December 13, 2022. (See "THE CERTIFICATES - Authority for Issuance" herein.)

The Certificates constitute direct obligations of the Issuer payable from an annual ad valorem tax levied against all taxable property in the County, within the limits prescribed by law and additionally by a lien on and pledge of the Pledged Revenues (as defined in the Order), being a limited amount of the Net Revenues derived from the operation of the County Jail (the "System") not to exceed $1,000 during the entire period the Certificates or interest thereon remain outstanding; provided, however, such lien on and pledge of the Pledged Revenues being subordinate and inferior to the lien on and pledge of Net Revenues securing payment of any Prior Lien Bonds (as defined in the Order) or Junior Lien Bonds (as defined in the Order) hereafter issued by the County. In the Order, the County reserves and retains the right to issue Prior Lien Bonds, Junior Lien Bonds, and Additional Parity Obligations (as defined in the Order), while the Certificates are Outstanding, without limitation as to principal amount but subject to any terms, conditions, or restrictions as may be applicable thereto under law or otherwise. (See "THE CERTIFICATES - Security for Payment" herein.)

Interest on the Certificates will accrue from December 15, 2022 (the "Dated Date") as shown above and will be payable on each February 1 and August 1, commencing February 1, 2024, until maturity or prior redemption, and will be calculated on the basis of a 360-day year of twelve 30-day months. The definitive Certificates will be issued as fully registered obligations in book-entry form only and when issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository (the "Securities Depository"). Book-entry interests in the Certificates will be made available for purchase in the principal amount of $5,000 or any integral multiple thereof. Purchasers of the Certificates ("Beneficial Owners") will not receive physical delivery of certificates representing their interest in the Certificates purchased. So long as DTC or its nominee is the registered owner of the Certificates, the principal of and interest on the Certificates will be payable by BOKF, NA, Dallas, Texas, as Paying Agent/Registrar, to DTC, which will in turn remit such principal and interest to its Participants, which will in turn remit such principal and interest to the Beneficial Owners of the Certificates. (See "BOOK-ENTRY-ONLY SYSTEM" herein.)

Proceeds from the sale of the Certificates will be used for the purpose or purposes of paying contractual obligations of the County to be incurred for making permanent public improvements and for other public purposes, to-wit: (i) designing, constructing, renovating, equipping, enlarging, and improving County facilities, including the expansion and renovation of the County Jail and parking improvements at the Randall County Justice Center and Annex, (ii) purchasing materials, supplies, equipment, information technology, machinery, buildings, land, and rights-of-way for authorized needs and purposes relating to the aforementioned capital improvements, and (iii) payment for professional services relating to the design, construction, project management, and financing of the aforementioned projects. (See "THE CERTIFICATES - Use of Certificate Proceeds" herein.)

The Issuer reserves the right to redeem the Certificates maturing on and after February 1, 2033, on February 1, 2032, or any date thereafter, in whole or in part, in principal amounts of $5,000 or any integral multiple thereof, at the redemption price of par plus accrued interest as further described herein. (See "THE CERTIFICATES - Redemption Provisions" herein.)

STATED MATURITY SCHEDULE
(On Page ii)

The Certificates are offered for delivery, when, as and if issued and received by FHN Financial Capital Markets (the "Purchaser") and subject to the approving opinion of the Attorney General of the State of Texas and the approval of certain legal matters by Norton Rose Fulbright US LLP, Austin, Texas, Bond Counsel. (See Appendix C – Form of Legal Opinion of Bond Counsel and "OTHER PERTINENT INFORMATION – Legal Opinions and No-Litigation Certificate" herein). It is expected that the Certificates will be available for delivery through DTC on or about December 29, 2022.

STATED MATURITY SCHEDULE
(Due February 1)
Base CUSIP – 752278[a]

Stated Maturity February 1	Principal Amount	Interest Rate (%)	Initial Yield (%)	CUSIP Suffix[a]
2024	$ 75,000	5.000	2.530	LM1
2025	330,000	5.000	2.550	LN9
2026	350,000	5.000	2.600	LP4
2027	365,000	5.000	2.650	LQ2
2028	385,000	4.000	2.700	LR0
2029	400,000	4.000	2.750	LS8
2030	415,000	4.000	2.800	LT6
2031	430,000	4.000	2.850	LU3
2032	450,000	4.000	2.900	LV1
2033	470,000	4.000	3.000[b]	LW9
2034	490,000	4.000	3.100[b]	LX7
2035	510,000	4.000	3.250[b]	LY5
2036	530,000	4.000	3.350[b]	LZ2
2037	550,000	4.000	3.450[b]	MA6
2038	570,000	4.000	3.550[b]	MB4
2039	595,000	4.000	3.650[b]	MC2
2040	620,000	4.000	3.750[b]	MD0
2041	645,000	4.000	3.850[b]	ME8
2042	670,000	4.000	3.900[b]	MF5
2043	700,000	4.000	3.950[b]	MG3

(Interest to accrue from the Dated Date)

The Issuer reserves the right to redeem the Certificates maturing on and after February 1, 2033, on February 1, 2032, or any date thereafter, in whole or in part, in principal amounts of $5,000 or any integral multiple thereof, at the redemption price of par plus accrued interest as further described herein. (See "THE CERTIFICATES - Redemption Provisions" herein.)

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[a] CUSIP numbers are included solely for the convenience of the owner of the Certificates. CUSIP is a registered trademark of The American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by FactSet Research Systems on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. None of the County, the Financial Advisor, or the Purchaser is responsible for the selection or correctness of the CUSIP numbers set forth herein.

[b] Yield calculated is based on the assumption that the Certificates denoted and sold at premium will be redeemed on February 1, 2032, the first optional call date for the Certificates, at a redemption price of par plus accrued interest to the date of redemption.

RANDALL COUNTY, TEXAS
501 16th Street, Suite 301
Canyon, Texas 79015

ELECTED OFFICIALS

Name	Title	Date First Elected		Term Expires
Christy Dyer	County Judge	01/01/2013	*	12/31/2022
Rusty Carnes	Commissioner, Precinct 1	03/10/2021	**	12/31/2022
Mark Benton	Commissioner, Precinct 2	06/08/2010	***	12/31/2022
Bob Robinson	Commissioner, Precinct 3	01/01/2013		12/31/2024
Buddy DeFord	Commissioner, Precinct 4	01/01/2003	***	12/31/2022

*Christy Dyer served as Commissioner, Precinct 1 since January 1, 2013, sworn into office as Judge January 26, 2021. Judge Dyer won her re-election and her new term will commence January 1, 2023.

**Rusty Carnes was appointed by Judge Dyer on March 10, 2021, to finish the current term. Commissioner Carnes won his re-election and his new term will commence January 1, 2023.

*** Commissioners Benton and DeFord did not run for re-election. Eric Barry and Tam Boatler won their elections and their new terms will commence January 1, 2023.

ADMINISTRATION

Name	Position	Years With The County
Karon Johnston	County Auditor	37
Ravonnette Stacey	First Assistant Auditor	10
Susan Allen	County Clerk	4
Angie Parker	County Treasurer	11
Christopher Forbis	County Sheriff	30
Robert Love	District Attorney	28

CONSULTANTS AND ADVISORS

Bond Counsel	Norton Rose Fulbright US LLP Austin, Texas
Certified Public Accountants	Doshier, Pickens & Francis, LLC Amarillo, Texas
Financial Advisor	SAMCO Capital Markets, Inc. San Antonio, Texas

For Additional Information Please Contact:

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County Auditor
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Canyon, Texas 79015
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Mr. Mark McLiney
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USE OF INFORMATION IN THE OFFICIAL STATEMENT

This Official Statement, which includes the cover page and the Appendices hereto, does not constitute an offer to sell or the solicitation of an offer to buy in any jurisdiction to any person to whom it is unlawful to make such offer, solicitation or sale.

No dealer, broker, salesperson or other person has been authorized to give information or to make any representation other than those contained in this Official Statement, and, if given or made, such other information must not be relied upon.

Certain information set forth herein has been provided by sources other than the County that the County believes to be reliable, but the County makes no representation as to the accuracy of such information. Any information and expressions of opinion herein contained are subject to change without notice, and neither the delivery of the Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the County or other matters described herein since the date hereof. See "CONTINUING DISCLOSURE OF INFORMATION" for a description of the County's undertaking to provide certain information on a continuing basis.

The Financial Advisor has provided the following sentence for inclusion in this Official Statement. The Financial Advisor has reviewed the information in this Official Statement in accordance with its responsibilities to the Issuer and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Financial Advisor does not guarantee the accuracy or completeness of such information.

The agreements of the County and others related to the Certificates are contained solely in the contracts described herein. Neither this Official Statement nor any other statement made in connection with the offer or sale of the Certificates is to be construed as constituting an agreement with the Purchaser of the Certificates. INVESTORS SHOULD READ THE ENTIRE OFFICIAL STATEMENT, INCLUDING ALL APPENDICES ATTACHED HERETO, TO OBTAIN INFORMATION ESSENTIAL TO MAKING AN INFORMED INVESTMENT DECISION.

NEITHER THE COUNTY NOR ITS FINANCIAL ADVISOR MAKES ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE INFORMATION CONTAINED IN THIS OFFICIAL STATEMENT REGARDING THE DEPOSITORY TRUST COMPANY (“DTC”) OR ITS BOOK-ENTRY-ONLY SYSTEM, AS SUCH INFORMATION HAS BEEN PROVIDED BY DTC. THE CERTIFICATES ARE EXEMPT FROM REGISTRATION WITH THE SECURITIES AND EXCHANGE COMMISSION AND CONSEQUENTLY HAVE NOT BEEN REGISTERED THEREWITH. THE REGISTRATION, QUALIFICATION, OR EXEMPTION OF THE CERTIFICATES IN ACCORDANCE WITH APPLICABLE SECURITIES LAW PROVISIONS OF THE JURISDICTIONS IN WHICH THESE SECURITIES HAVE BEEN REGISTERED, QUALIFIED, OR EXEMPTED SHOULD NOT BE REGARDED AS A RECOMMENDATION THEREOF.

TABLE OF CONTENTS

The cover page, subsequent pages hereof and appendices attached hereto, are part of this Official Statement.

SELECTED DATA FROM THE OFFICIAL STATEMENT

The selected data is subject in all respects to the more complete information and definitions contained or incorporated in this Official Statement. The offering of the Certificates to potential investors is made only by means of this entire Official Statement. No person is authorized to detach this page from this Official Statement or to otherwise use it without the entire Official Statement.

The Issuer	Randall County, Texas (the "County" or "Issuer") was officially formed in 1889. The Issuer is a political subdivision of the State of Texas and operates using a commission form of government under the statutes and the Constitution of the State of Texas. The 2020 census for the County was 140,753. The 2022 estimated population is 143,854. (See "Appendix B - General Information Regarding Randall County and the City of Amarillo, Texas" herein.)
The Certificates	The Certificates are being issued pursuant to the Constitution and general laws of the State of Texas (the "State"), including particularly Texas Local Government Code, Subchapter C, Chapter 271, as amended, Texas Government Code, Section 361.052, as amended, Texas Local Government Code, and an order (the "Order") adopted by the Commissioners Court on December 13, 2022. (See "THE CERTIFICATES - Authority for Issuance" herein.)
Paying Agent/Registrar	The initial Paying Agent/Registrar for the Certificates is BOKF, NA, Dallas Texas.
Security	The Certificates constitute direct obligations of the Issuer payable from an annual ad valorem tax levied against all taxable property in the County, within the limits prescribed by law and additionally by a lien on and pledge of the Pledged Revenues (as defined in the Order), being a limited amount of the Net Revenues derived from the operation of the County Jail (the "System") not to exceed $1,000 during the entire period the Certificates or interest thereon remain outstanding; provided, however, such lien on and pledge of the Pledged Revenues being subordinate and inferior to the lien on and pledge of Net Revenues securing payment of any Prior Lien Bonds (as defined in the Order) or Junior Lien Bonds (as defined in the Order) hereafter issued by the County. In the Order, the County reserves and retains the right to issue Prior Lien Bonds, Junior Lien Bonds, and Additional Parity Obligations (as defined in the Order), while the Certificates are Outstanding, without limitation as to principal amount but subject to any terms, conditions, or restrictions as may be applicable thereto under law or otherwise. (See "THE CERTIFICATES - Security for Payment" herein).
Redemption Provision	The Issuer reserves the right, at its sole option, to redeem Certificates stated to mature on and after February 1, 2033, on February 1, 2032 or any date thereafter, in whole or in part, in principal amounts of $5,000 or any integral multiple thereof, at the redemption price of par plus accrued interest to the date fixed for redemption. (See "THE CERTIFICATES - Redemption Provisions" herein.)
Tax Matters	In the opinion of Bond Counsel, the interest on the Certificates will be excludable from gross income for federal tax purposes under statutes, regulations, published rulings and court decisions existing on the date thereof, subject to the matters described herein. (See "TAX MATTERS" for a discussion of the Opinion of Bond Counsel and "APPENDIX C - FORM OF LEGAL OPINION OF BOND COUNSEL" herein.)
Use of Certificate Proceeds	Proceeds from the sale of the Certificates will be used for the purpose or purposes of paying contractual obligations of the County to be incurred for making permanent public improvements and for other public purposes, to-wit: (i) designing, constructing, renovating, equipping, enlarging, and improving County facilities, including the expansion and renovation of the County Jail and parking improvements at the Randall County Justice Center and Annex, (ii) purchasing materials, supplies, equipment, information technology, machinery, buildings, land, and rights-of-way for authorized needs and purposes relating to the aforementioned capital improvements, and (iii) payment for professional services relating to the design, construction, project management, and financing of the aforementioned projects. (See "THE CERTIFICATES - Use of Certificate Proceeds" herein.)
Book-Entry-Only System	The Issuer intends to utilize the Book-Entry-Only System of The Depository Trust Company, New York, New York described herein. No physical delivery of the Certificates will be made to the beneficial owners of the Certificates. Such Book-Entry-Only System may affect the method and timing of payments on the Certificates and the manner the Certificates may be transferred. (See "BOOK-ENTRY-ONLY SYSTEM" herein.)
Ratings	S&P Global Ratings ("S&P") has assigned an unenhanced, underlying rating of "AA" to the Certificates. (See "OTHER PERTINENT INFORMATION - Rating" herein.)
Qualified Tax-Exempt Obligations	The County has designated the Certificates as "Qualified Tax-Exempt Obligations" for financial institutions. (See "TAX MATTERS – Qualified Tax-Exempt Obligations" herein.)

Issuance of Additional Debt	The County does not anticipate the issuance of additional general obligation debt during the next twelve (12) months.
Payment Record	The County has never defaulted on the payment of its tax-supported indebtedness.
Delivery	When issued, anticipated on or about December 29, 2022.
Legality	Delivery of the Certificates is subject to the approval by the Attorney General of the State of Texas and the rendering of an opinion as to legality by Norton Rose Fulbright US LLP, Austin, Texas, Bond Counsel.

INTRODUCTORY STATEMENT

This Official Statement provides certain information in connection with the issuance by Randall County, Texas (the "County" or the "Issuer") of its $9,550,000 Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2022 (the "Certificates") identified on the cover page hereof.

The Issuer is a political subdivision of the State of Texas (the "State") and operates under the statutes and the Constitution of the State. The Certificates are being issued pursuant to the Constitution and general laws of the State, including particularly Texas Local Government Code, Subchapter C, Chapter 271, as amended, Texas Government Code, Section 361.052, as amended, Texas Local Government Code, and an order (the "Order") adopted by the Commissioners Court on December 13, 2022. (See "THE CERTIFICATES - Authority for Issuance" herein.)

Unless otherwise indicated, capitalized terms used in this Official Statement have the same meanings assigned to such terms in the Order. Included in this Official Statement are descriptions of the Certificates and certain information about the Issuer and its finances. ***ALL DESCRIPTIONS OF DOCUMENTS CONTAINED HEREIN ARE SUMMARIES ONLY AND ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO EACH SUCH DOCUMENT***. Copies of such documents may be obtained from the Issuer or the Financial Advisor noted on page iii hereof.

INFECTIOUS DISEASE OUTBREAK – COVID-19

In March 2020, the World Health Organization and the President of the United States separately declared the outbreak of a respiratory disease caused by a novel coronavirus ("COVID-19") to be a public health emergency. There are currently no COVID-19 related operating limits imposed by executive order of the Governor for any business or other establishment in the State. The Governor retains the right to impose additional restrictions on activities if needed in order to mitigate the effects of COVID-19. The County has not experienced any decrease in property values or unusual tax delinquencies as a result of COVID-19; however the County cannot predict the long-term economic effect of COVID-19 or a similar virus should there be a reversal of economic activity and re-imposition of restrictions. For a discussion of the impact of COVID-19 on the County's financial condition and budget, see "APPENDIX A – Financial Information of the Issuer".

THE CERTIFICATES

General

The Certificates are dated December 15, 2022 (the "Dated Date"). The Certificates are stated to mature on February 1 in the years and in the principal amounts set forth on page ii hereof. The Certificates shall bear interest from their Dated Date on the unpaid principal amounts, and the amount of interest to be paid with respect to each payment period shall be computed on the basis of a 360-day year consisting of twelve 30-day months. Interest on the Certificates will be payable on each February 1 and August 1, commencing February 1, 2024 until maturity or prior redemption. Principal is payable at the designated offices of the "Paying Agent/Registrar" for the Certificates, initially BOKF, NA, Dallas, Texas. Interest on the Certificates shall be paid to the registered owners whose names appear on the registration books of the Paying Agent/Registrar at the close of business on the Record Date (as hereinafter defined) and shall be paid by the Paying Agent/Registrar (i) by check sent United States Mail, first class postage prepaid, to the address of the registered owner recorded in the Security Register or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk of, the registered owner. If the date for the payment of the principal of or interest on the Certificates shall be a Saturday, Sunday, a legal holiday or a day when banking institutions in the city where the designated payment/transfer office of the Paying Agent/Registrar is located are authorized to be closed, then the date for such payment shall be the next succeeding day which is not such a day, and payment on such date shall have the same force and effect as if made on the date payment was due.

Initially, the Certificates will be registered and delivered only to Cede & Co., the nominee of The Depository Trust Company ("DTC") pursuant to the Book-Entry-Only System described below. No physical delivery of the Certificates will be made to the Beneficial Owners. Principal of, premium, if any, and interest on the Certificates will be payable by the Paying Agent/Registrar to Cede & Co., which will distribute the amounts received to the appropriate DTC Participants, who shall in turn make payment to the Beneficial Owners of the Certificates. Such Book-Entry-Only System may change the method and timing of payment for the Certificates and the method of transfer. See "BOOK-ENTRY-ONLY SYSTEM" below for a more complete description of such System.

Authority for Issuance

The Certificates are being issued pursuant to the Constitution and general laws of the State, including particularly Texas Local Government Code, Subchapter C, Chapter 271, as amended, Texas Government Code, Section 361.052, as amended, Texas Local Government Code, and the Order.

Security for Payment

Pledge of Ad Valorem Taxes. The Certificates are general obligations of the County, payable from its collection of an ad valorem tax levied annually, within the legal limitations imposed by law, upon all taxable property located in the County (see "AD VALOREM PROPERTY TAXATION" herein.)

Limited Revenue Pledge Benefitting the Certificates. Solely to comply with Texas law allowing the Certificates to be sold for cash, the Certificates are further secured by a lien on and pledge of the Pledged Revenues (being a limited amount of the Net Revenues derived from the operation of the County Jail (the "System") not to exceed $1,000 during the entire period the Certificates or interest thereon remain outstanding; provided, however, such lien on and pledge of the Pledged Revenues being subordinate and inferior to the lien on and pledge of Net Revenues securing payment of any Prior Lien Bonds (as defined in the Order) or Junior Lien Bonds (as defined in the Order) hereafter issued by the County. In the Order, the County reserves and retains the right to issue Prior Lien Bonds, Junior Lien Bonds, and Additional Parity Obligations (as defined in the Order), while the Certificates are Outstanding, without limitation as to principal amount but subject to any terms, conditions, or restrictions as may be applicable thereto under law or otherwise.

Even though the County has pledged the Pledged Revenues of the System to further secure the Certificates, the County does not expect that any Net Revenues from such System will actually be utilized to pay the debt service requirements on the Certificates.

Use of Certificate Proceeds

Proceeds from the sale of the Certificates will be used for the purpose or purposes of paying contractual obligations of the County to be incurred for making permanent public improvements and for other public purposes, to-wit: (i) designing, constructing, renovating, equipping, enlarging, and improving County facilities, including the expansion and renovation of the County Jail and parking improvements at the Randall County Justice Center and Annex, (ii) purchasing materials, supplies, equipment, information technology, machinery, buildings, land, and rights-of-way for authorized needs and purposes relating to the aforementioned capital improvements, and (iii)payment for professional services relating to the design, construction, project management, and financing of the aforementioned projects.

Sources and Uses

Sources		
Par Amount of the Certificates	$	9,550,000.00
Accrued Interest on the Certificates		15,291.11
Reoffering Premium		448,650.00
Total Sources of Funds	$	10,013,941.11
Uses		
Project Fund Deposit	$	9,780,000.00
Purchaser's Discount		93,233.07
Certificate Fund Deposit		15,291.11
Costs of Issuance		125,416.93
Total Uses	$	10,013,941.11

Redemption Provisions of the Certificates

The Issuer reserves the right, at its option, to redeem the Certificates maturing on and after February 1, 2033 on February 1, 2032, or any date thereafter, in whole or in part, in principal amounts of $5,000 or any integral multiple thereof (and, if within a stated maturity, selected at random and by lot by the Paying Agent/Registrar), at the redemption price of par plus accrued interest to the date fixed for redemption.

Selection of Certificates for Redemption

The years of maturity of the Certificates called for redemption will be selected by the County. If less than all of the Certificates are redeemed within a stated maturity at any time, the Certificates to be redeemed will be selected by the Paying Agent/Registrar at random and by lot or other customary method in multiples of $5,000 within any stated maturity.

Notice of Redemption

At least 30 days prior to the date fixed for any redemption of any Certificates or portions thereof prior to stated maturity, the Issuer shall cause notice of such redemption to be sent by United States mail, first-class postage prepaid, to the registered owner of each Certificate or a portion thereof to be redeemed at its address as it appeared on the registration books of the Paying Agent/Registrar on the day such notice of redemption is mailed. By the date fixed for any such redemption, due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Certificates or portions thereof which are to be so redeemed. If such notice of redemption is given and if due provision for such payment is made, all as provided above, the Certificates or portions thereof which are to be so redeemed thereby automatically shall be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the registered owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment.

ANY NOTICE OF REDEMPTION SO MAILED SHALL BE CONCLUSIVELY PRESUMED TO HAVE BEEN DULY GIVEN IRRESPECTIVE OF WHETHER ONE OR MORE CERTIFICATEHOLDERS FAILED TO RECEIVE SUCH NOTICE, AND, PROVIDED THAT PROVISION FOR PAYMENT OF THE REDEMPTION PRICE IS MADE AND ANY OTHER CONDITIONS TO REDEMPTION ARE SATISFIED, INTEREST ON THE REDEEMED CERTIFICATES SHALL CEASE TO ACCRUE FROM AND AFTER SUCH REDEMPTION DATE NOTWITHSTANDING THAT A CERTIFICATE HAS NOT BEEN PRESENTED FOR PAYMENT.

Certificates of a denomination larger than $5,000 may be redeemed in part ($5,000 or any integral multiple thereof). Any Certificate to be partially redeemed must be surrendered in exchange for one or more new Certificates of the same stated maturity and interest rate for the unredeemed portion of the principal. In the event of redemption of less than all of the Certificates of a particular stated maturity, the Paying Agent/Registrar is required to select the Certificates of such stated maturity to be redeemed by such random method as it deems fair and appropriate and which may provide for the selection for redemption of portions (equal to any authorized denomination) of the Certificates of a denomination larger than $5,000.

The Paying Agent/Registrar and the Issuer, so long as a Book-Entry-Only System is used for the Certificates, will send any notice of redemption, notice of proposed amendment to the Order or other notices with respect to the Certificates only to DTC. Any failure by DTC to advise any DTC participant, or of any DTC participant or indirect participant to notify the Beneficial Owner, will not affect the validity of the redemption of the Certificates called for redemption or any other action premised on any such notice. Redemption of portions of the Certificates by the Issuer will reduce the outstanding principal amount of such Certificates held by DTC. In such event, DTC may implement, through its Book-Entry-Only System, a redemption of such Certificates held for the account of DTC participants in accordance with its rules or other agreements with DTC participants and then DTC participants and indirect participants may implement a redemption of such Certificates from the Beneficial Owners. Any such selection of Certificates to be redeemed will not be governed by the Order and will not be conducted by the Issuer or the Paying Agent/Registrar. Neither the Issuer or the Paying Agent/Registrar will have any responsibility to DTC participants, indirect participants or the persons for whom DTC participants act as nominees, with respect to the payments on Certificates or the providing of notice to DTC participants, indirect participants, or Beneficial Owners of the selection of portions of the Certificates for redemption. (See "BOOK-ENTRY-ONLY SYSTEM" herein.)

Payment Record

The County has never defaulted on the payment of its tax-supported indebtedness.

Legality

The Certificates are offered when, as and if issued, subject to the approvals of legality by the Attorney General of the State of Texas and Norton Rose Fulbright US LLP, Austin, Texas, Bond Counsel. A form of the legal opinion of Bond Counsel appears in Appendix C attached hereto.

Defeasance

The Order provides the Certificates shall be deemed to have been paid when the payment of the principal of and premium, if any, on such Certificates, plus interest thereon to the due date thereof (whether such due date be by reason of maturity, redemption or otherwise) shall have been irrevocably deposited with the Paying Agent/Registrar, or other authorized escrow agent, in trust (i) money sufficient to make such payment; (2) Government Securities to mature as to principal and interest in such amounts and at such times to insure the availability, without reinvestment, of sufficient money to make such payment, and all necessary and proper fees, compensation and expenses of the paying agent for the Certificates; or (3) a combination of both. In the event all or a portion of such deposit consists of Government Securities, an independent accounting firm the County's financial advisor, the Paying Agent/Registrar, or some other qualified financial institution as specified in the Order, shall provide a report or findings which concludes such Government Securities will mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money, together with any moneys deposited therewith, to pay the full amount due and owed on such Certificates at and prior to their Stated Maturity or redemption date. The term "Government Securities" means (i) direct noncallable obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations unconditionally guaranteed or insured by the agency or instrumentality and that, on the date of their acquisition or purchase by the Issuer, are rated as to investment quality by a nationally recognized statistical rating firm not less than "AAA" or its equivalent, (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date of their acquisition or purchase by the Issuer, are rated as to investment quality by a nationally recognized investment rating firm not less than "AAA" or its equivalent, and (iv) any other then authorized securities or obligations that may be used to defease obligations such as the Certificates under applicable laws of the State of Texas. There is no assurance that the ratings for U.S. Treasury securities acquired to defease any Certificates, or those for any other Government Securities, will be maintained at any particular rating category. Further, there is no assurance that current State law will not be amended in a manner that expands or contracts the list of permissible defeasance securities (such list consisting of these securities identified in clauses (a) through (c) above), or any rating requirement thereon, that may be purchased with defeasance proceeds relating to the Certificates ("Defeasance Proceeds"), though the County has reserved the right to utilize any additional securities for such purpose in the event the aforementioned list is expanded. Because the Order does not contractually limit such permissible defeasance securities and expressly recognizes the ability of the County to use lawfully available Defeasance Proceeds to defease all or any portion of the Certificates, registered owners of Certificates are deemed to have consented to the use of Defeasance Proceeds to purchase such other defeasance securities, notwithstanding the fact that such defeasance securities may not be of the same investment quality as those currently identified under State law as permissible defeasance securities.

Upon such deposit as described above, such Certificates shall no longer be regarded to be outstanding or unpaid. After firm banking and financial arrangements for the discharge and final payment of the Certificates have been made as described above, all rights of the County to initiate proceedings to call the Certificates for redemption or take any other action amending the terms of the Certificates are extinguished; provided, however, the County has the option, to be exercised at the time of the defeasance of the Certificates, to call for redemption at an earlier date those Certificates which have been defeased to their maturity date, if the County (i) in the proceedings providing for the firm banking and financial arrangements, expressly reserves the right to call the Certificates for redemption, (ii) gives notice of the reservation of that right to the owners of the Certificates immediately following the making of the firm banking and financial arrangements, and (iii) directs that notice of the reservation be included in any redemption notices that it authorizes.

Amendments

The County may amend the Order without the consent of or notice to any registered owners in any manner not detrimental to the interests of the registered owners, including the curing of any ambiguity, inconsistency, or formal defect or omission therein. In addition, the County may, with the written consent of the holders of a majority in aggregate principal amount of the Certificates then Outstanding amend, add to, or rescind any of the provisions of the Order, except that, without the consent of the registered owners of all of the Certificates then outstanding, no such amendment, addition, or rescission shall (i) extend the time or times of payment of the principal or, premium, if any, and interest on the Certificates, reduce the principal amount thereof, or the rate of interest thereon or in any other way modify the terms of payment of the principal of, premium, if any, or interest on the Certificates, (ii) give any preference to any Certificate over any other Certificate or (iii) reduce the aggregate principal amount of Certificates required for consent to any such amendment, addition or rescission.

Default and Remedies

The Order does not specify events of default with respect to the Certificates. If the County defaults in the payment of principal, interest, or redemption price on the Certificates when due, or if it fails to make payments into any fund or funds created in the Order, or defaults in the observation or performance of any other covenants, conditions, or obligations set forth in the Order, the registered owners may seek a writ of mandamus to compel County officials to carry out their legally imposed duties with respect to the Certificates if there is no other available remedy at law to compel performance of the Certificates or Order and the County's obligations are not uncertain or disputed. The issuance of a writ of mandamus is controlled by equitable principles and rests with the discretion of the court, but may not be arbitrarily refused. There is no acceleration of maturity of the Certificates in the event of default and, consequently, the remedy of mandamus may have to be relied upon from year to year. The Order does not provide for the appointment of a trustee to represent the interest of the certificateholders upon any failure of the County to perform in accordance with the terms of the Order, or upon any other condition and accordingly all legal actions to enforce such remedies would have to be undertaken at the initiative of, and be financed by, the registered owners.

On June 30, 2006, the Texas Supreme Court ruled in *Tooke v. City of Mexia* 197 S.W.3d 325 (Tex. 2006), that a waiver of sovereign immunity in a contractual dispute must be provided for by statute in "clear and unambiguous" language. Because it is unclear whether the Texas Legislature has effectively waived the County's sovereign immunity from a suit for money damages, certificateholders may not be able to bring such a suit against the County for breach of the Certificates or Order covenants. Even if a judgment against the County could be obtained, it could not be enforced by direct levy and execution against the County's property. Further, the registered owners cannot themselves foreclose on property within the County or sell property within the County to enforce the tax lien on taxable property to pay the principal of and interest on the Certificates. Furthermore, the County is eligible to seek relief from its creditors under Chapter 9 of the U.S. Bankruptcy Code ("Chapter 9"). Although Chapter 9 provides for the recognition of a security interest represented by a specifically pledged source of revenues, the pledge of ad valorem taxes in support of a general obligation of a bankrupt entity is not specifically recognized as a security interest under Chapter 9 and the pledge of a specific source of revenues, such as the Pledged Revenues, is subject to judicial discretion. Chapter 9 also includes an automatic stay provision that would prohibit, without Bankruptcy Court approval, the prosecution of any other legal action by creditors or certificateholders of an entity which has sought protection under Chapter 9. Therefore, should the County avail itself of Chapter 9 protection from creditors, the ability to enforce would be subject to the approval of the Bankruptcy Court (which could require that the action be heard in Bankruptcy Court instead of other federal or state court), and the Bankruptcy Code provides for broad discretionary powers of a Bankruptcy Court in administering any proceeding brought before it. The opinion of Bond Counsel will note that all opinions relative to the enforceability of the Order and the Certificates are qualified with respect to the customary rights of debtors relative to their creditors.

Initially, the only registered owner of the Certificates will be Cede & Co., as nominee of DTC. See "BOOK-ENTRY-ONLY SYSTEM" herein for a description of the duties of DTC with regard to ownership of the Certificates.

REGISTRATION, TRANSFER AND EXCHANGE

Paying Agent/Registrar

The initial Paying Agent/Registrar for the Certificates is BOKF, NA, Dallas, Texas. In the Order, the Issuer retains the right to replace the Paying Agent/Registrar. If the Paying Agent/Registrar is replaced by the Issuer, the new Paying Agent/Registrar shall accept the previous Paying Agent/Registrar's records and act in the same capacity as the previous Paying Agent/Registrar. Any successor Paying Agent/Registrar, selected at the sole discretion of the Issuer, shall be a bank, trust company, financial institution or other entity qualified and authorized to serve in such capacity and perform the duties and services of Paying Agent/Registrar. Upon a change in the Paying Agent/Registrar for the Certificates, the Issuer agrees to promptly cause written notice thereof to be sent to each registered owner of the Certificates by United States mail, first-class, postage prepaid.

The Certificates will be issued in fully registered form in multiples of $5,000 for any one stated maturity, and principal and semiannual interest will be paid by the Paying Agent/Registrar. Interest will be paid by check or draft mailed on each interest payment date by the Paying Agent/Registrar to the registered owner at the last known address as it appears on the Paying Agent/Registrar's books or by such other method, acceptable to the Paying Agent/Registrar, requested by and at the risk and expense of the registered owner. Principal will be paid to the registered owner at stated maturity or prior redemption upon presentation to the Paying Agent/Registrar; provided, however, that so long as Cede & Co. (or other DTC nominee) is the registered owner of the Certificates, all payments will be made as described under "Book-Entry-Only System" herein. If the date for the payment of the principal of or interest on the Certificates shall be a Saturday, Sunday, a legal holiday or a day when banking institutions in the city where the designated payment/transfer office of the Paying Agent/Registrar is located are authorized to close, then the date for such payment shall be the next succeeding day which is not such a day, and payment on such date shall have the same force and effect as if made on the date payment was due.

Record Date

The record date ("Record Date") for determining the party to whom interest is payable on a Certificate on any Interest Payment Date means the fifteenth day of the month next preceding such Interest Payment Date.

In the event of a non-payment of interest on an Interest Payment Date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Issuer. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date", which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each registered owner appearing on the registration books of the Paying Agent/Registrar at the close of business on the last business day next preceding the date of mailing of such notice.

Future Registration

In the event the Certificates are not in the Book-Entry-Only System, the Certificates will be printed and delivered to the registered owners thereof, and thereafter the Certificates may be transferred, registered, and assigned on the registration books of the Paying Agent/Registrar only upon presentation and surrender thereof to the Paying Agent/Registrar, and such registration and transfer shall be without expense or service charge to the registered owner, except for any tax or other governmental charges required to be paid with respect to such registration and transfer. A Certificate may be assigned by the execution of an assignment form on the Certificate or by other instrument of transfer and assignment acceptable to the Paying Agent/Registrar. A new Certificate or Certificates will be delivered by the Paying Agent/Registrar in lieu of the Certificates being transferred or exchanged at the corporate trust office of the Paying Agent/Registrar, or sent by United States mail, first class postage prepaid, to the new registered. New Certificates issued in an exchange or transfer of Certificates will be delivered to the registered owner or assignee of the registered owner in not more than three (3) business days after the receipt of the Certificates to be canceled in the exchange or transfer and the written instrument of transfer or request for exchange duly executed by the registered owner or his duly authorized agent, in form satisfactory to the Paying Agent/Registrar. New Certificates registered and delivered in an exchange or transfer shall be in denominations of $5,000 for any one stated maturity or any integral multiple thereof and for a like aggregate principal amount and rate of interest as the Certificate or Certificates surrendered for exchange or transfer. (See "BOOK-ENTRY-ONLY SYSTEM" herein for a description of the system initially to be utilized in regard to ownership and transferability of the Certificates.)

Limitation on Transferability

Neither the County nor the Paying Agent/Registrar shall be required to make any such transfer, conversion or exchange (i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date or (ii) with respect to any Certificate or any portion thereof called for redemption prior to maturity, within 45 days prior to its redemption date; provided, however, that such limitation shall not apply to uncalled portions of a Certificate redeemed in part.

Replacement Certificates

The Issuer has agreed to replace mutilated, destroyed, lost, or stolen Certificates upon surrender of the mutilated Certificates to the Paying Agent/Registrar, or receipt of satisfactory evidence of authenticity of ownership thereof and of such destruction, loss, or theft, and receipt by the Issuer and Paying Agent/Registrar of security or indemnity as may be required by either of them to hold them harmless. The Issuer may require payment of taxes, governmental charges, and other expenses in connection with any such replacement.

BOOK-ENTRY-ONLY SYSTEM

This section describes how ownership of the Certificates is to be transferred and how the principal of, premium, if any, and interest on the Certificates are to be paid to and credited by DTC while the Certificates are registered in its nominee name. The information in this section concerning DTC and the Book-Entry-Only System has been provided by DTC for use in disclosure documents such as this Official Statement. The County and the Financial Advisor believe the source of such information to be reliable, but take no responsibility for the accuracy or completeness thereof.

The County cannot and does not give any assurance that (1) DTC will distribute payments of debt service on the Certificates, or redemption or other notices, to DTC Participants, (2) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Certificates), or redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or (3) DTC will serve and act in the manner described in this Official Statement. The current rules applicable to DTC are on file with the United States Securities and Exchange Commission (the "SEC"), and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC.

DTC will act as securities depository for the Certificates. The Certificates will be issued as fully-registered Certificates registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Certificate will be issued for each maturity of the Certificates, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). Direct Participants and Indirect Participants are jointly referred to as "Participants". DTC has a S&P Global Ratings rating of AA+. The DTC Rules applicable to its Participants are on file with the SEC. More information about DTC can be found at www.dtcc.com.

Purchases of Certificates under the DTC system must be made by or through Direct Participants, which will receive a credit for the Certificates on DTC's records. The ownership interest of each actual purchaser of each Certificate ("Beneficial Owner") is in turn to be recorded on the Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Certificates are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Certificates, except in the event that use of the book-entry system for the Certificates is discontinued.

To facilitate subsequent transfers, all Certificates deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Certificates with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Certificates; DTC's records reflect only the identity of the Direct Participants to whose accounts such Certificates are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Certificates may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Certificates, such as redemptions, tenders, defaults, and proposed amendments to the Certificate documents. For example, Beneficial Owners of Certificates may wish to ascertain that the nominee holding the Certificates for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices for the Certificates shall be sent to DTC. If less than all of the Certificates within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Certificates unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Certificates are credited on the record date (identified in a listing attached to the Omnibus Proxy).

All payments on the Certificates will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Paying Agent/Registrar, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with Certificates held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent/Registrar, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment on the Certificates to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or the Paying Agent/Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Participants.

DTC may discontinue providing its services as depository with respect to the Certificates at any time by giving reasonable notice to the County or the Paying Agent/Registrar. Under such circumstances, in the event that a successor depository is not obtained, Certificates are required to be printed and delivered. The County may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Certificates will be printed and delivered.

Information concerning DTC and the Book-Entry-Only System has been obtained from DTC and is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by the County, the Financial Advisor, or the initial purchaser of the Certificates.

Use of Certain Terms in Other Sections of this Official Statement

In reading this Official Statement it should be understood that while the Certificates are in the Book-Entry-Only System, references in other sections of this Official Statement to registered owners should be read to include the person for which the Participant acquires an interest in the Certificates, but (i) all rights of ownership must be exercised through DTC and the Book-Entry-Only System, and (ii) except as described above, notices that are to be given to registered owners under the Order will be given only to DTC.

INVESTMENT AUTHORITY AND INVESTMENT PRACTICES OF THE ISSUER

The County invests its investable funds in investments authorized by State law and in accordance with investment policies approved and reviewed annually by the Commissioners Court of the County. Both State law and the County's investment policies are subject to change.

Legal Investments

Under State law and subject to certain limitations, the County is authorized to invest in (1) obligations of the United States or its agencies and instrumentalities; (2) direct obligations of the State of Texas or its agencies and instrumentalities; (3) collateralized mortgage obligations issued and secured by a federal agency or instrumentality of the United States; (4) other obligations unconditionally guaranteed or insured by the State of Texas or the United States or their respective agencies and instrumentalities; (5) "A" or better rated obligations of states, agencies, counties, cities, and other political subdivisions of any state; (6) bonds issued, assumed, or guaranteed by the State of Israel; (7) federally insured interest-bearing bank deposits, brokered pools of such deposits, and collateralized certificates of deposit and share certificates; (8) fully collateralized United States government securities repurchase agreements; (9) one-year or shorter securities lending agreements secured by obligations described in clauses (1) through (7) above or (11) through (14) below or an irrevocable letter of credit issued by an "A" or better rated state or national bank; (10) 270-day or shorter bankers' acceptances, if the short-term obligations of the accepting bank or its holding company are rated at least "A-1" or "P-1"; (11) commercial paper rated at least "A-1" or "P-1"; (12) SEC-registered no-load money market mutual funds that are subject to SEC Rule 2a-7; (13) SEC-registered no-load mutual funds that have an average weighted maturity of less than two years; (14) "AAA" or "AAAm"-rated investment pools that invest solely in investments described above; and (15) in the case of bond proceeds, guaranteed investment contracts that are secured by obligations described in clauses (1) through (7) above and, except for debt service funds and reserves, have a term of 5 years or less.

The County may not, however, invest in (1) interest only obligations, or non-interest bearing principal obligations, stripped from mortgage-backed securities; (2) collateralized mortgage obligations that have a remaining term that exceeds 10 years; and (3) collateralized mortgage obligations that bear interest at an index rate that adjusts opposite to the changes in a market index. In addition, the County may not invest more than 15% of its monthly average fund balance (excluding bond proceeds and debt service funds and reserves) in mutual funds described in clause (13) above or make an investment in any mutual fund that exceeds 10% of the fund's total assets.

Except as stated above or inconsistent with its investment policy, the County may invest in obligations of any duration without regard to their credit rating, if any. If an obligation ceases to qualify as an eligible investment after it has been purchased, the County is not required to liquidate the investment unless it no longer carries a required rating, in which case the County is required to take prudent measures to liquidate the investment that are consistent with its investment policy.

Investment Policies

Under State law, the County is required to adopt and annually review written investment policies and must invest its funds in accordance with its policies. The policies must identify eligible investments and address investment diversification, yield, maturity, and the quality and capability of investment management. For investments whose eligibility is rating dependent, the policies must adopt procedures to monitor ratings and liquidate investments if and when required. The policies must require that all investment transactions settle on a delivery versus payment basis. The County is required to adopt a written investment strategy for each fund group to achieve investment objectives in the following order of priority: (1) suitability, (2) preservation and safety of principal, (3) liquidity, (4) marketability, (5) diversification, and (6) yield.

State law requires the County's investments be made "with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment considering the probable safety of capital and the probable income to be derived." The County is required to perform an annual audit of the management controls on investments and compliance with its investment policies and provide regular training for its investment officers.

Current Investments

State law does not require the Issuer to periodically mark its investments to market price, and the Issuer does not do so, other than annually upon the conclusion of each fiscal year, for the purpose of compliance with applicable accounting policies concerning the contents of the Issuer's audited financial statements. Given the nature of its investments, the Issuer does not believe that the market value of its investments differs materially from book value.

As of October 12, 2022 (unaudited), the Issuer's investable funds were invested as shown below.

Fund and Investment Type	Amount	Percentage of Portfolio
General Fund		
Cash	$ 6,283,444	10.47%
CD/Securities	$ 19,254,707	32.08%
Texas Class	$ 787,804	1.31%
TexPool	$ 115,767	0.19%
Special Revenue Fund		
Cash	$ 9,380,876	15.63%
CD/Securities	$ 10,650,000	17.74%
TexPool	$ 106,802	0.18%
Texas Class	$ 10,069,773	16.78%
Debt Service Fund		
Cash	$ 60,565	0.10%
Capital Projects Funds		
Cash	$ 772,849	1.29%
CD/Securities	$ 500,000	0.83%
Internal Service Fund		
Cash	$ 1,193,799	1.99%
CD/Securities	$ 850,000	1.42%
Total Investments	$ 60,026,386	100.00%

As of such date, the market value of such investments (as determined by the County by reference to published quotations, dealer bids, and comparable information) was approximately 100% of their book value. No funds of the County are invested in derivative securities, i.e., securities whose rate of return is determined by reference to some other instrument, index, or commodity.

The Texas State Comptroller of Public Accounts exercises oversight responsibility over the Texas Local Government Investment Pool ("TexPool"). Oversight includes the ability to significantly influence operations, designation of management and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed both of participants in TexPool and of the other persons who do not have a business relationship with TexPool. The advisory Board members review the investment policy and management fee structure. Finally, TexPool is rated AAA by S&P Global Ratings. TexPool operates in a manner consistent with the SEC's Rule 2a-7 of the Investment Company Act of 1940. As such, TexPool uses amortized cost to report net assets and share prices since that amount approximates fair value.

EMPLOYMENT BENEFITS

Plan Description: The County provides other post-employment benefits (OPEB) to all of its full-time employees through a single-employer self-funded medical plan. The Randall County Healthcare Plan provides that an employee who meets the retirement eligibility requirements of the Texas County and District Retirement System, and who leaves the employ of the County may, upon retirement, elect to remain on the County's group medical and dental plan, as well as to continue existing spouse and dependent coverage. Coverage ceases for the member, the spouse and dependents upon the member becoming eligible for Medicare at age 65. For more complete information regarding the County's retirement plan and net pension liability, see Note 16., pages 61-65 of the Notes to the excerpts of the Issuer's Audited Financial Statements contained herein as Appendix D.

AD VALOREM PROPERTY TAXATION

The following is a summary of certain provisions of State law as it relates to ad valorem taxation and is not intended to be complete. Prospective investors are encouraged to review Title I of the Texas Tax Code, as amended (the "Property Tax Code"), for identification of property subject to ad valorem taxation, property exempt or which may be exempted from ad valorem taxation if claimed, the appraisal of property for ad valorem tax purposes, and the procedures and limitations applicable to the levy and collection of ad valorem taxes.

VALUATION OF TAXABLE PROPERTY. . . The Property Tax Code provides for countywide appraisal and equalization of taxable property values and establishes in each county of the State an appraisal district and an appraisal review board (the "Appraisal Review Board") responsible for appraising property for all taxing units within the county. The appraisal of property within the County is the responsibility of the Potter-Randall Appraisal District (the "Appraisal District"). Except as generally described below, the Appraisal District is required to appraise all property within the Appraisal District on the basis of 100% of its market value and is prohibited from applying any assessment ratios. In determining market value of property, the Appraisal District is required to consider the cost method of appraisal, the income method of appraisal and the market data comparison method of appraisal, and use the method the chief appraiser of the Appraisal District considers most appropriate. The Property Tax Code requires appraisal districts to reappraise all property in its jurisdiction at least once every three (3) years. A taxing unit may require annual review at its own expense, and is entitled to challenge the determination of appraised value of property within the taxing unit by petition filed with the Appraisal Review Board.

State law requires the appraised value of an owner's principal residence ("homestead" or "homesteads") to be based solely on the property's value as a homestead, regardless of whether residential use is considered to be the highest and best use of the property. State law further limits the appraised value of a homestead to the lesser of (1) the market value of the property or (2) 110% of the appraised value of the property for the preceding tax year plus the market value of all new improvements to the property.

State law provides that eligible owners of both agricultural land and open-space land, including open-space land devoted to farm or ranch purposes or open-space land devoted to timber production, may elect to have such property appraised for property taxation on the basis of its productive capacity. The same land may not be qualified as both agricultural and open-space land.

The appraisal values set by the Appraisal District are subject to review and change by the Appraisal Review Board. The appraisal rolls, as approved by the Appraisal Review Board, are used by taxing units, such as the County, in establishing their tax rolls and tax rates (see "AD VALOREM PROPERTY TAXATION – County and Taxpayer Remedies").

STATE MANDATED HOMESTEAD EXEMPTIONS. . . State law grants, with respect to each taxing unit in the State, various exemptions for disabled veterans and their families, surviving spouses of members of the armed services killed in action and surviving spouses of first responders killed or fatally wounded in the line of duty.

LOCAL OPTION HOMESTEAD EXEMPTIONS. . . The governing body of a taxing unit, including a city, county, school district, or special district, at its option may grant: (1) an exemption of up to 20% of the appraised value of all homesteads (but not less than $5,000) and (2) an additional exemption of at least $3,000 of the appraised value of the homesteads of persons sixty-five (65) years of age or older and the disabled. Each taxing unit decides if it will offer the local option homestead exemptions and at what percentage or dollar amount, as applicable. The exemption described in (2), above, may also be created, increased, decreased or repealed at an election called by the governing body of a taxing unit upon presentment of a petition for such creation, increase, decrease, or repeal of at least 20% of the number of qualified voters who voted in the preceding election of the taxing unit.

Local Option Freeze for the Elderly and Disabled. . . The governing body of a county, municipality or junior college district may, at its option, provide for a freeze on the total amount of ad valorem taxes levied on the homesteads of persons 65 years of age or older or of disabled persons above the amount of tax imposed in the year such residence qualified for such exemption. Also, upon voter initiative, an election may be held to determine by majority vote whether to establish such a freeze on ad valorem taxes. Once the freeze is established, the total amount of taxes imposed on such homesteads cannot be increased except for certain improvements, and such freeze cannot be repealed or rescinded.

Personal Property. . . Tangible personal property (furniture, machinery, supplies, inventories, etc.) used in the "production of income" is taxed based on the property's market value. Taxable personal property includes income-producing equipment and inventory. Intangibles such as goodwill, accounts receivable, and proprietary processes are not taxable. Tangible personal property not held or used for production of income, such as household goods, automobiles or light trucks, and boats, is exempt from ad valorem taxation unless the governing body of a taxing unit elects to tax such property.

Freeport and Goods-In-Transit Exemptions. . . Certain goods that are acquired in or imported into the State to be forwarded outside the State, and are detained in the State for 175 days or less for the purpose of assembly, storage, manufacturing, processing or fabrication ("Freeport Property") are exempt from ad valorem taxation unless a taxing unit took official action to tax Freeport Property before April 1, 1990 and has not subsequently taken official action to exempt Freeport Property. Decisions to continue taxing Freeport Property may be reversed in the future; decisions to exempt Freeport Property are not subject to reversal.

Certain goods, that are acquired in or imported into the State to be forwarded to another location within or without the State, stored in a location that is not owned by the owner of the goods and are transported to another location within or without the State within 175 days ("Goods-in-Transit"), are generally exempt from ad valorem taxation; however, the Property Tax Code permits a taxing unit, on a local option basis, to tax Goods-in-Transit if the taxing unit takes official action, after conducting a public hearing, before January 1 of the first tax year in which the taxing unit proposes to tax Goods-in-Transit. Goods-in-Transit and Freeport Property do not include oil, natural gas or petroleum products, and Goods-in-Transit does not include aircraft or special inventories such as manufactured housing inventory, or a dealer's motor vehicle, boat, or heavy equipment inventory.

A taxpayer may receive only one of the Goods-in-Transit or Freeport Property exemptions for items of personal property.

Other Exempt Property. . . Other major categories of exempt property include property owned by the State or its political subdivisions if used for public purposes, property exempt by federal law, property used for pollution control, farm products owned by producers, property of nonprofit corporations used for scientific research or educational activities benefitting a college or university, designated historic sites, solar and wind-powered energy devices, and certain classes of intangible personal property.

Tax Increment Reinvestment Zones. . . A city or county, by petition of the landowners or by action of its governing body, may create one or more tax increment reinvestment zones ("TIRZ") within its boundaries. At the time of the creation of the TIRZ, a "base value" for the real property in the TIRZ is established and the difference between any increase in the assessed valuation of taxable real property in the TIRZ in excess of the base value is known as the "tax increment". During the existence of the TIRZ, all or a portion of the taxes levied against the tax increment by a city or county, and all other overlapping taxing units that elected to participate, are restricted to paying only planned project and financing costs within the TIRZ and are not available for the payment of other obligations of such taxing units.

Tax Abatement Agreements. . . Taxing units may also enter into tax abatement agreements to encourage economic development. Under the agreements, a property owner agrees to construct certain improvements on its property. The taxing unit, in turn, agrees not to levy a tax on all or part of the increased value attributable to the improvements until the expiration of the agreement. The abatement agreement could last for a period of up to 10 years.

For a discussion of how the various exemptions described above are applied by the County, see "COUNTY APPLICATION OF PROPERTY TAX CODE" herein.

County and Taxpayer Remedies. . .Under certain circumstances, taxpayers and taxing units, including the County, may appeal the determinations of the Appraisal District by timely initiating a protest with the Appraisal Review Board. Additionally, taxing units such as the County may bring suit against the Appraisal District to compel compliance with the Property Tax Code.

Owners of certain property with a taxable value in excess of the current year "minimum eligibility amount", as determined by the State Comptroller, and situated in a county with a population of one million or more, may protest the determinations of an appraisal district directly to a three-member special panel of the appraisal review board, appointed by the chairman of the appraisal review board, consisting of highly qualified professionals in the field of property tax appraisal. The minimum eligibility amount was set at $52.9 million for the 2022 tax year, and is adjusted annually by the State Comptroller to reflect the inflation rate.

The Property Tax Code sets forth notice and hearing procedures for certain tax rate increases by the District and provides for taxpayer referenda that could result in the repeal of certain tax increases (see "AD VALOREM PROPERTY TAXATION – Public Hearing and Maintenance and Operations Tax Rate Limitations"). The Property Tax Code also establishes a procedure for providing notice to property owners of reappraisals reflecting increased property value, appraisals which are higher than renditions, and appraisals of property not previously on an appraisal roll.

Levy and Collection of Taxes. . . The County is responsible for the collection of its taxes, unless it elects to transfer such functions to another governmental entity. Taxes are due October 1, or when billed, whichever comes later, and become delinquent after January 31 of the following year. A delinquent tax incurs a penalty of six percent (6%) of the amount of the tax for the first calendar month it is delinquent, plus one percent (1%) for each additional month or portion of a month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent. If the tax is not paid by July 1 of the year in which it becomes delinquent, the tax incurs a total penalty of twelve percent (12%) regardless of the number of months the tax has been delinquent and incurs an additional penalty of up to twenty percent (20%) if imposed by the County. The delinquent tax also accrues interest at a rate of one percent (1%) for each month or portion of a month it remains unpaid. The Property Tax Code also makes provision for the split payment of taxes, discounts for early payment and the postponement of the delinquency date of taxes for certain taxpayers. Furthermore, the County may provide, on a local option basis, for the split payment, partial payment, and discounts for early payment of taxes under certain circumstances.

County's Rights in the Event of Tax Delinquencies. . . Taxes levied by the County are a personal obligation of the owner of the property. On January 1 of each year, a tax lien attaches to property to secure the payment of all state and local taxes, penalties, and interest ultimately imposed for the year on the property. The lien exists in favor of each taxing unit, including the County, having power to tax the property. The County's tax lien is on a parity with tax liens of such other taxing units. A tax lien on real property takes priority over the claim of most creditors and other holders of liens on the property encumbered by the tax lien, whether or not the debt or lien existed before the attachment of the tax lien; however, whether a lien of the United States is on a parity with or takes priority over a tax lien of the County is determined by applicable federal law. Personal property, under certain circumstances, is subject to seizure and sale for the payment of delinquent taxes, penalty, and interest.

At any time after taxes on property become delinquent, the County may file suit to foreclose the lien securing payment of the tax, to enforce personal liability for the tax, or both. In filing a suit to foreclose a tax lien on real property, the County must join other taxing units that have claims for delinquent taxes against all or part of the same property.

Collection of delinquent taxes may be adversely affected by the amount of taxes owed to other taxing units, adverse market conditions, taxpayer redemption rights, or bankruptcy proceedings which restrain the collection of a taxpayer's debt.

Federal bankruptcy law provides that an automatic stay of actions by creditors and other entities, including governmental units, goes into effect with the filing of any petition in bankruptcy. The automatic stay prevents governmental units from foreclosing on property and prevents liens for post-petition taxes from attaching to property and obtaining secured creditor status unless, in either case, an order lifting the stay is obtained from the bankruptcy court. In many cases, post-petition taxes are paid as an administrative expense of the estate in bankruptcy or by order of the bankruptcy court.

Public Hearing and Maintenance and Operations Tax Rate Limitations. The following terms as used in this section have the meanings provided below:

"de minimis rate" means the maintenance and operations tax rate that will produce the prior year's total maintenance and operations tax levy (adjusted) from the current year's values (adjusted), plus the rate that produces an additional $500,000 in tax revenue when applied to the current year's taxable value, plus the debt service tax rate.

"no-new-revenue tax rate" means the combined maintenance and operations tax rate and debt service tax rate that will produce the prior year's total tax levy (adjusted) from the current year's total taxable values (adjusted). Certain counties for which certain expenditures for indigent legal defense or certain hospital expenditures exceed the amount for such expenditures for the preceding tax year, may increase their no-new-revenue tax rate proportionately with such expenditures in the manner provided by the Property Tax Code.

"special taxing unit" means a county for which the maintenance and operations tax rate proposed for the current tax year is 2.5 cents or less per $100 of taxable value.

"unused increment rate" means the cumulative difference between a county's voter-approval tax rate and its actual tax rate for each of the tax years 2020 through 2022, which may be applied to a county's tax rate in tax years 2021 through 2023 without impacting the voter-approval tax rate.

"voter-approval tax rate" means the maintenance and operations tax rate that will produce the prior year's total maintenance and operations tax levy (adjusted) from the current year's values (adjusted) multiplied by 1.035, plus the debt service tax rate, plus the unused increment rate.

The County's tax rate consists of two components: (1) rates for funding of maintenance and operations expenditures in the current year, which may additionally include the Road and Bridge Maintenance Tax and the Farm-to-Market Road and Flood Control Tax, if levied (collectively, the "maintenance and operations tax rate"), and (2) a rate for funding debt service in the current year (the "debt service tax rate"). Under State law, the assessor for the County must submit an appraisal roll showing the total appraised, assessed, and taxable values of all property in the County to the Commissioners Court by August 1 or as soon as practicable thereafter.

A county must adopt a tax rate before the later of September 30 or the 60th day after receipt of the certified appraisal roll, except that a tax rate that exceeds the voter-approval tax rate must be adopted not later than the 71st day before the next occurring November uniform election date. If a county fails to timely adopt a tax rate, the tax rate is statutorily set as the lower of the no-new-revenue tax rate for the current tax year or the tax rate adopted by the county for the preceding tax year.

As described below, the Property Tax Code provides that if a county adopts a tax rate that exceeds its voter-approval tax rate or, in certain cases, its de minimis rate, an election must be held to determine whether or not to reduce the adopted tax rate to the voter-approval tax rate.

A county may not adopt a tax rate that exceeds the lower of the voter-approval tax rate or the no-new-revenue tax rate until the county appraisal district has delivered notice to each taxpayer of the estimated total amount of property taxes owed and the county has held a public hearing on the proposed tax increase.

If a county's adopted tax rate for any tax year exceeds the greater of (i) the voter-approval tax rate or (ii) the de minimis rate, the county must conduct an election on the next occurring November uniform election date to determine whether or not to reduce the adopted tax rate to the voter-approval tax rate. However, for any tax year during which a county does not qualify as a special taxing unit, if a county's adopted tax rate is equal to or less than the de minimis rate but greater than both (a) the no-new-revenue tax rate, multiplied by 1.08, plus the debt service tax rate or (b) the county's voter-approval tax rate, then a valid petition signed by at least three percent of the registered voters in the county would require that an election be held to determine whether or not to reduce the adopted tax rate to the voter-approval tax rate.

Any county located at least partly within an area declared a disaster area by the Governor of the State or the President of the United States during the current year may calculate its voter-approval tax rate using a 1.08 multiplier, instead of 1.035, until the earlier of (i) the second tax year in which such county's total taxable appraised value exceeds the taxable appraised value on January 1 of the year the disaster occurred, or (ii) the third tax year after the tax year in which the disaster occurred.

State law provides cities and counties in the State the option of assessing a maximum one-half percent (1/2%) sales and use tax on retail sales of taxable items for the purpose of reducing its ad valorem taxes, if approved by a majority of the voters in a local option election. If the additional sales and use tax for ad valorem tax reduction is approved and levied, the no-new-revenue tax rate and voter-approval tax rate must be reduced by the amount of the estimated sales tax revenues to be generated in the current tax year.

The calculations of the no-new-revenue tax rate and voter-approval tax rate do not limit or impact the County's ability to set a debt service tax rate in each year sufficient to pay debt service on all of the County's tax-supported debt obligations, including the Certificates. See "AD VALOREM PROPERTY TAXATION – Debt Tax Rate Limitations" for a description of the debt service tax rate limitations applicable to the Certificates.

Reference is made to the Property Tax Code for definitive requirements for the levy and collection of ad valorem taxes and the calculation of the various defined tax rates.

Debt Tax Rate Limitations. . . Article VIII, Section 9 of the Texas Constitution imposes a limit of $0.80 per $100 assessed valuation for all purposes of a county's General Fund, Permanent Improvement Fund, Road and Bridge Fund and Jury Fund, including debt service on bonds or other debt issued against such funds. Administratively, the Attorney General of Texas will not approve limited tax obligations in an amount which produces debt service requirements exceeding that which can be paid from $0.40 of the foregoing $0.80 maximum tax rate, as calculated at the time of issuance. **The Certificates are limited tax obligations payable from the County's $0.80 constitutional tax rate**.

Article III, Section 52 of the Texas Constitution authorizes the County to levy a direct, continuing ad valorem tax on all taxable property within the County, without limit as to rate or amount to pay the principal of and interest on the County's road bonds if approved by the voters in the County. The principal amount of unlimited tax road bonds issued by the County and outstanding at any point in time, aggregated with outstanding unlimited tax debt of certain road districts located within the County cannot exceed 25% of the assessed valuation of all real property located in the County.

Article VIII, Section 9 of the Texas Constitution and State statute authorize the County to levy a special Road and Bridge Fund Tax (the "Road and Bridge Maintenance Tax") in an amount not to exceed $0.15 per $100 assessed valuation, no part of which may be used for debt service, if approved by the voters.

Article VIII, Section 1-a of the Texas Constitution and State statute permit the County to levy a tax for Farm-to-Market Road and Flood Control purposes (the "Farm-to-Market Road and Flood Control Tax") in an amount not to exceed $0.30 per $100 assessed valuation after the mandatory $3,000 homestead exemption, if approved by the voters. There is no allocation prescribed by statutes between debt service and maintenance.

Section 1301.003, Texas Government Code, as amended, limits the amount of limited tax obligations of counties issue pursuant to such authority for those certain purposes as follows:

Courthouse	2% of Taxable Assessed Valuation
Jail	1 1/2% of Taxable Assessed Valuation
Courthouse and Jail	3 1/2% of Taxable Assessed Valuation
Bridge	1 1/2% of Taxable Assessed Valuation

However, courthouse, jail, and certain other types of bonds may be issued under the authority of Section 1431.101, Texas Government Code, as amended, which removes the above limitations.

COUNTY APPLICATION OF THE PROPERTY TAX CODE

The County's taxes are collected by the Randall County Tax Assessor-Collector.

The County grants a local optional exemption in the amount of $8,500 to the market value of the residence homestead of persons over-65 or disabled.

The County does not grant a local optional percentage exemption (up to 20%) of the market value of residence homesteads (minimum exemption of $5,000).

The County does not tax nonbusiness personal property.

The County does not permit split payments of taxes or discounts.

The County does grant the freeport exemption under Article VIII, Section 1-j.

The County does not tax "goods in transit".

The County does not participate in a TIF.

The county entered into a tax abatement agreement with Astra Wind, LLC on February 10, 2015. The abatement period will commence on January 1st of the calendar year immediately following completion of the construction of the project and will terminate after 10 years. The project was completed in December 2018 and the abatement period will end on December 31, 2028.

The County entered into a payment in lieu of tax agreement with Lone Star Dairy Products LLC on September 8, 2015. The abatement period will commence on January 1st of the calendar year immediately following completion of the construction of the project and will terminate after 10 years.

The County entered into a tax abatement agreement with Cacique, LLC on April 13, 2021. The abatement period will commence on January 1st of the calendar year immediately following completion of the construction of the project and will terminate after 10 years. As of September 30,2021, the construction on this project has not been completed.

The County entered into a tax abatement agreement with Owens Corning Composite Materials, LLC on July 8, 2021. The abatement period will commence on January 1st of the calendar year immediately following completion of the construction of the project and will terminate after 10 years. As of September 30, 2021, the construction on this project has not been completed.

The County entered into a tax abatement agreement with Caviness Development, LTD, and Caviness Beef Packers, LTD on November 23, 2021. The abatement period will commence on January 1st of the calendar year immediately following completion of the construction of the project and will terminate after 10 years.

The County entered into an agreement to participate in a tax abatement between the City of Amarillo, AEDC and A-5 Realty, LLC and A-7 Austin, LLC (Austin Hose) on September 13, 2022. The abatement period will commence on January 1st of the first tax year the recipient files an approved application with the Potter Randall County Appraisal District for each phase. The term of the agreement is 6 years at 60%.

At an election held in November 2006, the voters of the County adopted the tax freeze for citizens who are disabled or are 65 years of age or older, which became a local option and subject to local referendum on January 1, 2004, as described above under "AD VALOREM TAX PROCEDURES – Property Subject to Taxation by the Issuer - *Homestead Tax Limitation*" herein. The County's freeze was implemented beginning in Tax Year 2007 (base valuations for freeze calculations) and the first freeze loss was realized by the County in the 2008 Tax Year.

TAX MATTERS

Tax Exemption

The delivery of the Certificates is subject to the opinion of Norton Rose Fulbright US LLP, Austin, Texas, Bond Counsel, to the effect that interest on the Certificates for federal income tax purposes (1) will be excludable from the gross income, as defined in section 61 of the Internal Revenue Code of 1986, as amended to the date hereof (the "Code"), of the owners thereof pursuant to section 103 of the Code and existing regulations, published rulings, and court decisions, and (2) will not be included in computing the alternative minimum taxable income of the owners thereof who are individuals. The statute, regulations, rulings, and court decisions on which such opinion is based are subject to change. A form of Bond Counsel's opinion appears in Appendix C hereto.

In rendering the foregoing opinions, Bond Counsel will rely upon representations and certifications of the County made in a certificate dated the date of delivery of the Certificates pertaining to the use, expenditure, and investment of the proceeds of the Certificates and will assume continuing compliance by the County with the provisions of the Order subsequent to the issuance of the Certificates. The

Order contains covenants by the County with respect to, among other matters, the use of the proceeds of the Certificates and the facilities financed therewith by persons other than state or local governmental units, the manner in which the proceeds of the Certificates are to be invested if required, the calculation and payment to the United States Treasury of any arbitrage "profits", and the reporting of certain information to the United States Treasury. Failure to comply with any of these covenants may cause interest on the Certificates to be includable in the gross income of the owners thereof from the date of the issuance of the Certificates.

Except as described above, Bond Counsel will express no other opinion with respect to any other federal, state or local tax consequences under present law, or proposed legislation, resulting from the receipt or accrual of interest on, or the acquisition or disposition of, the Certificates. Bond Counsel's opinion is not a guarantee of a result, but represents its legal judgment based upon its review of existing statutes, regulations, published rulings and court decisions and the representations and covenants of the County described above. No ruling has been sought from the Internal Revenue Service (the "IRS") with respect to the matters addressed in the opinion of Bond Counsel, and Bond Counsel's opinion is not binding on the IRS. The IRS has an ongoing program of auditing the tax-exempt status of the interest on municipal obligations. If an audit of the Certificates is commenced, under current procedures the IRS is likely to treat the County as the "taxpayer," and the owners of the Certificates would have no right to participate in the audit process. In responding to or defending an audit of the tax-exempt status of the interest on the Certificates, the County may have different or conflicting interests from the owners of the Certificates. Public awareness of any future audit of the Certificates could adversely affect the value and liquidity of the Certificates during the pendency of the audit, regardless of its ultimate outcome.

Tax Changes

Existing law may change to reduce or eliminate the benefit to Registered Owners of the exclusion of interest on the Certificates from gross income for federal income tax purposes. Any proposed legislation or administrative action, whether or not taken, could also affect the value and marketability of the Certificates. Prospective purchasers of the Certificates should consult with their own tax advisors with respect to any proposed or future changes in tax law.

Ancillary Tax Consequences

Prospective purchasers of the Certificates should be aware that the ownership of tax-exempt obligations such as the Certificates may result in collateral federal tax consequences to, among others, financial institutions, property and casualty insurance companies, life insurance companies, corporations subject to the alternative minimum tax on adjusted financial statement income, certain foreign corporations doing business in the United States, S corporations with subchapter C earnings and profits, owners of an interest in a financial asset securitization investment trust (FASIT), individual recipients of Social Security or Railroad Retirement benefits, individuals otherwise qualifying for the earned income tax credit and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations. Prospective purchasers should consult their own tax advisors as to the applicability of these consequences to their particular circumstances.

For taxable years beginning after 2022, the Code imposes a minimum tax of 15 percent of the adjusted financial statement income of certain large corporations, generally consisting of corporations (other than S corporations, regulated investment companies and real estate investment trusts) with more than $1 billion in average annual adjusted financial statement income, determined over a three-year period. For this purpose, adjusted financial statement income generally consists of the net income or loss of the taxpayer set forth on the taxpayer's applicable financial statement for the taxable year, subject to various adjustments, but is not reduced for interest earned on tax-exempt obligations, such as the Certificates. Prospective purchasers that could be subject to this minimum tax should consult with their own tax advisors regarding the potential impact of owning the Certificates.

Tax Accounting Treatment of Discount on the Certificates

Each of the Certificates will be deemed to be issued with original issue discount for federal income tax purposes (a "Discount Certificate"), because the initial interest payment date is more than twelve months after the Certificates will be delivered to the initial purchasers. The amount of original issue discount will further vary if the initial public offering price of a Discount Certificate (assuming that a substantial amount of the Discount Certificates of that maturity are sold to the public at such price) differs from the amount payable on such Discount Certificate at its maturity. A portion of the original issue discount allocable to the holding period of such Discount Certificate by the initial purchaser will, upon the disposition of such Discount Certificate (including by reason of its payment at maturity), be treated as interest excludable from gross income, rather than as taxable gain, for federal income tax purposes, on the same terms and conditions as those for other interest on the Certificates described above under "Tax Exemption." Such interest is considered to be accrued actuarially in accordance with the constant interest method over the life of a Discount Certificate, taking into account the semiannual compounding of accrued interest, at the yield to maturity on such Discount Certificate and generally will be allocated to an initial purchaser in a different amount from the amount of the payment denominated as interest actually received by the initial purchaser during the tax year.

However, such interest may be required to be taken into account in determining the amount of the branch profits tax applicable to certain foreign corporations doing business in the United States, even though there will not be a corresponding cash payment. In addition, the accrual of such interest may result in certain other collateral federal income tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, corporations subject to the alternative minimum tax on adjusted financial statement income, S corporations with subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, individuals otherwise qualifying for the earned income tax credit, owners of an interest in a FASIT, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations. Moreover, in the event of the redemption, sale or other taxable disposition of a Discount Certificate by the initial owner prior to maturity, the amount realized by such owner in excess of the basis of such Discount Certificate in the hands of such owner (adjusted upward by the portion of the original issue discount and downward for the payments denominated as interest allocable to the period for which such Discount Certificate was held) is includable in gross income.

Owners of Discount Certificates should consult with their own tax advisors with respect to the determination of accrued original issue discount on Discount Certificates for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Discount Certificates. It is possible that, under applicable provisions governing determination of state and local income taxes, accrued interest on Discount Certificates may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment.

Qualified Tax-Exempt Obligation for Financial Institutions

Section 265 of the Code provides, in general, that interest expense to acquire or carry tax-exempt obligations is not deductible from the gross income of the owner of such obligations. In addition, section 265 of the Code generally disallows 100% of any deduction for interest expense which is incurred by "financial institutions" described in such section and is allocable, as computed in such section, to tax-exempt interest on obligations acquired after August 7, 1986. Section 265(b) of the Code provides an exception to this interest disallowance rule for interest expense allocable to tax-exempt obligations (other than private activity bonds that are not qualified 501(c)(3) bonds) which are designated by an issuer as "qualified tax-exempt obligations." An issuer may designate obligations as "qualified tax-exempt obligations" only if the amount of the issue of which they are a part, when added to the amount of all other tax-exempt obligations (other than private activity bonds that are not qualified 501(c)(3) obligations and other than certain refunding bonds) issued or reasonably anticipated to be issued by the issuer during the same calendar year, does not exceed $10,000,000.

The County has designated the Certificates as "qualified tax-exempt obligations" and has certified its expectation that the above-described $10,000,000 ceiling will not be exceeded. Accordingly, it is anticipated that financial institutions which purchase the Certificates will not be subject to the 100% disallowance of interest expense allocable to interest on the Certificates under section 265(b) of the Code. However, the deduction for interest expense incurred by a financial institution which is allocable to the interest on the Certificates will be reduced by 20% pursuant to section 291 of the Code.

CONTINUING DISCLOSURE OF INFORMATION

In the Order, the County has made the following agreement for the benefit of the holders and beneficial owners of the Certificates. The County is required to observe the agreement for so long as it remains obligated to advance funds to pay the Certificates. Under the agreement, the County will be obligated to provide certain updated financial information and operating data annually, and timely notice of certain specified events, to the Municipal Securities Rulemaking Board (the "MSRB"). This information will be available to the public free of charge from the MSRB via the Electronic Municipal Market ("EMMA") system at www.emma.msrb.org, as further described below under "Availability of Information from MSRB".

Annual Reports

Under Texas law, including, but not limited to, Chapter 115, as amended, Texas Local Government Code, the County must keep its fiscal records in accordance with generally accepted accounting principles, must have its financial accounts and records audited by a certified or permitted public accountant and must maintain each audit report with the County Auditor. The County's fiscal records and audit reports are available for public inspection during the regular business hours of the County Auditor. Additionally, upon the filing of these financial statements and the annual audit, these documents are subject to the Texas Public Information Act, as amended, Texas Government Code, Chapter 552. Thereafter, any person may obtain copies of these documents upon submission of a written request to publicinfo@randallcounty.gov, and upon paying the reasonable copying, handling and delivery charges for providing this information.

The Issuer will provide certain updated financial information and operating data to the MSRB annually. The information to be updated includes all quantitative financial information and operating data with respect to the County of the general type disclosed in Tables 1, 2, 3, 7, 8, 10, 11, 15 and 16 of Appendix A. The Issuer will update and provide this information within six months after the end of each fiscal year ending in and after 2022. If the audit of such financial statements is not complete within 12 months after any such fiscal year end, then the Issuer will file unaudited financial statements by the required time and audited financial statements for the applicable fiscal year, when and if the audit report on such statements becomes available. Any such financial statements will be prepared in accordance with the accounting principles described in Appendix D or such other accounting principles as the Issuer may be required to employ from time to time pursuant to State law or regulation.

The Issuer's current fiscal year end is September 30. Accordingly, the Issuer must provide updated information included in the above-referenced tables by the last day of March in each year, and audited financial statements for the preceding fiscal year (or unaudited financial statements if the audited financial statements are not yet available) must be provided by September 30 in each year, unless the Issuer changes its fiscal year. If the Issuer changes its fiscal year, it will file notice of the change (and of the date of the new fiscal year end) with the MSRB.

All financial information, operating data, financial statements and notices required to be provided to the MSRB shall be provided in an electronic format and be accompanied by identifying information prescribed by the MSRB. Financial information and operating data to be provided as set forth above may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document) available to the public on the MSRB's Internet Web site or filed with the Securities and Exchange Commission (the "SEC"), as permitted by SEC Rule 15c2-12 (the "Rule")

Notice of Certain Events

The County will also provide timely notices of certain events to the MSRB. The County will provide notice of any of the following events with respect to the Certificates to the MSRB in a timely manner (but not in excess of ten Business Days after the occurrence of the event): (1) principal and interest payment delinquencies; (2) non-payment related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Certificates, or other material events affecting the tax status of the Certificates; (7) modifications to rights of holders of the Certificates, if material; (8) Certificate calls, if material, and tender offers; (9) defeasances; (10) release, substitution, or sale of property securing repayment of the Certificates, if material; (11) rating changes; (12) bankruptcy, insolvency, receivership, or similar event of the County, which shall occur as described below; (13) the consummation of a merger, consolidation, or acquisition involving the County or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (14) appointment of a successor or additional trustee or the change of name of a trustee, if material; (15) incurrence of a debt obligation or derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation of the County, or a guarantee of any such debt obligation or derivative instrument, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of any such financial obligation of the County, any of which affect security holders, if material; and (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of any such financial obligation of the County, any of which reflect financial difficulties. In the Order, the County adopted policies and procedures to ensure timely compliance of its continuing disclosure obligations. In addition, the County will provide timely notice of any failure by the County to provide annual financial information in accordance with their agreement described above under “Annual Reports”.

For these purposes, (a) any event described in clause (12) of in the immediately preceding paragraph is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the County in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the County, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the County and (b) the County intends the words used in the immediately preceding paragraphs (15) and (16) to have the same meanings as when they are used in the Rule, as evidenced by SEC Release No. 34-83885, dated August 20, 2018.

Availability of Information from MSRB

The Issuer has agreed to provide the foregoing information only as described above. Investors will be able to access continuing disclosure information filed with the MSRB free of charge at www.emma.msrb.org.

Limitations and Amendments

The Issuer has agreed to update information and to provide notices of specified events only as described above. The Issuer has not agreed to provide other information that may be relevant or material to a complete presentation of its financial results of operations, condition, or prospects or agreed to update any information that is provided, except as described above. The Issuer makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell Certificates at any future date. The Issuer disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of its agreement or from any statement made pursuant to its agreement, although holders or beneficial owners of Certificates may seek a writ of mandamus to compel the Issuer to comply with its agreement.

The Issuer may amend its agreement to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the Issuer, if the agreement, as amended, would have permitted an underwriter to purchase or sell Certificates in the offering described herein in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and either the holders of a majority in aggregate principal amount of the outstanding Certificates consent or any person unaffiliated with the Issuer (such as nationally recognized bond counsel) determines that the amendment will not materially impair the interests of the beneficial owners of the Certificates. The Issuer may also repeal or amend its agreement if the SEC amends or repeals the applicable provisions of the Rule or any court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but in either case only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Certificates in the primary offering of the Certificates giving effect to (a) such provisions as so amended and (b) any amendments or interpretations of the Rule. If the Issuer amends its agreement, it must include with the next financial information and operating data provided in accordance with its agreement described above under "Annual Reports" an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of information and data provided.

Compliance with Prior Agreements

On December 21, 2017, the County issued its General Obligation Refunding Bonds, Series 2017 to defease certain maturities of its Certificates of Obligation, Series 2009. On April 9, 2018 the County filed notice of this defeasance event. During the past five years, the County has otherwise complied in all material respects with its previous continuing disclosure agreements made in accordance with the Rule.

OTHER PERTINENT INFORMATION

Registration and Qualification of Certificates for Sale

The sale of the Certificates has not been registered under the Federal Securities Act of 1933, as amended, in reliance upon the exemption provided thereunder by Section 3(a)(2); and the Certificates have not been qualified under the Securities Act of Texas in reliance upon various exemptions contained therein; nor have the Certificates been qualified under the securities acts of any jurisdiction. The Issuer assumes no responsibility for qualification of the Certificates under the securities laws of any jurisdiction in which the Certificates may be sold, assigned, pledged, hypothecated or otherwise transferred. This disclaimer of responsibility for qualification for sale or other disposition of the Certificates shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration provisions.

It is the obligation of the Purchaser to register or qualify the sale of the Certificates under the securities laws of any jurisdiction which so requires. The County agrees to cooperate, at the Purchaser's written request and sole expense, in registering or qualifying the Certificates or in obtaining an exemption from registration or qualification in any state where such action is necessary; provided, however, that the County shall not be required to qualify as a foreign corporation or to execute a general or special consent to service of process in any jurisdiction.

Litigation

In the opinion of County officials, the County is not a party to any litigation or other proceeding pending or to its knowledge threatened, in any court, agency or other administrative body (either state or federal) which, if decided adversely to the County would have a material adverse effect on the financial condition of the County.

Future Debt Issuance

The County does not anticipate the issuance of additional general obligation debt during the next twelve (12) months.

Legal Investments and Eligibility to Secure Public Funds in Texas

Section 1201.041 of the Public Security Procedures Act (Chapter 1201, Texas Government Code) provides that the Certificates are negotiable instruments governed by Chapter 8, Texas Business and Commerce Code, and are real and authorized investments for insurance companies, fiduciaries, and trustees, and for the sinking funds of municipalities or other political subdivisions or public agencies of the State. With respect to investment in the Certificates by municipalities or other political subdivisions or public agencies of the State, the PFIA requires that the Certificates be assigned a rating of not less than "A" or its equivalent as to investment quality by a national rating agency. See "OTHER PERTINENT INFORMATION - Ratings" herein. In addition, various provisions of the Texas Finance Code provide that, subject to a prudent investor standard, the Certificates are legal investments for state banks, savings banks, trust companies with capital of one million dollars or more, and savings and loan associations. The Certificates are eligible to secure deposits of any public funds of the State, its agencies, and its political subdivision, and are legal security for those deposits to the extent of their fair market value. No review by the County has been made of the laws in other states to determine whether the Certificates are legal investments for various institutions in those states.

No representation is made that the Certificates will be acceptable to public entities to secure their deposits or acceptable to such institutions for investment purposes. The County has made no investigation of other laws, rules, regulations or investment criteria which might apply to any such persons or entities or which might otherwise limit the suitability of the Certificates for any of the foregoing purposes or limit the authority of such persons or entities to purchase or invest in the Certificates for such purposes.

Additionally, with respect to the Certificates, Section 271.051 of the Texas Local Government Code expressly provides that certificates of obligation approved by the Attorney General of Texas are legal authorized investments for banks, savings banks, trust companies, and savings and loan associations, insurance companies, fiduciaries, trustees, and guardians, and sinking funds of municipalities, counties, school districts, or other political corporations or subdivisions of the State. The Certificates are eligible to secure deposits of any public funds of the State, municipalities, school and other political subdivisions of the State, and are legal security for those deposits to the extent of the market value.

Legal Opinions and No-Litigation Certificate

The Issuer will furnish the Purchaser with a complete transcript of proceedings incident to the authorization and issuance of the Certificates, including the unqualified approving legal opinion of the Attorney General of the State of Texas to the effect that the Certificates are valid and legally binding obligations of the Issuer, and based upon examination of such transcript of proceedings, the approval of certain legal matters by Bond Counsel, to the effect that the Certificates are valid and legally binding obligations of the Issuer and, subject to the qualifications set forth herein under "TAX MATTERS," the interest on the Certificates is excludable from the gross income of the owners thereof for federal income tax purposes under existing statutes, regulations, published rulings, and court decisions existing on the date thereof. The customary closing papers, including a certificate to the effect that no litigation of any nature has been filed or is then pending to restrain the issuance and delivery of the Certificates, or which would affect the provision made for their payment or security, or in any manner questioning the validity of the Certificates will also be furnished. In its capacity as Bond Counsel, Norton Rose Fulbright US LLP, Austin, Texas has reviewed the information under the captions "THE CERTIFICATES" (except for the information contained in the subcaptions "Payment Record" and "Default and Remedies", as to which no opinion is expressed), "TAX MATTERS", "CONTINUING DISCLOSURE OF INFORMATION" (except under the subheading "Compliance with Prior Agreements", as to which no opinion is expressed), "OTHER INFORMATION–Registration and Qualification of Certificates For Sale", "OTHER PERTINENT INFORMATION–Legal Investments and Eligibility to Secure Public Funds in Texas", and "OTHER INFORMATION–Legal Opinions and No-Litigation Certificate" in the Official Statement and such firm is of the opinion that the information relating to the Certificates and the Order contained under such captions is a fair and accurate summary of the information purported to be shown and that the information and descriptions contained under such captions relating to the provisions of applicable state and federal laws are correct as to matters of law. Bond Counsel was not requested to participate, and did not take part, in the preparation of the Official Statement, and such firm has not assumed any responsibility with respect thereto or undertaken independently to verify any of the information contained therein, except that, in its capacity as Bond Counsel, such firm has reviewed the information describing the Certificates in the Official Statement to verify that such description conforms to the provisions of the Order. Such firm has not, however, independently verified any of the factual information contained in this Official Statement nor has it conducted an investigation of the affairs of the Issuer for the purpose of passing upon the accuracy or completeness of this Official Statement. No person is entitled to rely upon such firm's limited participation as an assumption of responsibility for, or an expression of opinion of any kind with regard to the accuracy or completeness of any of the information contained herein. The legal fees to be paid Bond Counsel for services rendered in connection with the issuance of the Certificates are contingent on the sale and delivery of the Certificates. The legal opinion of Bond Counsel will accompany the Certificates deposited with DTC or will be printed on the definitive Certificates in the event of the discontinuance of the Book-Entry-Only System.

The various legal opinions to be delivered concurrently with the delivery of the Certificates express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. In rendering a legal opinion the attorney does not become an insurer or guarantor of the expression of professional judgment, of the transaction opined upon, or of the future performance of the parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise from the transaction.

Ratings

S&P Global Ratings ("S&P") has assigned an unenhanced, underlying rating of "AA" to the Certificates. An explanation of the significance of such a rating may be obtained from S&P. The rating of the Certificates by S&P reflects only the view of S&P at the time the rating is given, and the Issuer makes no representations as to the appropriateness of the rating. There is no assurance that the rating will continue for any given period of time, or that the rating will not be revised downward or withdrawn entirely by S&P, if, in the judgment of S&P, circumstances so warrant. Any such downward revision or withdrawal of the rating may have an adverse effect on the market price of the Certificates.

Financial Advisor

SAMCO Capital Markets, Inc. is employed as the Financial Advisor to the Issuer in connection with the issuance of the Certificates. In this capacity, the Financial Advisor has compiled certain data relating to the Certificates and has assisted in drafting this Official Statement. The Financial Advisor has not independently verified any of the data contained herein or conducted a detailed investigation of the affairs of the Issuer to determine the accuracy or completeness of this Official Statement. Because of its limited participation, the Financial Advisor assumes no responsibility for the accuracy or completeness of any of the information contained herein. The fees for the Financial Advisor are contingent upon the issuance, sale and delivery of the Certificates.

In the normal course of business, the Financial Advisor may also from time to time sell investment securities to the County for the investment of debt proceeds or other funds of the County upon the request of the County.

Winning Bidder

On December 13, 2022, the Certificates were awarded to FHN Financial Capital Markets (the "Purchaser") through a competitive bid process. The initial reoffering yields will be supplied to the County by the Purchaser. The initial reoffering yields shown on page ii of the Official Statement will produce compensation to the Purchaser of $93,233.07.

Certification of the Official Statement

At the time of payment for and delivery of the Certificates, the Purchaser will be furnished a certificate executed by a proper official of the County acting in his or her official capacity, to the effect that: (a) the descriptions and statements of or pertaining to the County contained in its Official Statement relating to the Certificates, and any addenda, supplement or amendment thereto, on the date of such Official Statement, on the date of the sale of said Certificates, and on the date of the delivery, were and are true and correct in all material respects; (b) insofar as the County and its affairs, including its financial affairs, are concerned, such Official Statement did not and does not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statement therein, in the light of the circumstances under which they were made, not misleading; (c) to the best of his or her knowledge, insofar as the descriptions and statements, including financial data, of or pertaining to entities, other than the County and its activities, contained in such Official Statement are concerned, such statements and data have been obtained from sources which the County believes to be reliable and the County has no reason to believe that they are untrue in any material respect; and (d) there has been no material adverse change in the financial condition of the County since September 30, 2021, the date of the last audited financial statements of the Issuer, portions of which appear in the Official Statement.

The Official Statement has been approved as to form and content and the use thereof in the offering of the Certificates has been authorized, ratified and approved by the Commissioners Court on the date of sale, and the Purchaser will be furnished, upon request, at the time of payment for and the delivery of the Certificates, a certified copy of such approval, duly executed by the proper officials of the Issuer.

Forward-Looking Statements Disclaimer

The statements contained in this Official Statement, and in any other information provided by the County, that are not purely historical, are forward-looking statements, including statements regarding the County's expectations, hopes, intentions, or strategies regarding the future. Readers should not place undue reliance on forward-looking statements. All forward-looking statements included in this Official Statement are based on information available to the County on the date hereof, and the County assumes no obligation to update any such forward-looking statements. The County's actual results could differ materially from those discussed in such forward-looking statements.

The forward-looking statements included herein are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal, and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, suppliers, business partners and competitors, and legislative, judicial, and other governmental authorities and officials. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive, and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the County. Any of such assumptions could be inaccurate and, therefore, there can be no assurance that the forward-looking statements included in this Official Statement will prove to be accurate.

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Concluding Statement

The financial data and other information contained in this Official Statement have been obtained from the County's records, audited financial statements and other sources which are believed to be reliable. There is no guarantee that any of the assumptions or estimates contained herein will be realized. All of the summaries of the statutes, documents and Order contained in this Official Statement are made subject to all of the provisions of such statues, documents and Order. These summaries do not purport to be complete statements of such provisions and reference is made to such documents for further information. Reference is made to original documents in all respects.

No person has been authorized to give any information or to make any representations other than those contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by the County.

References to web site addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such web sites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for purposes of, and as that term is defined in, the Rule.

The Order authorizing the issuance of the Certificates approved the form and content of this Official Statement and any addenda, supplement or amendment thereto and authorized its further use in the reoffering of the Certificates by the Purchaser.

This Official Statement has been approved by the Commissioners Court of the Issuer for distribution in accordance with the provisions of the Rule.

RANDALL COUNTY, TEXAS

/s/ Christy Dyer
County Judge
Randall County, Texas
Christy Dyer

ATTEST:

/s/ Susan Allen
County Clerk
Randall County, Texas
Susan Allen

APPENDIX A

FINANCIAL INFORMATION OF THE ISSUER

(This appendix contains quantitative financial information and operating data with respect to the Issuer. The information is only a partial representation and does not purport to be complete. For further and more complete information, reference should be made to the original documents, which can be obtained from various sources, as noted.)

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FINANCIAL INFORMATION OF THE ISSUER

ASSESSED VALUATION **TABLE 1**

2022 Actual Market Value of Taxable Property (100% of Actual)		$ 16,960,544,793
Less Exemptions:		
Optional Over-65 and/or Disabled	$ 110,437,828	
Disabled and Deceased Veterans Exemption	179,303,506	
Freeport Exemption	67,573,255	
Pollution Exemption	7,163,411	
Loss to Agricultural Use	561,540,164	
10% Homestead Cap Loss	805,631,626	
Abatement/Community Housing	208,558,872	
Totally Exempt Property	1,214,159,957	3,154,368,619
2022 Certified Net Taxable Assessed Valuation		$ 13,806,176,174
Less Adjustments:		
Value Loss due to Over 65/Disabled Freeze		2,565,131,757
2022 Freeze Adjusted Net Taxable Assessed Valuation		$ 11,241,044,417

Source: Potter-Randall Appraisal District

GENERAL OBLIGATION BONDED DEBT **TABLE 2**

General Obligation Debt Principal Outstanding: (As of December 1, 2022)	
General Obligation Refunding Bonds, Series 2013	$ 2,050,000
Certificates of Obligation, Series 2013	3,815,000
Combination Tax & Limited Pledge Revenue Certificates of Obligation, Series 2016	6,530,000
General Obligation Refunding Bonds, Series 2017	8,845,000
Combination Tax & Limited Pledge Revenue Certificates of Obligation, Series 2018	3,595,000
General Obligation Refunding Bonds, Series 2019	600,000
General Obligation Refunding Bonds, Series 2020	5,495,000
Tax Notes, Series 2020	2,725,000
Total General Obligation Debt Principal Outstanding:	$ 33,655,000
Current Issue General Obligation Debt Principal	
Combination Tax & Limited Pledge Revenue Certificates of Obligation, Series 2022 (the "Certificates")	$ 9,550,000
Total General Obligation Debt Principal Outstanding Following Issuance of the Certificates:	$ 43,205,000
General Obligation Interest and Sinking Fund Balance as of October 12, 2022	$ 60,565
Ratio of General Obligation Debt Principal to 2022 Net Taxable Assessed Valuation	0.31%
2022 Net Taxable Assessed Valuation[(a)]	$ 13,806,176,174
Population: 1990 -89,673; 2000 - 104,312; 2010 - 120,725; 2020 - 140,753; Current Estimate -	143,854
Per Capita 2022 Net Taxable Assessed Valuation -	$95,974
Per Capita General Obligation Debt Principal -	$300

[(a)] *See "AD VALOREM TAX PROCEDURES" and "COUNTY APPLICATION OF THE PROPERTY TAX CODE" in the Official Statement for a description of the Issuer's taxation procedures.*

Sources: Texas Municipal Reports, U.S. Census Website and information received from the Issuer.

OTHER OBLIGATIONS — TABLE 3

NONE

GENERAL OBLIGATION DEBT SERVICE REQUIREMENTS — TABLE 4

Fiscal Year 30-Sep	Currently Outstanding Debt Service	The Certificates Principal	The Certificates Interest	The Certificates Total	Combined Debt Service
2023	$ 5,455,176.00				$ 5,455,176.00
2024	4,818,926.00	$ 75,000.00	$ 638,167.22	$ 713,167.22	5,532,093.22
2025	4,824,693.00	330,000.00	381,200.00	711,200.00	5,535,893.00
2026	4,850,910.50	350,000.00	364,200.00	714,200.00	5,565,110.50
2027	4,143,457.50	365,000.00	346,325.00	711,325.00	4,854,782.50
2028	4,135,565.50	385,000.00	329,500.00	714,500.00	4,850,065.50
2029	3,581,543.00	400,000.00	313,800.00	713,800.00	4,295,343.00
2030	950,592.50	415,000.00	297,500.00	712,500.00	1,663,092.50
2031	948,655.00	430,000.00	280,600.00	710,600.00	1,659,255.00
2032	946,152.50	450,000.00	263,000.00	713,000.00	1,659,152.50
2033	948,085.00	470,000.00	244,600.00	714,600.00	1,662,685.00
2034	944,277.50	490,000.00	225,400.00	715,400.00	1,659,677.50
2035	553,005.00	510,000.00	205,400.00	715,400.00	1,268,405.00
2036	551,610.00	530,000.00	184,600.00	714,600.00	1,266,210.00
2037	-	550,000.00	163,000.00	713,000.00	713,000.00
2038	-	570,000.00	140,600.00	710,600.00	710,600.00
2039	-	595,000.00	117,300.00	712,300.00	712,300.00
2040	-	620,000.00	93,000.00	713,000.00	713,000.00
2041	-	645,000.00	67,700.00	712,700.00	712,700.00
2042	-	670,000.00	41,400.00	711,400.00	711,400.00
2043	-	700,000.00	14,000.00	714,000.00	714,000.00
	$ 37,652,649.00	$ 9,550,000.00	$ 4,711,292.22	$ 14,261,292.22	$ 51,913,941.22

TAX ADEQUACY — TABLE 5

2022 Net Taxable Assessed Valuation	$ 13,806,176,174
Maximum Annual Debt Service Requirements (Fiscal Year Ending September 30, 2026)	$ 5,565,111
Indicated Maximum Interest and Sinking Fund Tax Rate at 98% Collections	$ 0.04113

Note: Above computation is exclusive of investment earnings, delinquent tax collections and penalties and interest on delinquent tax collections.

GENERAL OBLIGATION PRINCIPAL REPAYMENT SCHEDULE — TABLE 6

Fiscal Year Ending 9/30	Principal Repayment Schedule: Principal Outstanding	The Certificates	Total	Bonds Unpaid at End of Year	Percent of Principal Retired (%)
2023	$ 4,645,000		$ 4,645,000	$ 38,560,000	10.75%
2024	4,125,000	$ 75,000.00	4,200,000	34,360,000	20.47%
2025	4,230,000	330,000.00	4,560,000	29,800,000	31.03%
2026	4,360,000	350,000.00	4,710,000	25,090,000	41.93%
2027	3,755,000	365,000.00	4,120,000	20,970,000	51.46%
2028	3,840,000	385,000.00	4,225,000	16,745,000	61.24%
2029	3,370,000	400,000.00	3,770,000	12,975,000	69.97%
2030	810,000	415,000.00	1,225,000	11,750,000	72.80%
2031	830,000	430,000.00	1,260,000	10,490,000	75.72%
2032	850,000	450,000.00	1,300,000	9,190,000	78.73%
2033	875,000	470,000.00	1,345,000	7,845,000	81.84%
2034	895,000	490,000.00	1,385,000	6,460,000	85.05%
2035	530,000	510,000.00	1,040,000	5,420,000	87.46%
2036	540,000	530,000.00	1,070,000	4,350,000	89.93%
2037	-	550,000.00	550,000	3,800,000	91.20%
2038	-	570,000.00	570,000	3,230,000	92.52%
2039	-	595,000.00	595,000	2,635,000	93.90%
2040	-	620,000.00	620,000	2,015,000	95.34%
2041	-	645,000.00	645,000	1,370,000	96.83%
2042	-	670,000.00	670,000	700,000	98.38%
2043	-	700,000.00	700,000	-	100.00%
	$ 33,655,000	$ 9,550,000	$ 43,205,000		

PROPERTY TAX RATES AND COLLECTIONS — TABLE 7

Tax Roll Year	Certified Net Taxable Assessed Valuation [(a)]	Tax Rate	Total Tax Levy	% Collections: Current	% Collections: Total	Fiscal Year Ending
2013	$ 7,996,486,393	$ 0.39241	$ 31,379,012	98.66%	98.84%	9-30-2014
2014	8,368,226,162	0.39914	33,400,938	98.89%	100.66%	9-30-2015
2015	8,803,842,991	0.40605	35,748,004	98.86%	100.59%	9-30-2016
2016	9,224,857,792	0.41473	38,258,253	99.53%	100.60%	9-30-2017
2017	10,074,310,780	0.41473	41,781,189	99.57%	100.65%	9-30-2018
2018	10,379,604,826	0.43126	44,763,084	99.58%	100.49%	9-30-2019
2019	10,789,043,104	0.44126	47,607,732	99.54%	100.47%	9-30-2020
2020	11,265,786,641	0.44421	50,043,751	99.61%	100.60%	9-30-2021
2021	11,899,415,773	0.44421	52,858,395	99.57%	99.98%	9-30-2022
2022	13,806,176,174	0.41713	57,589,703	(In Process)		9-30-2023

[(a)] *Represents Net Taxable Assessed Valuation prior to value loss due to freeze.*

Source: Texas Comptroller of Public Accounts, The Potter-Randall Appraisal District, Issuer's 2021 Annual Comprehensive Financial Report and other information from the Issuer.

TAX RATE DISTRIBUTION **TABLE 8**

Fund	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Maintenance & Operations Fund	$0.36763	$0.39650	$0.39482	$0.39091	$0.37898
Interest & Sinking Fund	0.04950	0.04771	0.04939	0.05035	0.05228
TOTAL	$0.41713	$0.44421	$0.44421	$0.44126	$0.43126

Source: Potter-Randall Appraisal District and the Issuer.

TAXABLE ASSESSED VALUATION FOR TAX YEARS 2013-2022 **TABLE 9**

Tax Year	Certified Net Taxable Assessed Valuation [(a)]	Change From Preceding Year Amount ($)	Change From Preceding Year Percent
2013-14	$ 7,996,486,393	$ -	0.00%
2014-15	8,368,226,162	371,739,769	4.65%
2015-16	8,803,842,991	435,616,829	5.21%
2016-17	9,224,857,792	421,014,801	4.78%
2017-18	10,074,310,780	849,452,988	9.21%
2018-19	10,379,604,826	305,294,046	3.03%
2019-20	10,789,043,104	409,438,278	3.94%
2020-21	11,265,786,641	476,743,537	4.42%
2021-22	11,899,415,773	633,629,132	5.62%
2022-23	13,806,176,174	1,906,760,401	16.02%

[(a)] *Represents Net Taxable Assessed Valuation prior to value loss due to freeze.*
Source: Issuer's Annual Comprehensive Financial Reports, Potter-Randall Appraisal District and other information from the Issuer.

PRINCIPAL TAXPAYERS 2022-2023 **TABLE 10**

Name	Type of Property	2022 Taxable Assessed Valuation	% of Total 2022 Net Taxable Assessed Valuation
Southwestern Public Service	Electric - Utility	$ 161,196,808	1.17%
Affiliated Foods, Inc.	Food Distributor	89,520,976	0.65%
Burlington Northern Santa Fe Railway Co.	Railroad	88,233,398	0.64%
Atmos Energy	Gas - Utility	66,865,990	0.48%
Owens Corning	Industrial	62,586,066	0.45%
Wal-Mart Stores, Inc.	Retail Store	37,718,352	0.27%
Fort KL SFR 2021-1 Borrower LLC	Various Residential	36,038,605	0.26%
Texas Residences at Town Square	Apartment Complexes	31,266,477	0.23%
Jamal Enterprises LP	Dairy	27,018,077	0.20%
The Colonies at Hillside	Apartment Complexes	26,377,355	0.19%
	Total	$ 626,822,104	4.54%

Based on a 2022 Net Taxable Assessed Valuation of $13,806,176,174

Source: Potter-Randall Appraisal District and the Issuer.

CLASSIFICATION OF ASSESSED VALUATION

TABLE 11

Category	2022-2023	% of Total	2021-2022	% of Total	2020-2021	% of Total	2019-2020	% of Total	2018-2019	% of Total
Real, Residential, Single Family	$ 11,596,851,807	68.38%	$ 9,180,181,859	65.05%	$ 8,585,978,921	63.82%	$ 8,203,237,199	63.65%	$ 7,832,374,586	63.25%
Real, Residential, Multi-Family	494,361,186	2.91%	409,985,921	2.91%	401,654,897	2.99%	399,974,484	3.10%	403,564,917	3.26%
Real, Vacant Lots/Tract	150,054,733	0.88%	138,652,940	0.98%	153,912,819	1.14%	155,198,799	1.20%	147,363,279	1.19%
Real Acreage (Qualified / Non Qualified Land)	589,590,285	3.48%	590,298,145	4.18%	590,896,737	4.39%	594,285,289	4.61%	600,749,639	4.85%
Farm and Ranch Improvements	98,364,795	0.58%	74,451,481	0.53%	58,688,286	0.44%	55,371,967	0.43%	52,951,698	0.43%
Real, Commercial	1,208,277,374	7.12%	1,132,020,337	8.02%	1,104,098,578	8.21%	1,059,114,809	8.22%	991,254,669	8.01%
Real, Industrial	169,677,397	1.00%	161,390,751	1.14%	185,245,445	1.38%	210,415,593	1.63%	219,550,709	1.77%
Real & Tangible Personal, Utilities	384,739,909	2.27%	347,164,522	2.46%	322,254,299	2.40%	291,296,371	2.26%	287,333,130	2.32%
Tangible Personal, Commercial	631,681,376	3.72%	615,374,194	4.36%	619,989,052	4.61%	594,877,904	4.62%	579,310,525	4.68%
Tangible Personal, Industrial	304,557,452	1.80%	189,686,030	1.34%	192,715,902	1.43%	191,687,195	1.49%	192,482,834	1.55%
Tangible Personal, Mobile Homes	35,190,499	0.21%	28,850,053	0.20%	28,236,819	0.21%	27,430,921	0.21%	28,851,713	0.23%
Real Residential, Inventory	20,335,990	0.12%	32,080,593	0.23%	18,000,445	0.13%	14,936,459	0.12%	13,203,970	0.11%
Special Inventory	67,840,721	0.40%	57,924,880	0.41%	56,166,587	0.42%	55,591,914	0.43%	53,692,466	0.43%
Totally Exempt Property	1,209,021,269	7.13%	1,153,996,509	8.18%	1,135,197,923	8.44%	1,034,079,124	8.02%	980,228,631	7.92%
	$ 16,960,544,793	100.00%	$ 14,112,058,215	100.00%	$ 13,453,036,710	100.00%	$ 12,887,498,028	100.00%	$ 12,382,912,766	100.00%
Total Appraised Value										
Less Exemptions:										
Over-65/Disabled	$ 110,437,828		$ 107,070,211		$ 107,258,874		$ 105,115,082		$ 102,266,643	
Disabled and Deceased Veterans	179,303,506		136,843,452		113,904,720		100,878,510		86,581,916	
Freeport	67,573,255		61,021,207		51,825,399		52,773,146		53,668,074	
Pollution Exemption	7,163,411		2,975,853		2,429,781		488,958		638,347	
Productivity Value Loss	561,540,164		556,835,141		556,894,288		557,328,820		556,508,937	
10% Homestead Cap Loss	805,631,626		10,375,928		6,244,545		10,607,243		17,324,741	
Abatement/Community Housing	208,558,872		181,066,065		213,754,994		237,184,041		206,090,651	
Totally Exempt Property	1,214,159,957		1,156,454,585		1,134,937,468		1,034,079,124		980,228,631	
Total Exemptions	$ 3,154,368,619		$ 2,212,642,442		$ 2,187,250,069		$ 2,098,454,924		$ 2,003,307,940	
Net Taxable Assessed Valuation	$ 13,806,176,174		$ 11,899,415,773		$ 11,265,786,641		$ 10,789,043,104		$ 10,379,604,826	
Value Loss to 65/Older Freeze	$ 2,565,131,757		$ 2,250,128,456		$ 2,284,485,399		$ 2,162,992,461		$ 2,043,261,716	
Freeze Adjusted Net Taxable Assessed Valuation	$ 11,241,044,417		$ 9,649,287,317		$ 8,981,301,242		$ 8,626,050,643		$ 8,336,343,110	

Source: Potter-Randall Appraisal District and the Issuer.

Note: Taxable Assessed Valuations are subject to change during the year due to various supplements and protests. Valuations shown in other tables of this Official Statement may not match these certified valuations.

OVERLAPPING DEBT DATA AND INFORMATION — TABLE 12

Taxing Body	Gross Debt Principal		As of	% Overlapping	Amount Overlapping	
Amarillo, City of	$ 217,151,000		11/30/2022	54.20%	$ 117,695,842	
Amarillo Independent School District	221,075,000		11/30/2022	32.66%	72,203,095	
Amarillo Junior College District	114,705,000		11/30/2022	35.09%	40,249,985	
Boatwright-Trew Road District	-		11/30/2022			
Bushland Independent School District	93,630,000		11/30/2022	100.00%	93,630,000	
Canyon, City	15,425,000		11/30/2022	100.00%	15,425,000	
Canyon Independent School District	233,685,000		11/30/2022	100.00%	233,685,000	
Happy, City of	-		11/30/2022		-	
Happy Independent School District	-		11/30/2022	28.51%	-	
Wildorado Independent School District	10,000,000		11/30/2022	1.12%	112,000	
Total Gross Overlapping Debt Principal					$ 573,000,922	
Randall County	43,205,000	(a)		100.00%	43,205,000	(a)
Total Direct and Overlapping Debt Principal					$ 616,205,922	(a)

Ratio of Direct and Overlapping Debt to 2022 Net Taxable Assessed Valuation	4.46%	(a)
Ratio of Direct and Overlapping Debt to 2022 Actual Market Value	3.63%	(a)
Per Capita Direct and Overlapping Debt	$4,283.55	(a)

(a) Includes the Certificates. (See "Table 2 - General Obligation Bonded Debt" herein.)
Source: Municipal Advisory Council of Texas

ASSESSED VALUATION AND TAX RATE OF OVERLAPPING ENTITIES — TABLE 13

Governmental Entity	2021 Net Taxable Assessed Valuation	% of Actual	2021 Tax Rate
Amarillo, City of	$ 14,597,997,046	100.00%	$0.44300
Amarillo Independent School District	15,215,084,982	100.00%	1.15000
Amarillo Junior College District	14,741,127,663	100.00%	0.21100
Boatwright - Trew Road District	-	100.00%	0.00000
Bushland Independent School District	1,459,367,360	100.00%	1.15700
Canyon, City of	902,940,488	100.00%	0.42600
Canyon Independent School District	5,923,612,658	100.00%	1.23300
Happy, City of	22,037,901	100.00%	0.52000
Happy Independent School District	97,883,626	100.00%	0.91800
Wildorado Independent School District	282,278,832	100.00%	1.40300

Source: Municipal Advisory Council of Texas (2022 Information not available at this time for all entities).

AUTHORIZED BUT UNISSUED GENERAL OBLIGATION BONDS OF DIRECT AND OVERLAPPING GOVERNMENTAL ENTITIES — TABLE 14

Taxing Body	Date of Authorization	Purpose	Amount Authorized	Issued To-Date	Unissued
Amarillo, City of	None		$ -	$ -	$ -
Amarillo Independent School District	None		-	-	-
Amarillo JCD	None		-	-	-
Bushland Independent School District	None		-	-	-
Canyon, City of	None		-	-	-
Canyon Independent School District	None		-	-	-
Happy, City of	None		-	-	-
Happy Independent School District	None		-	-	-
Randall County	None		-	-	-
Wildorado Independent School District	None		-	-	-

Source: Municipal Advisory Council of Texas.

FUND BALANCES — TABLE 15

		As of 09/30/2021	Unaudited As of 10/12/2022
General Fund		$ 27,096,489	$ 26,355,108
Special Revenue Funds		16,571,058	29,984,922
Debt Service Fund		99,577	60,565
Capital Projects Fund		1,415,988	1,287,985
Internal Service Fund		2,309,221	2,006,836
	Total	$ 47,492,333	$ 59,695,416

Source: Issuer

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE — TABLE 16

	Fiscal Year Ended September 30				
	2021	2020	2019	2018	2017
REVENUES:					
Taxes	$ 42,748,873	$ 40,515,315	$ 37,967,051	$ 36,199,581	$ 32,847,813
Sales and Miscellaneous Taxes	2,347,788	2,176,418	2,133,235	2,068,954	2,057,822
Licenses and Fees	4,857,603	4,523,695	4,732,589	4,522,144	4,339,003
Fines and Forfeitures	1,239,690	1,236,442	1,550,165	1,596,868	1,378,038
Intergovernmental	7,576,430	6,971,309	6,490,258	5,557,329	5,080,916
Interest	293,120	566,040	744,524	454,394	226,475
Miscellaneous	1,208,345	1,319,292	1,474,802	2,376,495	277,161
Total Revenues	$ 60,271,849	$ 57,308,511	$ 55,092,624	$ 52,775,765	$ 46,207,228
EXPENDITURES (Current):					
Administrative	$ 6,823,480	$ 6,386,673	$ 5,656,440	$ 4,520,610	$ 4,278,423
Judicial	8,298,772	8,055,604	8,276,481	8,055,331	7,464,781
Elections	475,987	434,093	403,860	436,984	414,496
Financial Administration	2,756,885	2,669,669	2,581,491	2,513,370	2,474,676
Public Facilities	899,705	874,572	854,610	876,957	836,045
Public Safety	24,755,615	23,216,521	22,472,213	21,811,653	21,584,575
Road & Bridge	3,509,119	3,021,568	2,770,078	3,232,167	2,719,799
Public Services	212,477	182,607	219,941	212,085	230,755
Environmental Protection	2,000	1,500	1,500	1,500	1,500
Extension Service	397,361	404,412	406,557	393,665	373,635
Capital Outlay	5,137,480	5,337,446	4,197,287	4,471,487	5,596,515
Debt Service (Prin & Int)	130,656	201,907	542,027	542,027	411,540
Total Expenditures	$ 53,399,537	$ 50,786,572	$ 48,382,485	$ 47,067,836	$ 46,386,740
Excess of Revenues Over (Under) Expenditures	$ 6,872,312	$ 6,521,939	$ 6,710,139	$ 5,707,929	$ (179,512)
Other Financing Sources (Uses)					
Proceeds from sales of assets	$ 469,387	$ 1,502,304	$ 117,300	$ 29,877	$ 488,148
Proceeds from capital leases	-	-	189,809	219,828	664,484
Operating Transfers In	278	51,914	15,925	-	-
Operating Transfers Out	(3,181,979)	(3,457,774)	(3,424,353)	(3,266,360)	(2,491,105)
Total Other Financing Sources (Uses)	$ (2,712,314)	$ (1,903,556)	$ (3,101,319)	$ (3,016,655)	$ (1,338,473)
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	4,159,998	4,618,383	3,608,820	2,691,274	(1,517,985)
Fund Balances at Beginning of Year	22,936,491	18,318,108	14,709,288	12,018,014	13,535,999
Fund Balances at End of Year	$ 27,096,489	$ 22,936,491	$ 18,318,108	$ 14,709,288	$ 12,018,014

Source: The Issuer's Annual Comprehensive Financial Reports.

Estimated Fund Balance as of September 30, 2022 is $29,394,181 (Unaudited).

APPENDIX B

GENERAL INFORMATION REGARDING RANDALL COUNTY, TEXAS
AND THE CITY OF AMARILLO, TEXAS

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GENERAL INFORMATION REGARDING RANDALL COUNTY, TEXAS

General Information:

Randall County (the "County") is located in the south central part of the Texas Panhandle. The County was officially formed in 1889 and consists of approximately 933 square miles with an estimated 750 miles of roads. It is traversed by Interstate Highway 27 and U.S. Highways 60 and 87. Significant cities are Amarillo and Canyon, the county seat of Randall County. The economy is based on agribusiness, with the principal sources of agricultural income being beef and dairy cattle, horses, milo, sugar beets and barley. The exterior restoration of the1909 Randall County Courthouse was completed in August of 2010.

The County is home to West Texas A&M University, Amarillo College, Buffalo Lake Wildlife Refuge, Palo Duro Canyon State Park, which attracts 4.5 million visitors annually and is the second largest canyon in the United States. The biggest museum in the State of Texas, Panhandle Plains Historical Museum, is located on the West Texas A&M University campus and has more than 70,000 visitors annually.

Map of Texas Counties showing location of Randall County

Population Trends

Year	Randall County	Amarillo Metropolitan Statistical Area
Current Estimate	143,854	269,703
2020 Census	140,753	264,345
2010 Census	120,725	249,881
2000 Census	104,312	226,522
1990 Census	89,673	N/A

Sources: U.S. Census Bureau and the Issuer

Principal Employers in the County

Employer	Type of Business	Estimated Number of Employees 2021
Canyon Independent School District	Public Education	1,600
Wal-Mart	Retail Sales	1,334
Affiliated Foods, Inc.	Retail Grocery	1,332
United Supermarkets	Retail Grocery	920
West Texas A&M University	Public University	816
Randall County	County Government	540
Owens Corning Fiberglass	Fiberglass Manufacturer	350
Region 16 Education Service Center	Educational Solutions	315
Atmos Energy	Electric Utility	315
Texas Department of Transportation	State Government	173

Source: Randall County, Texas 2021 Annual Comprehensive Financial Report.

Labor Force Statistics

	Randall County		Amarillo MSA	
	August 2022	August 2021	August 2022	August 2021
Civilian Labor Force	74,481	74,277	133,290	133,182
Total Employed	72,377	71,735	129,322	128,217
Total Unemployed	2,104	2,542	3,968	4,965
% Unemployed	2.8	3.4	3.0	3.7
% Unemployed (Texas)	4.2	5.5	4.2	5.5
% Unemployed (United States)	3.8	5.3	3.8	5.3

Source: Texas Workforce Commission, Labor Market Information Department.

APPENDIX C

FORM OF LEGAL OPINION OF BOND COUNSEL

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December 29, 2022

FINAL

IN REGARD to the authorization and issuance of the "Randall County, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2022" (the *Certificates*), dated December 15, 2022 in the aggregate principal amount of $9,550,000, we have reviewed the legality and validity of the issuance thereof by the Commissioners Court of Randall County, Texas (the *Issuer*). The Certificates are issuable in fully registered form only, in denominations of $5,000 or any integral multiple thereof (within a Stated Maturity), and have Stated Maturities of February 1 in each of the years 2024 through 2043, unless redeemed prior to Stated Maturity in accordance with the terms stated on the face of the Certificates. Interest on the Certificates accrues from the dates, at the rates, in the manner, and is payable on the dates, all as provided in the order (the *Order*) authorizing the issuance of the Certificates. Capitalized terms used herein without definition shall have the meanings ascribed thereto in the Order.

WE HAVE SERVED AS BOND COUNSEL for the Issuer solely to pass upon the legality and validity of the issuance of the Certificates under the laws of the State of Texas and with respect to the exclusion of the interest on the Certificates from the gross income of the owners thereof for federal income tax purposes and for no other purpose. We have not been requested to investigate or verify, and have not independently investigated or verified, any records, data, or other material relating to the financial condition or capabilities of the Issuer or the Issuer's jail system (the *System*) and have not assumed any responsibility with respect to the financial condition or capabilities of the Issuer or the disclosure thereof in connection with the sale of the Certificates. We express no opinion and make no comment with respect to the sufficiency of the security for or the marketability of the Certificates. Our role in connection with the Issuer's Official Statement prepared for use in connection with the sale of the Certificates has been limited as described therein.

WE HAVE EXAMINED, the applicable and pertinent laws of the State of Texas and the United States of America. In rendering the opinions herein we rely upon (1) original or certified copies of the proceedings of the Commissioners Court of the Issuer in connection with the issuance of the Certificates, including the Order; (2) customary certifications and opinions of officials of the Issuer; (3) certificates executed by officers of the Issuer relating to the expected use and investment of proceeds of the Certificates and certain other funds of the Issuer and to certain other facts solely within the knowledge and control of the Issuer; and (4) such other documentation, including an examination of the Certificate executed and delivered initially by the Issuer and such matters of law as we deem relevant to the matters discussed below. In such examination, we have assumed the authenticity of all documents submitted to us as originals, the conformity to original copies of all documents submitted to us as certified copies, and the accuracy of the statements and information contained in such certificates. We express no opinion concerning any effect on the following opinions which may result from changes in law effected after the date hereof.

BASED ON OUR EXAMINATION, IT IS OUR OPINION that the Certificates have been duly authorized and issued in conformity with the laws of the State of Texas now in force and that the Certificates are valid and legally binding obligations of the Issuer enforceable in accordance with the terms and conditions described therein, except to the extent that the enforceability thereof may be affected by bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting creditors' rights or the exercise of judicial discretion in accordance with general principles of equity. The Certificates are payable from the proceeds of an ad valorem tax levied, within the limitations prescribed by law, upon all taxable property in the Issuer and are further payable from and secured by a lien on and pledge of the Pledged Revenues, being a limited amount of the Net Revenues derived from the operation of the System, such lien on and pledge of the limited amount of Net Revenues, being subordinate and inferior to the lien on and pledge of such Net Revenues securing the payment of any Prior Lien Bonds or Junior Lien Bonds hereafter issued by the Issuer. In the Order, the Issuer retains the right to issue Prior Lien Bonds, Junior Lien Bonds, and Additional Parity Obligations without limitation as to principal amount but subject to any terms, conditions, or restrictions as may be applicable thereto under law or otherwise.

BASED ON OUR EXAMINATION, IT IS FURTHER OUR OPINION that, assuming continuing compliance after the date hereof by the Issuer with the provisions of the Order and in reliance upon the representations and certifications of the Issuer made in a certificate of even date herewith pertaining to the use, expenditure, and investment of the proceeds of the Certificates, under existing statutes, regulations, published rulings, and court decisions (1) interest on the Certificates will be excludable from the gross income, as defined in section 61 of the Internal Revenue Code of 1986, as amended to the date hereof (the *Code*), of the owners thereof for federal income tax purposes, pursuant to section 103 of the Code, and (2) interest on the Certificates will not be included in computing the alternative minimum taxable income of the owners thereof who are individuals.

WE EXPRESS NO OTHER OPINION with respect to any other federal, state, or local tax consequences under present law or any proposed legislation resulting from the receipt or accrual of interest on, or the acquisition or disposition of, the Certificates. Ownership of tax-exempt obligations such as the Certificates may result in collateral federal tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, certain foreign corporations doing business in the United States, S corporations with subchapter C earnings and profits, corporations subject to the alternative minimum tax on adjusted financial statement income, owners of an interest in a financial asset securitization investment trust, individual recipients of Social Security or Railroad Retirement Benefits, individuals otherwise qualifying for the earned income credit, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations.

OUR OPINIONS ARE BASED on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement our opinions to reflect any facts or circumstances that may thereafter come to our attention or to reflect any changes in any law that may thereafter occur or become effective. Moreover, our opinions are not a guarantee of result and are not binding on the Internal Revenue Service; rather, such opinions represent our legal judgment based upon our review of existing law that we deem relevant to such opinions and in reliance upon the representations and covenants referenced above.

Norton Rose Fulbright US LLP

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APPENDIX D

EXCERPTS FROM RANDALL COUNTY'S AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

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RANDALL COUNTY, TEXAS

Annual Comprehensive Financial Report

For the Year Ended September 30, 2021

PREPARED BY: OFFICE OF COUNTY AUDITOR

RANDALL COUNTY, TEXAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR YEAR ENDED SEPTEMBER 30, 2021

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FOR YEAR ENDED SEPTEMBER 30, 2021

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COMPLIANCE

INTRODUCTORY SECTION

KARON KANTOR
COUNTY AUDITOR
RANDALL COUNTY, TEXAS

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February 15, 2022

The Honorable District Judges of Randall County,
Honorable Members of the Randall County Commissioners' Court and
Citizens of Randall County, Texas:

The County Auditor's Office (Auditor) is pleased to present the Annual Comprehensive Financial Report (ACFR) of Randall County, Texas (County) for the fiscal year ended September 30, 2021. This report is submitted in accordance with Chapter 114, Subchapter B, and Section 114.025 of the Texas Local Government Code (LGC) and has been prepared by the Auditor.

The purpose of this report is to provide the District Judges of Randall County, the Randall County Commissioners' Court, citizens, representatives of financial institutions and others with detailed information concerning the financial condition and performance of the County. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the County. The report has been prepared using Generally Accepted Accounting Principles (GAAP) and guidelines promulgated by the Governmental Accounting Standards Board (GASB). We believe the information and data contained herein are accurate in all material respects; and are reported in a manner designed to present fairly the financial position and results of operations of the County in accordance with GAAP. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities have also been included, beginning with Management's Discussion and Analysis ("MD&A").

This report consists of management's representations regarding the finances of the County. Consequently, County management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the County has established a comprehensive internal control framework that is designed both to protect the County's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The County's financial statements were audited by Doshier, Pickens & Francis, LLC, an independent audit firm. The independent auditor's report is presented as the first component of the financial section of this report. GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of a Management Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the independent auditors' report.

Profile of Randall County

Randall County, created in 1876 from Bexar County, was incorporated in 1889 and named for Confederate Brigadier General Horace Randal; a clerical error doubled the "l" in the County's name. The County consists of approximately 933 square miles of eastward sloping tableland broken by the Prairie Dog Town Fork of the Red River, which flows through Palo Duro Canyon, and its tributaries, the Palo Duro and Tierra Blanca Creeks.

The County is located in the south-central Texas Panhandle with the City of Canyon as its county seat. Due to its strategic location, the County, along with Armstrong, Carson and Potter Counties to the north and east and the cities of Canyon and Amarillo, are designated the "Amarillo Metropolitan Statistical Area" (AMSA) by the Texas Comptroller of Public Accounts and has become a trade-center for the northern panhandle and a five-state area. The County is traversed, along its northern border, east and west by four lane Interstate Highway 40 and from north and south by both four lane Interstate Highway 27 and U.S. Highway 87 and from northeast and southwest by four lane U.S. Highway 60.

County government structure and services

The County has a Commissioners' Court (Court) form of government. The Court is comprised of a County Judge who is the presiding officer of the Court and four Commissioners. The County Judge is elected at large to a four-year term and the Commissioners are elected by precinct. The Commissioners serve four-year staggered terms, with two Commissioners elected every two years. The Court's regularly scheduled meetings are held bi-weekly on Tuesday mornings.

The County Auditor is responsible for substantially all county finance and accounting control functions including internal controls. The County Auditor is appointed for a two-year term by the State District Judges of the County.

The County serves an estimated 2021 population of 140,753 and provides a full range of county services normally associated with a Texas county, including administration of general government, adult and juvenile justice programs, assistance to indigents, courts, elections, fire protection, jails, law enforcement, law library, and recording offices, as well as the construction and maintenance of roads, bridges and other infrastructure.

Budget Process

In accordance with Chapter 111 of the Local Government Code, the County prepares an annual operating budget which serves as a financial plan for the new fiscal year beginning October 1. After publishing required public notices and conducting public hearings, the Court annually adopts a budget and establishes the tax rate. For the 2021 fiscal year, the budget was adopted on the category basis for all departments and/or funds. Commissioners' Court may transfer available funds between various departments and categories. However, no transfer may increase the total appropriation of a fund. Chapter 111 of the Local Government Code allows Commissioners'

Court to adopt supplemental budgets for limited purposes of spending grant or aid money or for capital projects through the issuance of bonds. This report includes all funds and accounts of the County for which the Court has financial accountability.

Those related entities which the Court has financial accountability control are not included in this report. Based on this criterion, the relationships of the following related entities are disclosed in Note 1 to the basic financial statements:

Potter-Randall Appraisal District
Community Supervision and Corrections Department for Potter, Randall and Armstrong Counties

Factors Affecting Financial Condition

Financial Policies and Long-Term Planning
The financial policies and practices of Randall County include the following:

- A budget policy that follows the Texas Local Government Code §111.003 and requires a balanced budget
- Establishing a budgetary control system of monitoring and utilizing encumbrance accounting to ensure budget compliance
- A policy for deposit, safekeeping and investment of funds that complies with State statutes
- A cost-effective purchasing policy that utilizes central purchasing, competitive bidding, and contract administration to maximize savings and comply with legal and statutory provisions
- A policy that sets a goal for the General Fund to maintain an unassigned fund balance that sustains 2-3 months' expenditures (15% - 25%) from October 1 to December 31 of each year when property taxes become due
- A policy on the issuance of long-term debt to ensure long-term financial stability
- Maintaining a general fund five-year revenue and expenditure projection as well as debt capacity projections to aid long-term decision making
- Utilizing a 10-year history of financial indicators to identify past trends and gauge the impact of population growth and service demand on revenue sources

Major initiatives
The County continues to undertake major initiatives to better serve its citizens.

The first purchase of equipment for the county-wide trunked radio communication system began in July 2018. The system includes the purchase and construction of new radio towers, dispatch and records management software and related mobile and portable radio equipment for the use of first responders within the county. Initially the system was to be completed by September 2019; the revised estimated completion date is March 2022.

Renovations began in July 2020 on the basement remodel for the Youth Center which was completed in February 2021. Security updates for the Finance Building and Fire Department began in June 2020. Completion of the projects was slowed by the pandemic; the Fire Department was completed in April 2021 and the Finance Building will be completed in February of 2022.

Repairs to the exterior finish system of the Youth Center of the High Plains began in July of 2021 and was completed after the start of the fiscal year. A new project for Fire Station #1 added concrete sections to extend the parking bays for egress of the fire equipment. Phase 1 of this project is estimated to be completed by March, 2022.

Local economy

In addition to the diversity of industrial, retail and service industries, the County has long been a leader in the farming and ranching industries, tourism and higher education. Approximately seventy-one percent (71%) of the County's population lives within the city limits of Amarillo with another approximately eleven percent (11%) living within the city limits of Canyon. The remaining residents live in rural Randall County. A large majority of the open land areas once used for agricultural farming and ranching are new housing developments. The entrance to *Palo Duro Canyon State Park,* America's second largest canyon, is located in the County, open all year around, and annually receives over half a million visitors. *Texas,* the musical drama, which will open and celebrate its 56th season in 2022, plays nightly, except Monday, in the *Pioneer Amphitheatre* in Palo Duro Canyon from early June through mid-August. *Panhandle-Plains Historical Museum,* Texas' largest history museum, located on the campus of *West Texas A & M University* (WTAMU), in the City of Canyon, has approximately 80,000 visitors each year. WTAMU, founded in 1910 located in the City of Canyon, offers 2 doctoral programs, 39 masters programs and 59 undergraduate degree programs to approximately 9,600 students annually. The park and theatre, museum and university are major contributors to the local economy through employment opportunities, tourism and consumers of local sales and services.

The County's unemployment rate of 3.2% compares favorably to the nation (4.8%) and to the state (5.6%). The County is included in the Amarillo Metropolitan Statistical Area (AMSA). Both the Canyon and Amarillo Economic Development Corporations have been successful in attracting businesses and jobs to the area which, in turn, benefits Randall County's economy.

The AMSA indicators of economic strengths and weaknesses reflect the following:

- Strengths:
    1. There are nearly 3,000 more people working than last year and wages are up 3%.
    2. Construction is up from last year and year to date building permits are up 28%.
    3. Harvest has been successful with corn prices up 35%, wheat prices up 45% and cattle prices up 19%.
- Weaknesses:
    1. New car sales are down 26% from a year ago due to low inventory and higher prices.
    2. Drilling activity has slowed in the Panhandle with only three rigs on line.
    3. Recent inflation has increased more than the increase in wages.

National Pandemic

March 13, 2020 the United States' president declared a National Emergency due to the novel Coronavirus Disease (COVID-19), which was identified by the World Health Organization (WHO) days earlier. The County has received and expended $251,735 in funding from the federal government's Coronavirus Aid, Relief, and Economic Security Act (CARES Act). These funds were expensed largely for needed supplies for first responders and overtime paid directly related to COVID-19.

An additional $170,800 was received from the state government's Help America Vote Act (HAVA CARES Act). Due to the continuation of the pandemic, the federal government passed continued funding of the American Rescue Plan Act 2021 from the Treasury's Coronavirus State and Local Fiscal Recovery Funds (CSLFRF). Randall County received $13.4 million of the $26 million allocated, the remainder of which should be received in May 2022.

Independent audit

In accordance with state statute, the County's financial statements have been audited by Doshier, Pickens & Francis, LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended September 30, 2021 are free of material misstatement.

The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the County's financial statements for the fiscal year ended September 30, 2021 are fairly presented in conformity with GAAP. The opinions rendered by Doshier, Pickens & Francis, LLC are included in the appropriate sections of this report.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Randall County for its annual comprehensive financial report (ACFR) for the fiscal year ended September 30, 2020. This was the seventeenth consecutive year that Randall County has received this prestigious award. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it for review to GFOA.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual comprehensive financial report, whose contents conform to program standards. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

The preparation of this report would not have been possible without the efficient and dedicated services of my entire staff and the professional services provided by our independent auditors, Doshier, Pickens & Francis, LLC. I also wish to express my gratitude to the Commissioners' Court and the District Judges for their cooperation, leadership, interest and support in planning and conducting the financial affairs of the County. Furthermore, I would like to commend the Court as well as other county officials, department heads and all members of departments who assisted with and contributed to the preparation of this report.

Request for information

This financial report is designed to provide an overview of the County's finances for individuals who are interested in this information. Questions concerning any of the data provided in this report or requests for additional financial information should be addressed to the Randall County Auditor, 501 16th Street, Suite 301, Canyon, Texas 79015 or emailed to: auditor@randallcounty.com.

Respectfully submitted,

Karon Kantor

Karon Kantor
Randall County Auditor

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

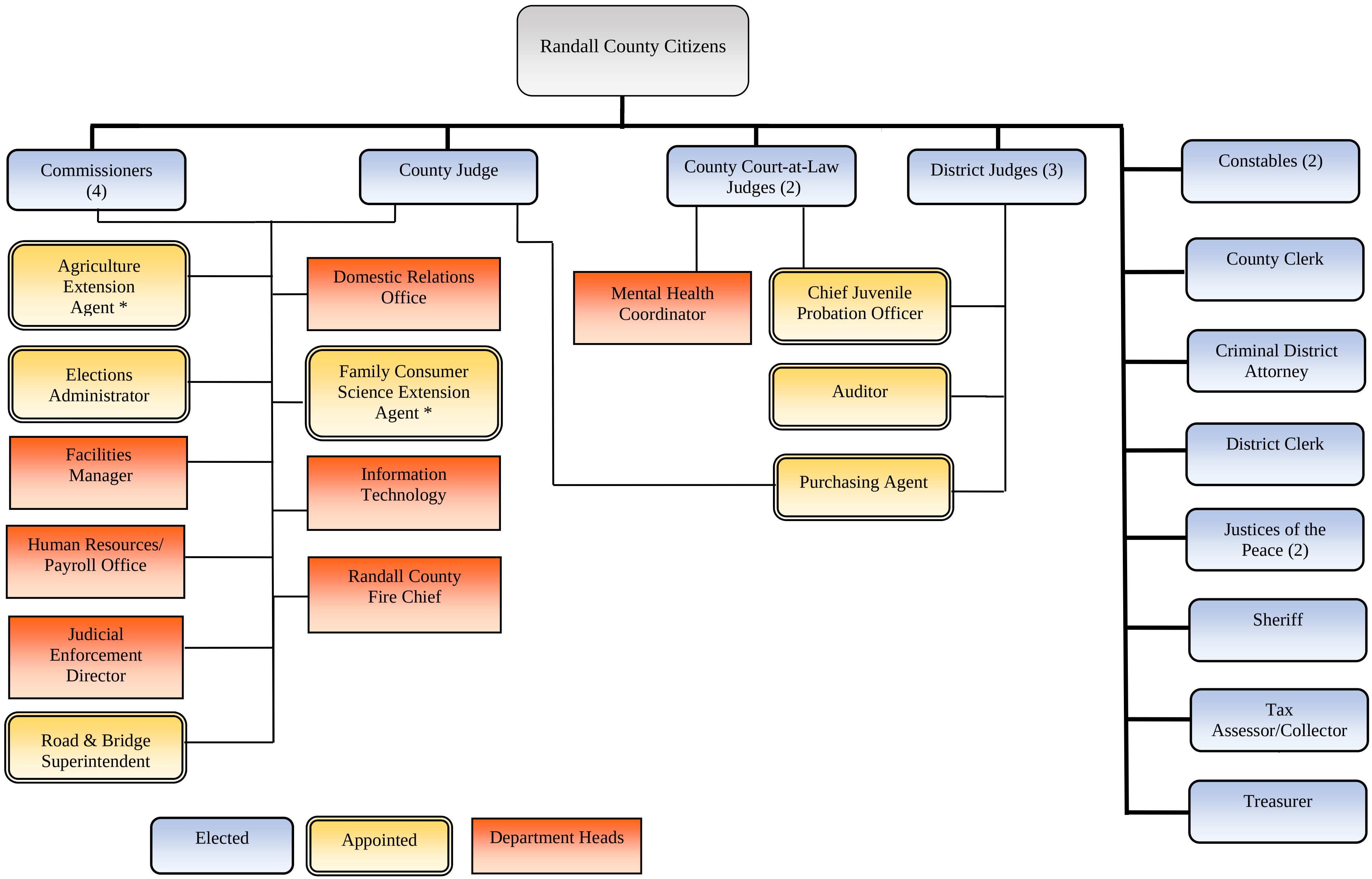
Randall County
Texas

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2020

Christopher P. Morrill

Executive Director/CEO



* Appointed by Texas A & M Extension Service

RANDALL COUNTY, TEXAS

PRINCIPAL COUNTY OFFICIALS

SEPTEMBER 30, 2021

Christy Dyer	County Judge
Rusty Carnes	Commissioner, Precinct #1
Mark Benton	Commissioner, Precinct #2
Bob Robinson	Commissioner, Precinct #3
Buddy DeFord	Commissioner, Precinct #4
Dan Schaap	Judge, 47th District Court
Titiana Frausto	Judge, 181st District Court
Ana Estevez	Judge, 251st District Court
James Anderson	Judge, County Court-at-Law #1
Matt Martindale	Judge, County Court-at-Law #2
Robert Love	Criminal District Attorney
Joel Forbis	District Clerk
Susan B. Allen	County Clerk
Christina McMurray	County Tax Assessor/Collector
Angie Parker	County Treasurer
Chris Forbis	County Sheriff
Joe Koch	Fire Chief
Tracy Byrd	Justice of Peace, Precinct #1
Clay Houdashell	Justice of Peace, Precinct #4
Richard Beals	Constable, Precinct #1
Paula Williams	Constable, Precinct #4
Karon Kantor	County Auditor
Laurie Jones	Purchasing Agent
C. Joe Barton III, Ph.D.	Chief Juvenile Probation Officer

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FINANCIAL SECTION

DOSHIER, PICKENS & FRANCIS, LLC
CERTIFIED PUBLIC ACCOUNTANTS
301 S. Polk, Suite 800 P.O. Box 9938
Amarillo, TX 79105-5938 806.373.3011
Fax: 806.376.8126 www.dpfcpa.com

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

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund and the aggregate remaining fund information of Randall County, Texas as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise Randall County, Texas'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.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 County'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 County'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 business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Randall County, Texas 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 3 – 16), the budgetary comparison schedules for the General Fund and the Youth Center of the High Plains; Schedule of Changes in Net Pension Liability and Related Ratios - TCDRS and the Schedule of Employer Contributions - TCDRS, and Schedule of Changes in Total OPEB Liability and Related Ratios (pages 67 – 73) 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 them 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 Randall County, Texas's basic financial statements. The introductory section and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has 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.

The combining and individual nonmajor fund financial statements 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 nonmajor fund financial statements 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 February 15, 2022, on our consideration of Randall County, Texas's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Randall County, Texas's internal control over financial reporting and compliance.

Doshier, Pickens & Francis, L.L.C.

DOSHIER, PICKENS & FRANCIS, LLC
Amarillo, Texas
February 15, 2022

As management of Randall County, Texas (County), we offer readers this narrative overview and analysis of the financial activities of the County for the fiscal years ended September 30, 2021 and 2020. In accordance with the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 34 – *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, the County has presented comparative data in this narrative.

We encourage the readers of these financial statements to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages iv – viii of this report.

Financial Highlights

These financial highlights summarize the County's financial position and operations as presented in more detail in the rest of the Basic Financial Statements, as listed in the accompanying table of contents.

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by approximately $86.9 million (*net position*). Of this amount, approximately $19 million (*unrestricted net position*) could be used to meet the County's ongoing obligations to citizens and creditors.
- The County's total net position increased by approximately $22.8 million. Charges for services in all activities increased approximately $1.7 million over prior year. Total operating and capital grants increased by approximately $12.5 million. General revenues increased by approximately $3 million due to federal funding received for coronavirus relief. General property tax increased by approximately $2.2 million to meet operating expenses and debt property tax increased by $130 thousand due to a slight increase in new property values. Miscellaneous revenues increased $494 thousand over the prior year.
- Total assets for the Randall County Assistance District #1 increased by $861 thousand from 2020.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of approximately $45.3 million. Of this total amount, approximately $21.3 million is the general fund unassigned portion of fund balance, which is available for spending at the County's discretion.

Overview of the Financial Statements

This discussion and analysis intend to serve as an introduction to the Randall County's basic financial statements. The County's basic financial statements comprise 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.

Basic Financial Statements

Government-Wide Financial Statements: The government-wide financial statements contain the *statement of net position* and the *statement of activities*, described below:

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

The *statement of activities* presents a comparison between direct expenses and revenues for each of the County's functions/programs (referred to hereinafter as activities). Direct expenses are those that are specifically associated with an activity and are therefore clearly identifiable with that activity. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not programmatic are presented as general revenues, with certain limited exceptions. The comparison of direct expenses with revenues from activities identifies the extent to which each activity is self-financing or draws from any general revenues the County might generate. The governmental activities (activities that are principally supported by taxes and intergovernmental revenues) of the County include administrative, elections, environmental protection, extension service, financial administration, health and welfare, judicial, public facilities, public safety and road and bridge. Change in net position is reported as soon as the underlying event giving rise to the change occurs (accrual basis), *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, fines, and fees as well as earned but unused vacation leave).

The County includes one separate legal entity, the Randall County Assistance District #1. Although legally separate, this "Component Unit" is important because the County is financially accountable for the entity.

The Government Wide Financial Statements are on pages 17-19 of this report.

Fund financial statements: A *fund* is a grouping of related accounts 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. The focus of the fund financial statements is on major funds. Major funds are those that meet minimum criteria (a percentage of assets, liabilities, revenues, or expenditures/expenses of fund category and of the governmental and enterprise funds combined), or those that the County wishes to report as major. Non-major funds are aggregated and shown in a single column (combining schedules of non-major funds are included in the CAFR following other supplementary information). The County funds are 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 could be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements (*modified accrual* versus *accrual* basis of accounting, and *current financial resources* versus *economic resources*, respectively), it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Reconciliations are provided for both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances to facilitate the comparison between *governmental funds* and *governmental activities*.

The County maintains thirty-four (34) 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, Youth Center of the High Plains and ARRA/CARES Act Grants Funds, which are considered major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds are provided in the form of *combining statements* following other supplementary information in the CAFR. A budgetary comparison statement is provided for the general fund, one major special revenue fund, one major capital projects fund and the debt service fund in the basic financial statements following the statement of changes in revenues, expenditures, and changes in fund balances. The governmental fund financial statements are located on pages 20-23 of this report.

Proprietary fund financial statements: The County maintains one (1) proprietary fund. Proprietary funds are used to account for the government's business type activities. These funds use the economic resource measurement focus and accrual basis of accounting as presented in the government-wide financial statements. There are two types of proprietary funds: (1) *Enterprise Funds* and (2) *Internal Service Funds*. *Enterprise funds*, which the county does not have, are used in situations where a fund provides services primarily to customers other than the government. An *internal service fund* is an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses an internal service fund to account for its partially self-funded employee healthcare. The proprietary fund financial statements are located on pages 24-26 of this report.

Fiduciary fund financial statements: The County maintains nine (9) custodial funds reported as a fiduciary fund type. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Custodial funds are the only type of fiduciary funds included in the County's financial statements. The fiduciary fund financial statements are located on pages 27-28 and individual statements on pages 120-124 of this report.

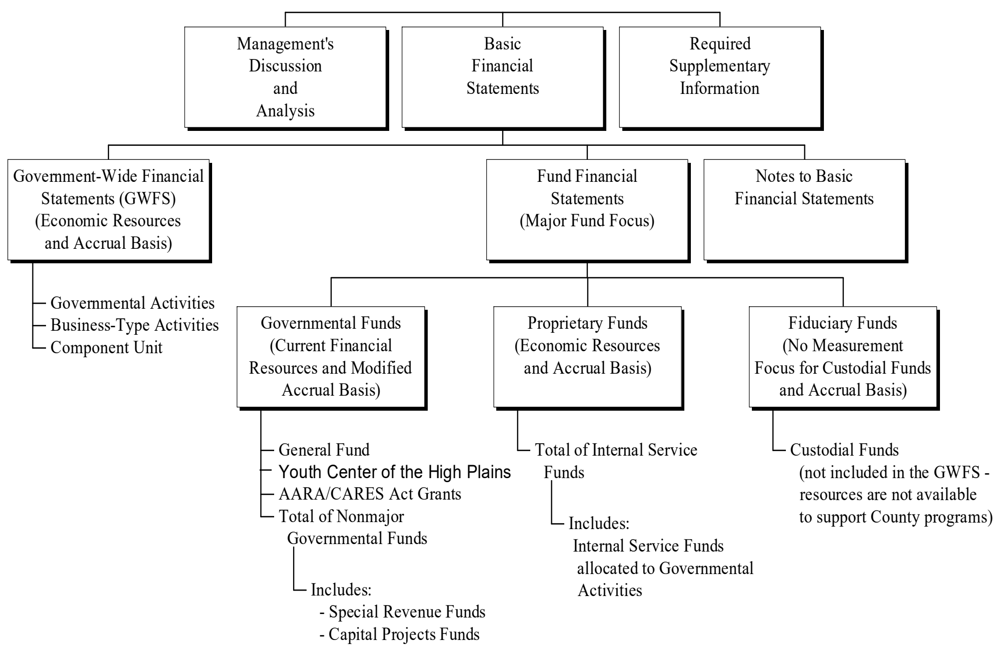
Notes to Basic Financial Statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide financial statements and fund financial statements. The Notes to Basic Financial Statements are located on pages 29-66 of this report.

Required Supplementary Information Other Than MD&A- Following the basic financial statements and the accompanying notes are certain required supplementary information (RSI). Presented in the RSI are trend data relating to the County's progress in funding its obligation to provide pension and other post employment benefits to its employees. Required Supplementary Information is located on pages 67-73.

Other Supplementary Information - The Schedule of Revenues – Budget to Actual and the Schedule of Expenditures – Budget to Actual for the General Fund is presented here to compare budget to actual at the category level of compliance. The Health Care Fund, an internal service fund, Schedule of Revenues, Expenses and Changes in Net Position – Budget to Actual is presented for information only since its net financial activity is reported in the governmental activities of the government wide statements. Other Supplementary Information is located on pages 74-83.

Combining Statements and Individual Fund Schedules - The combining statements referred to earlier in connection with non-major governmental funds are presented as well as the individual statements and schedules of budgetary comparison. Individual fund schedules compare budget to actual at the legal level of compliance for all other budgeted funds. Also presented are combining statements of fiduciary custodial funds. Combining fund financial statements and individual fund schedules are located on pages 84-124 of the County's CAFR. The Statement of Net Position and Changes in Net Position for the Component Unit can be found on pages 125-126 as well.

Components of the Financial Section



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 approximately $86.9 million (*net position*) at the close of the most recent fiscal year.

Approximately $50.4 million or 58% of the County's net position are its investment in capital assets (e.g., land, buildings, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding at the close of the fiscal year. The County uses these capital assets to provide services to its citizens; consequently, these assets are *not* available for future spending. Although the County's investment in 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.

Restricted net position is approximately $17.4 million. Much of this amount is restricted by legislation enabled by the state or federal government, to be expended for a specific purpose. These are identified by major category. Approximately $99 thousand is restricted for debt service.

The remaining balance, approximately $19 million (*unrestricted net position)* may be used to meet the County's ongoing obligations to citizens and creditors.

All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Randall County Net Position
September 30, 2021 and 2020
(in 000's)

	Governmental Activities	
	2021	**2020**
Current and other assets	$ 52,913	$ 35,603
Capital assets	87,552	86,748
Total assets	140,465	122,351
Deferred outflows of resources	10,498	3,459
Current liabilities	9,925	9,536
Noncurrent liabilities	48,932	47,837
Total liabilities	58,857	57,373
Deferred inflows of resources	5,210	4,307
Net position:		
Net investment in capital assets	50,444	45,530
Restricted	17,394	3,505
Unrestricted	19,058	15,096
Total net position	$ 86,896	$ 64,131

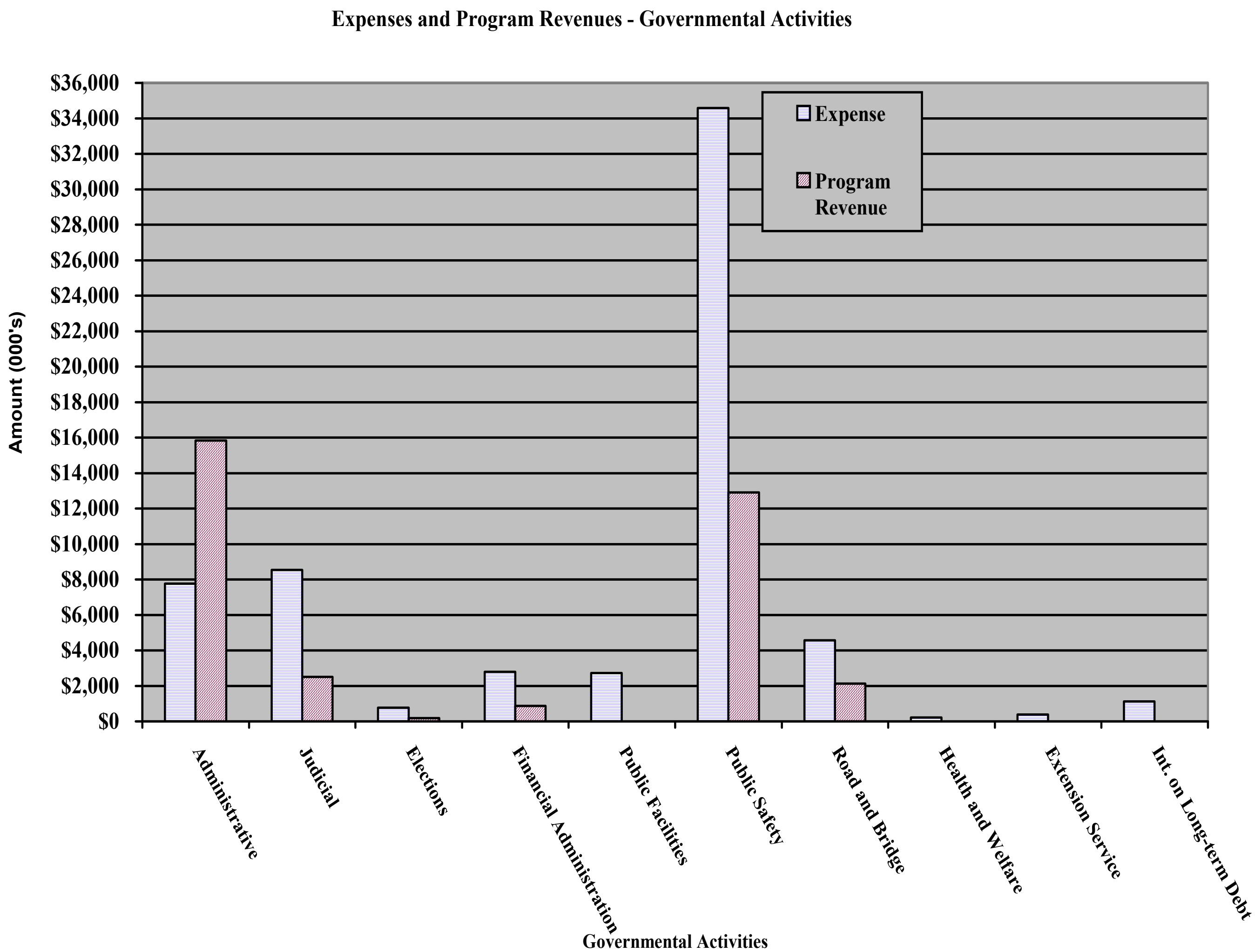
At the end of the current fiscal year, the County is able to report positive balances in all categories of net position, both for the government as a whole, as well as for its separate governmental activities. During the current fiscal year, the County's net position increased by approximately $22.8 million.

Governmental Activities. Governmental activities increased the County's total net position. Governmental expenses increased $1.4 million from 2020. Administrative expense increased $644 thousand due to insurance liability premiums, contracted services, technology equipment and COVID-19 related expenses. Public Safety increased $453 thousand due to an increase in salary and benefits for the Sheriff and Fire Department as well as an increase in inmate medical expense. Road and Bridge expenses increased $675 thousand due to an increase salary and fringe benefits, vehicle operations and depreciation expense. Interest on long-term debt decreased by $257 thousand due to a slight decrease in the debt rate. Program revenues increased by $14.1 million. Operating and Capital Grants and Contributions increased $12.5 million due to federal coronavirus grant funds received. Charges for Services increased by $1.7 million due to a fee increase for official public record filings, intergovernmental revenue and jail bed revenue. General revenues for property taxes increased $2.2 million over the prior year due to a growth in the property tax base and a tax increase.

Key elements of the increase in net position are as follows:

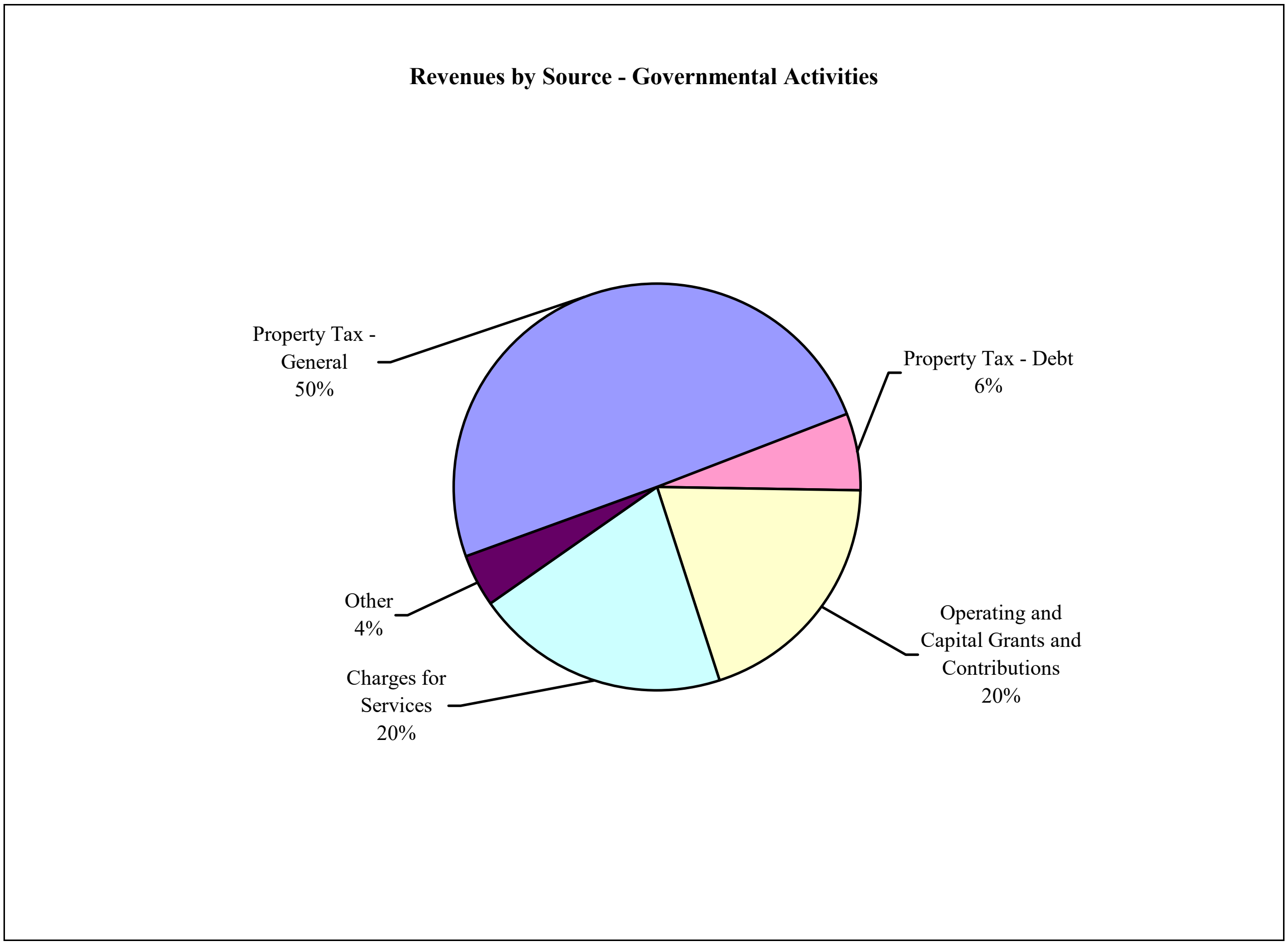
Randall County Changes in Net Position
For the Years Ended September 30, 2021 and 2020
(in 000's)

	Governmental Activities			
		2021		2020
Revenues:				
Program Revenues				
Charges for services	$	17,391	$	15,718
Operating grants and contributions		16,112		3,267
Capital grants and contributions		937		1,300
General Revenues				
Property taxes, levied for general purposes		42,779		40,575
Property taxes, levied for debt service		5,311		5,180
Mixed beverage taxes		400		275
Vehicle sales tax		1,948		1,901
Investment earnings		377		734
Miscellaneous		648		154
Gain on disposal of assets		332		-
Transfers		-		-
Total Revenues		86,235	$	69,104
Expenses:				
Governmental Activities				
Administrative		7,767	$	7,123
Judicial		8,537		8,634
Elections		773		742
Financial administration		2,795		2,800
Public facilities		2,726		2,711
Public safety		34,577		34,124
Road and bridge		4,571		3,896
Health and welfare		212		191
Extension services		393		419
Interest on long term debt		1,119		1,376
Total Expenses		63,470		62,016
Change in net position		22,765		7,088
Net Position - beginning of year		64,131		57,043
Prior period adjustment		-		-
Net Position - end of year	$	86,896	$	64,131



The above graph depicts the expenses and program revenues by function/program generated through the County's various governmental activities.

The graph below reflects the sources of the revenues and the percentage each source represents to the total.



Financial Analysis of the County's Funds

Governmental funds: The focus of the County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *non-spendable, restricted, committed, assigned and unassigned* 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.

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances approximating $45.3 million. Of that amount, $446 thousand are prepaid items and inventories which are non-spendable. The Texas Legislature has placed restrictions on fees of offices, as well as indigent health care, bail bonds, family protection fees and drug court. Approximately $5 million are assigned funds which have specific purposes authorized by Commissioners' Court and a Juvenile Board. Of that amount, approximately $1 million has been assigned to balance the 2022 General Fund Budget.

The General Fund is the chief operating fund of the County. The General Fund carries out functions assigned by the State of Texas. Property taxes, sales taxes, fees and fines support general fund operations. Intergovernmental revenues, such as jail bed revenue from federal and local sources reimburse their use of the county jail. Other governmental revenues such as federal grants and state aid provide additional support for law enforcement, fire protection, administrative and court expenditures. At the end of the current fiscal year, unassigned fund balance of the General Fund was approximately $21.3 million, while total fund balance approximated $27 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents approximately 37.6% of total actual General Fund expenditures (including transfers out), while total fund balance represents approximately 47.9% of that same amount. As the demand for services continues to increase, the General Fund Balance has consistently remained stable over the past several years. It has been the policy of management to maintain the county's unassigned general fund balance at a level equaling 2 - 3 months' expenditures or 15% - 25% of annual budgeted expenditures.

Total revenues, including other financing sources for the General Fund increased from the prior year by $1.9 million. Property taxes increased by approximately $2.2 million from the result of growth in the tax base and a slight tax increase. Sales and miscellaneous taxes increased by $171 thousand and revenues from licenses and fees increased by $334 thousand largely due to official public records fees and other fees of office. Intergovernmental revenue increased by $605 thousand due to an increase in jail bed revenue. Miscellaneous revenues decreased slightly by $111 thousand.

General Fund expenditures increased $2.3 million from prior year. Approximately $312 thousand of this increase is due to premiums for the general liability and property insurance and a new felony attorney position for the District Attorney's office. Public Safety expenditures increased by approximately $1.5 million. Four new fire fighter positions were added to the Fire Department, as well as four new positions for the Sheriff's Office. An increase in contracted services with both cities and inmate medical expense were a contributing factor also. The Road Department had an increase in expenditures of $488 thousand largely due to an increase of five new employees and four part time employees. The increase is fuel prices contributed to the expenditure increase in both public safety and the road department. There was a decrease of $276 thousand in transfers from the General Fund as compared to the prior year. Capital Outlay decreased $200 thousand due to the inability to receive budgeted items prior to fiscal year end.

The Youth Center of the High Plains is a detention facility utilized by both Randall County and Potter County. Beds are available to surrounding counties as they become available. The cost of operating the Youth Center is supported by the General Fund and Potter County on a 50% basis of expenditures less revenues; other counties are billed on a daily rate basis. This fund maintains a reserve of $125,000 for unforeseen events.

General Fund Budgetary Highlights

The Commissioners' Court approved Budget Amendments authorizing $2,678,909 in revenues or expenditures for the following events:

- $1,458,091 increase in revenue and expense for capital assets previously budgeted yet not received in FY20 due to the pandemic
- $262,866 increase in revenue for insurance recovery for damage to county buildings
- $52,000 increase in revenue and expense for reimbursement of overtime from the Department of Justice, US Treasury and other agencies for the Sheriff's Office SOU Division
- $18,575 increase in expense for the TX VINE service fee
- $31,497 increase in revenue and expense for proceeds from asset disposal for a totaled vehicle in the Sheriff's Office
- $695,000 increase in revenue and expense for transfer and donation of land for a future Fire Department location
- $114,636 increase in expense for a computer aided dispatch maintenance agreement for the Sheriff's Office
- $7,500 increase in revenue and expense for elections training reimbursed by the state
- $15,044 increase in donated receipts for concrete culverts for the Road Department
- $23,700 increase in revenue for donated RAP material from the Texas Department of Transportation

General fund actual revenues exceeded budget by approximately $1.3 million. Revenues from property taxes, vehicle sales and beverage taxes exceeded budget by $512 thousand. Licenses/fees exceeded estimates by $548 thousand. Revenues from fines and forfeitures fell short of estimates by $95 thousand. Intergovernmental revenue exceeded estimates by approximately $581 thousand largely due to an increase in jail bed revenue. Revenues from interest fell short of budget by $357 thousand due to low interest rates while miscellaneous revenue exceeded budget by approximately $118 thousand.

General Fund expenditures came in under budget by approximately $5.3 million. General fund expenditures were approximately 90% of amended budget primarily due to the continuing COVID-19 pandemic and shortage of supplies or labor force. Equipment and project services that were budgeted in the fiscal year were not available. In fiscal years prior to the pandemic, General Fund expenditures would range between 95%-96% of the amended budget due to conscientious budget monitoring.

Capital Assets and Debt Administration

Capital Assets. The County's investment in capital assets for its governmental activities as of September 30, 2021 was approximately $87.5 million (net of accumulated depreciation).

This investment in capital assets includes land, buildings and improvements, equipment, construction in progress, and other improvements.

Major capital assets constructed, purchased, and donated during the current fiscal year were:

$ 700,004 for donated land for a future fire department
$ 561,805 for improvements to county roads
$ 683,793 for improvements other than buildings
$ 765,045 for video system upgrades for the Finance Building, Justice Center and equipment for Information Technology
$ 805,110 for vehicles and equipment for the Road Department
$ 409,328 for vehicles and equipment for the Fire Department
$1,226,153 for replacement vehicles and equipment for the Sheriff's Department
$ 67,818 for a vehicle and equipment for Juvenile Probation
$4,248,586 security projects for the Finance Building, concrete additions to the Fire Department and the Motorola radio communications system project

The table below compares capital assets net of depreciation to prior year and reflects the continuing construction in progress as Randall County expands and renovates its facilities.

Randall County's Capital Assets
September 30, 2021 and 2020
(net of depreciation)
(in 000's)

	Governmental Activities	
	2021	**2020**
Land	$ 3,818	$ 3,118
Roads and bridges	8,173	8,109
Buildings and building improvements	54,353	56,162
Improvements other than buildings	1,356	712
Vehicles	2,783	2,794
Furniture and equipment	12,667	11,479
Construction in Progress	4,249	4,221
Intangible assets	153	153
Total	$ 87,552	$ 86,748

Additional information on Randall County's capital assets is located in the Notes to Financial Statements, Note 7 on pages 44-45.

Long-term debt. At the end of the current fiscal year, the County's total long-term debt outstanding was as follows:

Randall County's Outstanding Debt
General Obligation and Revenue Bonds
September 30, 2021 and 2020
(in 000's)

	Governmental Activities	
	2021	**2020**
Certificates of Obligation, Series 2010	245	880
Certificates of Obligation, Series 2013	2,695	3,325
General Obligation Refunding, Series 2013	4,070	4,320
General Obligation Refunding, Series 2015	-	460
Certificates of Obligation, Series 2016	6,905	7,265
General Obligation Refunding, Series 2017	8,920	8,990
Certificates of Obligation, Series 2018	4,655	5,680
General Obligation Refunding, Series 2019	1,335	1,495
General Obligation Refunding, Series 2020	5,965	6,000
Tax Notes, Series 2020	3,375	4,000
Deferred Premium	627	721
Capital Lease Obligation	127	250
Estimated Liability for Compensated Absences	1,847	1,888
Net Pension Liability	10,275	4,737
Total Other Post Employment Benefit Liability	2,713	2,388
Total	$ 53,754	$ 52,399

State statutes limit the amount of general obligation debt a governmental entity may issue to 5% of its total assessed valuation. The current debt limitation for Randall County is approximately $564 million, which is significantly in excess of Randall County's outstanding general obligation debt of $39 million.

Randall County received its most recent rating of 'AA' from Standard & Poor's Rating Service in April of 2018, for the combination tax and limited-pledged revenue Certificates of Obligation, Series 2018. The County also has a rating of "Aa3" from Moody's Investors Service from May 2010 when Certificates of Obligation, Series 2010 were issued.

Additional information on Randall County's long-term debt is in the Notes to the Financial Statements, Notes 9 and 10 on pages 46-51 of this report.

Economic Factors and Next Year's Budget and Rates

A large share of the Randall County population is in the Amarillo Metropolitan Statistical Area (AMSA) and benefits from its diverse economy and highly skilled work force. The Amarillo area economy rebounded quickly from 2020 and recovery exceeded most forecasts. Higher disposable income, boosted by stimulus money, helped retail sales reach record levels. Rising commodity prices boosted both farming and the energy businesses, and motel occupancy boomed as automobile transportation dominated travel. Although a lack of workers and supply chain shortages were problematic in every business, employment levels remained high as most businesses in the area reopened ahead of other cities. In addition, residential real estate and commercial construction still increased and remained strong throughout 2021.

Rural Randall County continues to experience constant growth in housing additions. While taxable property values continue to increase, the ability to maintain current service levels in the growing county, while preserving a low tax rate could become a challenge. Public safety, county infrastructure and technology advancements are significant concerns during the budget process as well as attempting to maintain adequate staffing levels. After much discussion, the court decided to approve a slight tax increase to fund a compensation study for the county and additional positions for the Sheriff, Fire, Road Department and Facilities in the Randall County budget for the fiscal year beginning October 1, 2021 and ending September 30, 2022. Careful consideration has been given to maintaining adequate reserves, so that approximately $1.1 million of the General Fund's balance could be used to balance the 2022 budget.

Requests for Information

This financial report is designed to provide a general overview of Randall County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in the report or requests for additional financial information should be addressed to the Randall County Auditor, 501 16th Street, Suite 301, Canyon, Texas 79015. The County's Comprehensive Annual Financial Report is available on the following website:

http://randallcounty.com/auditor/auditfinancial.html

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BASIC FINANCIAL STATEMENTS

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

	Governmental Activities	Component Unit
ASSETS		
Current assets:		
Cash and cash equivalents	$ 28,943,740	$ 2,850,436
Investments	21,315,604	-
Receivables (net of allowances for uncollectible):		
Taxes	237,104	-
Accounts	928,586	306,175
Due from other governments	1,028,096	-
Inventories	264,044	-
Prepaid items	196,266	1,145
Total current assets	52,913,440	3,157,756
Noncurrent assets:		
Capital assets:		
Land	3,818,512	61,555
Roads and bridges	20,296,309	-
Buildings and improvements	77,043,246	-
Improvements other than buildings	1,805,687	-
Vehicles	9,701,607	-
Furniture and equipment	23,603,826	-
Construction in progress	4,248,586	-
Intangible assets	153,430	-
Total capital assets	140,671,203	61,555
Less accumulated depreciation	(53,119,024)	-
Total noncurrent assets	87,552,179	61,555
Total assets	140,465,619	3,219,311
DEFERRED OUTFLOWS OF RESOURCES		
Deferred charge on refunding	564,978	-
Pension contributions	2,371,625	-
Pension economic/demographic losses	425,759	-
Pension assumption changes	6,589,818	-
Other postemployment benefit contributions	80,580	-
Other postemployment benefit assumption changes	465,354	-
Total deferred outflows of resources	10,498,114	-

Continued

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

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

Continuation	Governmental Activities	Component Unit
LIABILITIES		
Current liabilities:		
Accounts payable	$ 2,672,234	$ 10,065
Accrued payroll	1,970,945	-
Unearned revenue	16,206	-
Reserve for health claims incurred	50,000	-
Bonds payable, current	4,510,000	-
Capital lease payable, current	126,882	-
Compensated absences, current	185,000	-
Accrued interest	394,023	-
Total current liabilities	9,925,290	10,065
Noncurrent liabilities:		
Bonds payable and net issuance premiums	34,282,183	-
Compensated absences	1,662,268	-
Net pension liability	10,274,491	-
Total other post employment benefit liability	2,713,048	-
Total noncurrent liabilities	48,931,990	-
Total liabilities	58,857,280	10,065
DEFERRED INFLOWS OF RESOURCES		
Pension economic/demographic gains	728,021	-
Pension excess earnings	4,327,768	-
Other postemployment benefit economic/demographic gains	108,603	-
Other postemployment benefit assumption changes	45,407	-
Total deferred inflows of resources	5,209,799	-
NET POSITION		
Net investment in capital assets	50,444,211	61,555
Restricted for:		
Debt service	99,577	-
By enabling legislation for:		
Special projects	16,611,266	-
Capital projects	15,136	-
Indigent health	400,061	-
Bail bonds	52,964	-
Family protection fee	127,575	-
Drug court	87,491	-
Economic Development	-	351,518
Unrestricted	19,058,373	2,796,173
Total net position	$ 86,896,654	$ 3,209,246

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

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

		Program Revenues			Net (Expense) Revenue and Changes in Net Position	
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Component Unit
Primary Government:						
Governmental activities:						
Administrative	$ 7,767,116	$ 1,988,069	$ 13,848,545	$ -	$ 8,069,498	$ -
Judicial	8,536,784	2,327,127	188,979	-	(6,020,678)	-
Elections	772,546	143,440	43,170	-	(585,936)	-
Financial administration	2,795,126	870,210	-	-	(1,924,916)	-
Public facilities	2,726,342	-	-	-	(2,726,342)	-
Public safety	34,576,853	10,497,941	1,997,639	409,828	(21,671,445)	-
Road and bridge	4,570,823	1,563,719	33,673	526,743	(2,446,688)	-
Health and welfare	212,351	200	-	-	(212,151)	-
Extension services	393,091	-	-	-	(393,091)	-
Interest on long-term debt	1,118,714	-	-	-	(1,118,714)	-
Total governmental activities	63,469,746	17,390,706	16,112,006	936,571	(29,030,463)	-
Total primary government	$ 63,469,746	$ 17,390,706	$ 16,112,006	$ 936,571	(29,030,463)	-
Component Unit:						
Public safety	$ 766,581	$ -	$ -	$ -		$ (766,581)
General revenues:						
Taxes:						
Property taxes, levied for general purposes					42,779,073	-
Property taxes, levied for debt service					5,310,796	-
Mixed beverage taxes					400,125	-
Vehicle sales tax					1,947,663	-
Sales tax					-	1,621,649
Investment earnings					377,459	5,372
Miscellaneous					648,452	454
Gain on disposal of assets					332,563	-
Total general revenues					51,796,131	1,627,475
Change in net position					22,765,668	860,894
Net position, beginning					64,130,986	2,348,352
Net position, ending					$ 86,896,654	$ 3,209,246

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

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

	General	Youth Center of the High Plains	ARRA/CARES Act Grants	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	$ 11,367,532	$ 750,832	$ 13,055,632	$ 3,343,020	$ 28,517,016
Investments	17,815,604	-	-	1,650,000	19,465,604
Taxes receivable, net	237,104	-	-	-	237,104
Due from other funds	8,485	-	-	-	8,485
Due from other governments	677,962	350,134	-	-	1,028,096
Receivables, net	423,096	3,996	-	329,422	756,514
Inventories	257,058	6,986	-	-	264,044
Prepaid items	180,254	652	-	1,495	182,401
Total assets	$ 30,967,095	$ 1,112,600	$ 13,055,632	$ 5,323,937	$ 50,459,264
LIABILITIES					
Accounts payable	$ 1,680,845	$ 706,527	$ 7,812	$ 176,720	$ 2,571,904
Due to other funds	-	-	-	8,485	8,485
Accrued payroll	1,638,647	273,435	-	58,863	1,970,945
Unearned revenue-other	13,096	-	-	-	13,096
Total liabilities	3,332,588	979,962	7,812	244,068	4,564,430
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue-property taxes	538,018	-	-	-	538,018
Total deferred inflows of resources	538,018	-	-	-	538,018
FUND BALANCES					
Nonspendable:					
Inventories	257,058	6,986	-	-	264,044
Prepaid items	180,254	652	-	1,495	182,401
Restricted for:					
Debt service	-	-	-	99,577	99,577
Capital projects	-	-	-	1,261,255	1,261,255
Administrative	-	-	13,047,820	1,064,541	14,112,361
Judicial	-	-	-	728,740	728,740
Elections	-	-	-	116,061	116,061
Public safety	-	-	-	1,654,104	1,654,104
Indigent health	400,061	-	-	-	400,061
Bail bonds	52,964	-	-	-	52,964
Family protection fee	127,575	-	-	-	127,575
Drug court	87,491	-	-	-	87,491
Assigned to:					
Technology/software	1,750,000	-	-	-	1,750,000
Juvenile probation	1,901,083	125,000	-	-	2,026,083
Balance fiscal year 2021 budget	1,051,122	-	-	-	1,051,122
Public safety	-	-	-	154,733	154,733
Unassigned (deficit)	21,288,881	-	-	(637)	21,288,244
Total fund balances	27,096,489	132,638	13,047,820	5,079,869	45,356,816
Total liabilities, deferred inflows of resources, and fund balances	$ 30,967,095	$ 1,112,600	$ 13,055,632	$ 5,323,937	$ 50,459,264

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

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

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

Total fund balance, governmental funds	$	45,356,816
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		87,552,179
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.		538,018
Long-term liabilities, including bonds payable, capital lease payable, accrued interest, net pension liability, total other post employment benefit liability, and compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds.		(53,582,917)
Pension and OPEB losses, deficit earnings, and assumption changes are shown as deferred outflows of resources in the government-wide financial statements:		
Pension economic/demographic losses		425,759
Pension assumption changes		6,589,818
OPEB assumption changes		465,354
Pension gains and excess earnings are shown as deferred inflows of resources in the government-wide financial statements:		
Pension economic/demographic gains		(728,021)
Pension excess earnings		(4,327,768)
OPEB economic/demographic gains		(108,603)
OPEB assumption changes		(45,407)
Pension and OPEB contributions paid after the measurement date, December 31, 2019, and before September 30, 2020 are expensed in the governmental funds and shown as deferred outflows of resources in the government-wide financial statements:		
Pension contributions		2,371,625
OPEB contributions		80,580
The internal service fund is used by management to charge the costs of health insurance to individual funds. The assets and liabilities of the internal service fund are included in the governmental activities in the Statement of Net Position.		2,309,221
Net Position of Governmental Activities in the Statement of Net Position	$	86,896,654

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

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

	General	Youth Center of the High Plains	ARRA/CARES Act Grants	Other Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	$ 42,748,873	$ -	$ -	$ 5,310,796	$ 48,059,669
Sales and miscellaneous taxes	2,347,788	-	-	-	2,347,788
Licenses and fees	4,857,603	-	-	1,221,586	6,079,189
Fines and forfeitures	1,239,690	-	-	108,168	1,347,858
Intergovernmental	7,576,430	3,174,143	13,730,474	1,932,031	26,413,078
Interest	293,120	1,378	10,203	41,312	346,013
Miscellaneous	1,208,345	38,601	-	665	1,247,611
Total revenues	60,271,849	3,214,122	13,740,677	8,614,558	85,841,206
EXPENDITURES					
Current:					
Administrative	6,823,480	-	441,711	270,830	7,536,021
Judicial	8,298,772	-	-	145,461	8,444,233
Elections	475,987	-	33,808	94,731	604,526
Financial administration	2,756,885	-	-	13,732	2,770,617
Public facilities	899,705	-	-	-	899,705
Public safety	24,755,615	5,978,908	24,994	2,385,520	33,145,037
Road and bridge	3,509,119	-	-	-	3,509,119
Public services	212,477	-	-	-	212,477
Environmental protection	2,000	-	-	-	2,000
Extension service	397,361	-	-	-	397,361
Capital outlay	5,137,480	-	192,344	556,423	5,886,247
Debt service:					
Principal	123,216	-	-	4,250,000	4,373,216
Interest	7,440	-	-	1,099,891	1,107,331
Total expenditures	53,399,537	5,978,908	692,857	8,816,588	68,887,890
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	6,872,312	(2,764,786)	13,047,820	(202,030)	16,953,316
OTHER FINANCING SOURCES (USES)					
Proceeds from sale of assets	469,387	-	-	-	469,387
Transfers in	278	2,785,664	-	519,353	3,305,295
Transfers out	(3,181,979)	(21,540)	-	(101,776)	(3,305,295)
TOTAL OTHER FINANCING SOURCES (USES)	(2,712,314)	2,764,124	-	417,577	469,387
NET CHANGE IN FUND BALANCES	4,159,998	(662)	13,047,820	215,547	17,422,703
FUND BALANCES - BEGINNING	22,936,491	133,300	-	4,864,322	27,934,113
FUND BALANCES - ENDING	$ 27,096,489	$ 132,638	$ 13,047,820	$ 5,079,869	$ 45,356,816

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

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

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

Net change in fund balances - total governmental funds	$	17,422,703
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		941,089
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net changes in fund balance.		(136,824)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		30,200
Internal service fund is used to account for the health self-insurance program of the County. The net income of certain activities of internal service funds is reported with governmental activities.		(251,117)
The issuance of long term debt provides current financial resources to governmental funds, while repayment of long term debt principal consumes current financial resources of governmental funds. Governmental funds report the effect of premiums and discounts when debt is first issued. These amounts are deferred and amortized in the statement of activities. This amount is the net effect of the differences in the treatment of long term debt.		4,382,898
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		376,719
Change in net position of governmental activities	$	22,765,668

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

RANDALL COUNTY, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUND
SEPTEMBER 30, 2021

		Governmental Activities Internal Service Fund
ASSETS		
Current assets:		
Cash and cash equivalents	$	426,724
Investments		1,850,000
Receivables		172,072
Prepaid items		13,865
Total current assets /total assets	$	2,462,661
LIABILITIES		
Current liabilities:		
Accounts payable - claims	$	100,330
Reserve for claims incurred but not reported		50,000
Deferred revenue		3,110
Total current liabilities/total liabilities		153,440
NET POSITION		
Unrestricted		2,309,221
Total liabilities and net position	$	2,462,661

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

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

	Governmental Activities Internal Service Fund
OPERATING REVENUES	
Healthcare contributions	$ 4,436,969
Miscellaneous revenue	297,062
Total operating revenues	4,734,031
OPERATING EXPENSES	
Operating expenses	5,016,594
Total operating expenses	5,016,594
NET OPERATING INCOME (LOSS)	(282,563)
NON-OPERATING REVENUES	
Interest	31,446
CHANGE IN NET POSITION	(251,117)
TOTAL NET POSITION - BEGINNING	2,560,338
TOTAL NET POSITION - ENDING	$ 2,309,221

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

RANDALL COUNTY, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Governmental Activities Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from internal services provided	$ 4,332,669
Payments for claims	(4,070,097)
Payments to suppliers	(1,242,980)
Net cash used by operating activities	(980,408)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Interest from cash deposits	31,446
Net cash provided by investing activities	31,446
NET DECREASE IN CASH	(948,962)
CASH, BEGINNING	1,375,686
CASH, ENDING	$ 426,724
RECONCILIATION OF NET OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Net operating loss	$ (282,563)
Adjustments to reconcile net operating loss to net cash flows used by operating activities:	
Changes in assets and liabilities:	
(Increase) decrease in investments	(350,000)
(Increase) decrease in accounts receivable	(51,362)
(Increase) decrease in prepaid expense	(13)
Increase (decrease) in accounts payable	(331,470)
Increase (decrease) in reserve for claims incurred but not reported	35,000
Net cash used by operating activities	$ (980,408)

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

RANDALL COUNTY, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2021

	Custodial Funds
ASSETS	
Cash and cash equivalents	$ 5,579,358
Accounts receivable	10,706
Total assets	5,590,064
LIABILITIES	
Accounts payable	154,827
Due to other governments	3,353,872
Total liabilities	3,508,699
NET POSITION	
Restricted for:	
Individuals	2,081,365
Total net position	$ 2,081,365

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

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

	Custodial Funds
ADDITIONS	
Tax and fee collections for other governments	$ 534,068,929
Receipt of amounts held for benefit of others	1,504,387
Total additions	535,573,316
DEDUCTIONS	
Payments of taxes and fees to other governments	534,011,442
Payments of amounts held for benefit of others	1,555,404
Total deductions	535,566,846
NET INCREASE IN FIDUCIARY NET POSITION	6,470
NET POSITION - BEGINNING	2,074,895
NET POSITION - ENDING	$ 2,081,365

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Randall County, Texas (County) have been prepared in conformity with generally accepted accounting principles (GAAP) applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant accounting and reporting policies of the County are described in the following notes to the financial statements.

A. Financial Reporting Entity

The County is a public corporation and a political subdivision of the State of Texas. The County is governed by the Commissioners' Court, composed of four County Commissioners and the County Judge, all of whom are elected officials.

The County provides a variety of services to advance the welfare, morale, comfort, safety and convenience of the County and its citizens.

The definition of the reporting entity is based primarily on the notion of financial accountability. The elected officials governing the County are accountable to their constituents for their public policy decisions, regardless of whether those decisions are carried out directly through the operations of the County or by their appointees through the operations of a separate entity. Therefore, the County is not only financially accountable for the organizations that make up its legal entity, but also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either, it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on the County.

Depending upon the significance of the County's financial and operational relationships with various separate entities, the organizations are classified as blended or discretely presented component units, related organizations, joint ventures, or jointly governed organizations, and the financial disclosure is treated accordingly.

Discretely Presented Component Unit – The Randall County Assistance District #1 (District) was created in December 2011 by Commissioners' Court and supported in Texas Local Government Code Chapter 387 for the purpose of providing firefighting and fire prevention services and the promotion of economic development encompassing all of the County except for those areas within the corporate boundaries of the City of Amarillo, the City of Canyon and the City of Happy. The District is governed by the same Commissioners' Court as the County. The District receives a sales and use tax of one-half of one percent to support the District's operations. Financial information is reported in a separate column from the financial information presented for the primary government itself and presented on the Statement of Net Position and Statement of Activities. There are no separately issued financial statements for the component unit.

Related Organizations – Where the Commissioners' Court is responsible for appointing a majority of the members of a board of another organization, but the County's accountability does not extend beyond making such appointments, disclosure is made in the form of the relation between the County and such organization. Based on the foregoing criteria, the following entities are not part of the County and are not included in the accompanying financial statements:

Continued

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continuation

A. Financial Reporting Entity – Continuation

Potter-Randall Appraisal District – The County Commissioners appoint one member to the Appraisal District Board. Funding is based on the total roll values of the participating entities. The County Commissioners have no control over budgeting or operation of the Appraisal District.

Community Supervision and Corrections Department for Potter, Randall and Armstrong Counties – The Community Supervision and Corrections Board is comprised of five District Judges, four County Court-at-Law Judges, and one County Judge. The Department is funded by the State of Texas and fees from participants. The County Commissioners have no control over budgeting, funding or other operations of this Department.

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

Government-wide Statements

Government-wide financial statements consist of the Statement of Net Position and the Statement of Activities. These statements report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of inter-fund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenue, are reported separately from *business-like activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable. The County has no business-like activities, except the internal service fund.

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

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

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

Continued

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continuation

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

Fund-level Statements

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

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

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

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

The County reports the following major governmental funds:

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

Youth Center of the High Plains – The ***Youth Center of the High Plains Special Revenue Fund*** accounts for billings to other counties for juvenile care services. The revenue is used to operate a juvenile detention center.

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

Continued

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continuation

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

Additionally, the County reports the following fund types:

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

Capital Projects Funds – *Capital Projects Funds* account for financial resources to be used for the acquisition or construction of major capital facilities.

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

Internal Service Fund – The ***Internal Service Fund*** accounts for the financing of services provided by one department to other departments of the County on a cost-reimbursement basis. The Health Self-Insurance program of the County is accounted for as an Internal Service Fund.

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

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

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

C. Deposits and Investments

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

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

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

Continued

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continuation

C. Deposits and Investments – Continuation

The Act requires an annual audit of investment policies. Audit procedures in this area conducted as a part of the audit of the basic financial statements disclosed that in the area of investment practices, management has established and reports appropriate policies. The County adheres to the requirements of the Act. Additionally, investment practices of the County are in accordance with local policies.

D. Receivables and Payables

All trade and property tax receivables are shown net of an allowance for uncollectible accounts. Trade accounts receivable in excess of 180 days comprise the trade accounts receivable allowance for uncollectible. The property tax receivable allowance is equal to 60 percent of outstanding property taxes at September 30, 2021.

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

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

E. Inventories and Prepaid Items

Inventories, which consist of road materials, fuel, and food, are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than purchased.

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

F. Inter-fund Transactions

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

G. Capital Assets

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

Continued

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continuation

G. Capital Assets – Continuation

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

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

Assets	Years
Infrastructure (roads and bridges)	20 – 40
Buildings and improvements	10 – 50
Vehicles	6 – 12
Furniture and equipment	5 – 15

H. Deferred Outflows/Inflows of Resources

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

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

I. Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick leave benefits. Compensated absences are reported in the governmental funds only if they have matured. Vacation and sick leave are accrued when incurred in the government-wide financial statements.

Continued

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continuation

J. Long-term Obligations

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

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

K. Pensions and Other Post-Employment Benefits

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

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

L. Government-wide Net Position

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

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

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

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

Continued

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continuation

M. Governmental Fund Balances

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

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

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

Committed Fund Balance – includes amounts that can be used only for specific purposes determined by a formal action, such as a resolution, of the Commissioners' Court (the County's highest level of decision making authority). Committed fund balance amounts may be used for other purposes with appropriate action by the Commissioners' Court to either modify or rescind the established fund balance commitment

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

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

N. Fund Balance Policies

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

The County's highest level of decision-making authority is the Commissioners' Court. The Court has not yet delegated the authority to assign fund balance amounts to a specific individual nor does it have a policy to authorize the assignment of fund balance outside the Court.

O. Funds Balances Restricted

Restricted Fund Balances:

1) Administrative – management, preservation, restoration and technology requirements of public records
2) Judicial – management, preservation and technology requirements for district courts and probation records
3) Elections – for contracted elections for various municipalities and schools as allowed by the Secretary of State
4) Public safety – personnel and equipment for jail and courthouse security
4) Indigent Health – County Indigent Health Plan participation in the State reimbursed program for indigents
5) Bail Bonds – provide organization and training of the Bail Bond Board

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

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

The governmental fund balance sheet includes reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains, "long-term liabilities, including bonds payable, capital leases payable, accrued interest, net pension liability, total other post-employment benefit liability, and compensated absences, are not due and payable in the current period and therefore are not reported in the funds." The details of this difference are as follows:

Bonds and capital lease payable	$	(38,919,065)
Accrued interest payable		(394,023)
Deferred charge on refunding		564,978
Net pension liability		(10,274,491)
Total other post employment benefit liability		(2,713,048)
Compensated absences		(1,847,268)
Net adjustment to decrease fund balance - total governmental funds to arrive at net position - governmental activities	$	(53,582,917)

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

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

Capital outlay	$	5,886,247
Depreciation expense		(4,945,158)
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	$	941,089

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

Proceeds from disposal of assets	$	(332,563)
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	$	(332,563)

Continued

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

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

Property tax	$	30,200
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	$	30,200

Another element of that reconciliation states, "The issuance of long term debt provides current financial resources to governmental funds, while repayment of long term debt principal consumes current financial resources of governmental funds. Governmental funds report the effect of premiums and discounts when debt is first issued, these amounts are deferred and amortized in the statement of activities. This amount is the net effect of the differences in the treatment of long term debt." Neither transaction, however, has any effect on net position. The details of this difference are as follows:

Repayment of principal	$	4,373,216
Amortization of bonds premium		93,837
Amortization of refunding charge		(84,155)
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	$	4,382,898

Continued

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

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

Change in estimated liability for compensated absences	$	40,403
Change in accrued interest		(21,072)
Change in net pension liability		(5,537,663)
Change in deferred outflows of resources - pension contributions		39,712
Change in deferred outflows of resources - pension economic/demographic losses		409,959
Change in deferred inflows of resources - pension economic/demographic gains		575,163
Change in deferred inflows of resources - pension excess earnings		(1,460,254)
Change in deferred outflows of resources - pension assumption changes		6,512,572
Change in net other post employment benefit obligation		(324,501)
Change in deferred outflows of resources - OPEB contributions		43,070
Change in deferred inflows of resources - OPEB economic/demographic gains		(24,866)
Change in deferred outflows of resources - OPEB assumption changes		117,533
Change in deferred inflows of resources - OPEB assumption changes		6,663
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	$	376,719

NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

Annual budgets are adopted on a basis consistent with GAAP for the General Fund, Youth Center of the High Plains, ARRA/CARES Act Grants, County Clerk Archive, County Clerk Preservation, County Clerk Records Management, County Clerk Technology, County Records Management, Criminal District Attorney Check Collection/Disbursement, Criminal District Attorney Forfeiture, Criminal District Attorney State Deposits, District Clerk AGC IV – D, District Clerk Archive, District Clerk Preservation, District Clerk Records Management, District Clerk Technology, Election, Jail Commissary, Justice Center & Courthouse Security, Justice of the Peace Security, Justice of the Peace #1 Technology, Justice of the Peace #4 Technology, Juvenile Probation Department, Law Library, Next Step, Pre-Trial Diversion, Sheriff's Forfeiture, Tax Assessor/Collector Motor Vehicle Inventory Tax, Unclaimed Property, 1909 Courthouse Restoration, Juvenile Center Improvement, Radio Communication Project, Right-of-Way/Road, and Debt Service. All annual appropriations lapse at fiscal year-end.

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

Continued

NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – Continuation

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

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year. The County had no outstanding encumbrances at year-end.

NOTE 4 – DEPOSITS AND INVESTMENTS

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

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

Cash on hand - governmental funds	$	16,600
Carrying amount of bank deposits - governmental funds		24,566,775
Carrying amount of TexPool deposits - governmental funds		221,012
Carrying amount of Texas CLASS deposits - governmental funds		3,712,629
Total governmental funds		28,517,016
Carrying amount of bank deposits - internal service funds		426,724
Total internal service funds		426,724
Carrying amount of bank deposits - custodial funds		5,579,358
Total custodial funds		5,579,358
Total	$	34,523,098

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

Continued

NOTE 4 – DEPOSITS AND INVESTMENTS – Continuation

As of September 30, 2021, the County had the following investments:

Investment Type	Fair Value	Weighted Average Maturity (Days)
Governmental activities		
Certificates of deposit (interest rates from .20% - 2.87%)	$ 21,315,604	
Total fair value	$ 21,315,604	
Portfolio weighted average maturity		996

Interest Rate Risk

In accordance with its investment policy, the County minimizes the risk of loss due to interest rate fluctuations by limiting the weighted average of its operating fund portfolio to less than 270 days. The maximum allowable maturity shall be no longer than two years.

Credit Risk

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

As of September 30, 2021 the County had $221,012 and $3,712,629 invested with the Texas Treasury Safekeeping Trust Company (TexPool) and the Texas Cooperative Liquid Assets Securities System (Texas CLASS), respectively. The Interlocal Cooperation Act, chapter 791 of the Texas Government Code, and the Public Funds Investment Act, chapter 2256 of the Texas Government Code, provide for the creation of public funds investment pools, such as TexPool and Texas CLASS, through which political subdivisions and other entities may invest public funds.

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

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

Continued

NOTE 4 – DEPOSITS AND INVESTMENTS – Continuation

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

Concentrations of Credit Risk

The County's policy is to limit the investments in obligations of states, agencies, counties, cities, and other political subdivisions of any state to 50% of the County's portfolio.

Custodial Credit Risk

In accordance with State and County investment policies, County investments are insured, registered, or securities held by the County's agent are in the name of the County.

NOTE 5 – RECEIVABLES

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

	General	Other Governmental	Internal Service Fund	Total
Receivables:				
Accounts	$ 110,572	$ 329,363	$ 172,072	$ 612,007
Fines and fees	22,152,010	41,563	-	22,193,573
Gross receivables	22,262,582	370,926	172,072	22,805,580
Less: allowance for uncollectible	21,839,486	37,508	-	21,876,994
Net total accounts receivable, net	$ 423,096	$ 333,418	$ 172,072	$ 928,586

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

NOTE 6 – INTER-FUND TRANSFERS

	Inter-fund Transfers In	Inter-fund Transfers Out
General Fund (1)	$ 278	$ 3,181,979
Special Revenue Funds:		
County Records Management	37,500	-
Courthouse and Justice Center Security	430,000	-
Criminal District Attorney Check Collection/Disbursement	1,113	-
Criminal District Attorney State Deposits	-	1,113
Juvenile Probation Department (2)	-	100,385
Youth Center of the High Plains (2),(3)	2,785,664	21,540
Unclaimed Property	-	278
Capital Projects Funds:		
Juvenile Center Improvement (3)	50,740	-
	$ 3,305,295	$ 3,305,295

Transfers are: 1) the use of property tax revenues in the General Fund to provide supplemental operating support for the County Records Management, Juvenile, Courthouse Security Funds, and Capital Projects Funds, 2) Juvenile Probation and Next Step revenues from state grants transferred to the County's Youth Center for salaries and operating costs, and 3) Youth Center sets aside funds in the Juvenile Center Improvement Fund for future maintenance improvements.

NOTE 7 – CAPITAL ASSETS

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

	Beginning Balance	Increases	Decreases	Transfers/ Reclassifications	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	$ 3,118,507	$ 700,005	$ -	$ -	$ 3,818,512
Construction in progress	4,220,861	613,841	-	(586,116)	4,248,586
Intangible assets	153,430	-	-	-	153,430
Total capital assets not being depreciated	7,492,798	1,313,846	-	(586,116)	8,220,528
Capital assets, being depreciated:					
Infrastructure (roads and bridges)	19,734,504	561,805	-	-	20,296,309
Buildings and improvements	77,717,272	6,169	(688,518)	8,323	77,043,246
Improvements other than buildings	1,090,508	677,623	-	37,556	1,805,687
Vehicles	9,134,053	796,986	(229,432)	-	9,701,607
Furniture and equipment	21,907,940	2,529,818	(1,374,169)	540,237	23,603,826
Total capital assets being depreciated	129,584,277	4,572,401	(2,292,119)	586,116	132,450,675
Less accumulated depreciation:					
Infrastructure (roads and bridges)	(11,625,752)	(497,937)	-	-	(12,123,689)
Buildings and improvements	(21,555,584)	(1,734,789)	599,932	-	(22,690,441)
Improvements other than buildings	(378,693)	(71,146)	-	-	(449,839)
Vehicles	(6,339,901)	(790,409)	211,734	-	(6,918,576)
Furniture and equipment	(10,429,231)	(1,850,877)	1,343,629	-	(10,936,479)
Total accumulated depreciation	(50,329,161)	(4,945,158)	2,155,295	-	(53,119,024)
Total capital assets, being depreciated, net	79,255,116	(372,757)	(136,824)	586,116	79,331,651
Governmental activities capital assets, net	$ 86,747,914	$ 941,089	$ (136,824)	$ -	$ 87,552,179

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

Governmental activities:	
Administrative	$ 190,600
Judicial	108,033
Elections	173,348
Financial administration	28,160
Public facilities	1,820,928
Public safety	1,564,793
Road and bridge	1,056,447
Extension services	2,849
Total depreciation expense - governmental activities	$ 4,945,158

Continued

NOTE 7 – CAPITAL ASSETS – Continuation

	Beginning Balance	Increases	Decreases	Transfers/ Reclassifications	Ending Balance
Component Unit:					
Capital assets, not being depreciated:					
Land	$ 61,555	$ -	$ -	$ -	$ 61,555
Total capital assets not being depreciated	61,555	-	-	-	61,555
Component Unit capital assets, net	$ 61,555	$ -	$ -	$ -	$ 61,555

The County has active construction projects as of September 30, 2021. The projects are as follows:

The radio communications agreement began in fiscal year 2018 which included the purchase of mobile and portable radio equipment, construction of new radio towers and dispatch and records management software for the use of first responders within the County. Costs spent to date on this project total $3,593,134. An upgraded security project at the Finance Building began in 2019; costs spent to date are $408,943. Several projects which began in fiscal year 2021 were repairs to the exterior of the Youth Center which totaled $100,920; a new parking lot at Fire Station #1 totaling $140,454 and a new Historical Commission room at the Finance Building was $5,135. Total construction in progress at fiscal year-end totaled $4,248,586.

NOTE 8 – LEASES

Capital Leases

The County has entered into a capital lease for road and bridge equipment. The obligation under the capital lease has been recorded in the accompanying financial statements at the present value of future minimum lease payments, discounted at an interest rate of 2.975%. The cost of the equipment financed by these capital lease obligations is $611,959 and accumulated depreciation of $271,197.

Commitments under capitalized leases and asset purchase agreements for the road and bridge equipment provides for minimum future rental payments as of September 30, 2021, as follows:

Year Ending September 30,	
2022	$ 130,657
Total future minimum lease payments	130,657
Less amount representing interest	(3,775)
Future Minimum Payments	$ 126,882

NOTE 9 – GENERAL OBLIGATION AND CERTIFICATES OF OBLIGATION BONDS

During the year ended September 30, 2010, the County issued $9,200,000 of Certificates of Obligation, Series 2010 to provide resources for the purposes of paying contractual obligations incurred for constructing, renovating and equipping new pods at the Youth Center of the High Plains, the 1909 Courthouse, and at the Randall County Finance Building. Principal payments on the Certificates of Obligation, Series 2010 are made annually, each August 1 with interest payments made semi-annually, each February 1 and August 1 until maturity on August 1, 2029. Interest rates range from 2.25% to 4.20% on the Certificates of Obligation, Series 2010.

During the year ended September 30, 2014, the County issued $5,715,000 of Certificates of Obligation, Series 2013 to provide resources for the purposes of paying contractual obligations incurred for acquiring, renovating, and equipping the Multi-Purpose Building, to acquire land for county parking facilities, and renovate elevators for the Randall County Finance Building. Principal payments on the Certificates of Obligation, Series 2013 are made annually, each August 1 with interest payments made semi-annually, each February 1 and August 1 until maturity on August 1, 2034. Interest rates range from 2% to 4% on the Certificates of Obligation, Series 2013.

During the year ended September 30, 2016, the County issued $8,685,000 of Certificates of Obligation, Series 2016 to provide resources for the purposes of paying contractual obligations incurred for acquiring, renovating, and equipping the Randall County Justice Center/Annex. Principal payments on the Certificates of Obligation, Series 2016 are made annually, each August 1 with interest payments made semi-annually, each February 1 and August 1 until maturity on August 1, 2036. Interest rates range from 2% to 4% on the Certificates of Obligation, Series 2016.

During the year ended September 30, 2018, the County issued $7,590,000 of Certificates of Obligation, Series 2018 to provide resources for the purposes of paying contractual obligations incurred for the acquisition, construction, installation, and equipment of an emergency radio communication system. Principal payments on the Certificates of Obligation, Series 2018 are made annually, each August 1 with interest payments made semi-annually, each February 1 and August 1 until maturity on February 1, 2028. Interest rates range from 2% to 4% on the Certificates of Obligation, Series 2018.

During the year ended September 30, 2020, the County issued $4,000,000 of Tax Notes, Series 2020 to provide resources for the purposes of paying contractual obligations incurred for construction of new roads. Principal payments on the Tax Notes, Series 2020 are made annually, each August 1 with interest payments made semi-annually, each February 1 and August 1 until maturity on August 1, 2026. Interest rate on the Tax Notes, Series 2020 is 1.730%.

Advance Refunding

During the year ended September 30, 2014, the County issued $3,615,000 of General Obligation Refunding Bonds, Series 2013 with an interest rate of 2.8%. The proceeds were used to advance refund $3,255,000 of outstanding Certificates of Obligations, Series 2005 which had interest rates ranging from 3.5% to 5.0%. Principal payments on the General Obligation Refunding Bonds, Series 2013 are made annually each August 1 with interest payments being made semi-annually each February 1 and August 1 until maturity on August 1, 2025. The County will levy ad valorem tax for the payments of the principal and interest. The net proceeds from this issuance were $3,558,145, which includes underwriting fees and other issuance costs of $56,855. price The reacquisition exceeded the net carrying amount of the old debt by $303,145. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt. The County advanced refunded the Certificates of Obligation, Series 2005 to reduce its total debt service payments over eleven years by $316,986 and to obtain an economic gain (difference between the present values of the debt service payments of the old and new debt) of $270,108.

Continued

NOTE 9 – GENERAL OBLIGATION BONDS – Continuation

The net proceeds from the issuance of the General Obligation Refunding Bonds, Series 2013 were deposited in an irrevocable trust with an escrow agent. As a result, $3,255,000 of the Certificates of Obligation, Series 2005 are deemed to be paid in full and considered defeased. The liability for those bonds has been removed from the statement of net position.

During the year ended September 30, 2015, the County issued $8,450,000 of General Obligation Refunding Bonds, Series 2015 with an interest rate of 1.49%. The proceeds were used to advance refund $2,630,000 of outstanding Certificates of Obligations, Series 2005 which had interest rates ranging from 3.5% to 5.0% and $5,740,000 of General Obligation Refunding, Series 2005 which had interest rates ranging from 3.25% to 5.0%. Principal payments on the General Obligation Refunding Bonds, Series 2015 are made annually each August 1 with interest payments made semi-annually, each February 1 and August 1 until maturity on August 1, 2021. The County will levy ad valorem tax for the payments of the principal and interest. The net proceeds from this issuance were $8,450,000, which included issuance costs of $80,000. The County advanced refunded the Certificates of Obligation, Series 2005 and General Obligation Refunding, Series 2005 to reduce its total debt service payments over six years by $588,507 and to obtain an economic gain (difference between the present values of the debt service payments of the old and new debt) of $561,359.

The net proceeds from the issuance of the General Obligation Refunding Bonds, Series 2015 were deposited in an irrevocable trust with an escrow agent. As a result, $2,630,000 of the Certificates of Obligation, Series 2005, and $5,740,000 of the General Obligation Refunding, Series 2005 are deemed to be paid in full and considered defeased. The liability for those bonds has been removed from the statement of net position.

During the year ended September 30, 2018, the County issued $9,300,000 of General Obligation Refunding Bonds, Series 2017 with an interest rate of 2.03%. The proceeds were used to advance refund $8,755,000 of outstanding Certificates of Obligations, Series 2009 which had interest rates ranging from 2.0% to 4.7%. Principal payments on the General Obligation Refunding Bonds, Series 2017 are made annually each August 1 with interest payments being made semi-annually each February 1 and August 1 until maturity on August 1, 2029. The County will levy ad valorem tax for the payments of the principal and interest. The net proceeds from this issuance were $9,415,210, which includes issuance costs of $106,302, and a County contribution of $115,210. The reacquisition price exceeded the net carrying amount of the old debt by $553,908. This amount is being amortized over the remaining life of the refunded debt. The County advanced refunded the Certificates of Obligation, Series 2009 to reduce its total debt service payments over twelve years by $1,725,879 and to obtain an economic gain (difference between the present values of the debt service payments of the old and new debt) of $1,610,670.

The net proceeds from the issuance of the General Obligation Refunding Bonds, Series 2017 were deposited in an irrevocable trust with an escrow agent. As a result, $8,755,000 of the Certificates of Obligation, Series 2009 are deemed to be paid in full and considered defeased. The liability for those bonds has been removed from the statement of net position.

Continued

NOTE 9 – GENERAL OBLIGATION BONDS – Continuation

During the year ended September 30, 2019, the County issued $1,635,000 of General Obligation Refunding Bonds, Series 2019 with an interest rate of 4.00%. The proceeds were used to advance refund $1,710,000 of outstanding Certificates of Obligations, Series 2009 which had interest rates ranging from 2.00% to 4.70%. Principal payments on the General Obligation Refunding Bonds, Series 2019 are made annually each August 1 with interest payments being made semi-annually each February 1 and August 1 until maturity on August 1, 2023. The County will levy ad valorem tax for the payments of the principal and interest. The net proceeds from this issuance were $1,635,000, which includes a premium of $106,394, and issuance costs of $31,394. The reacquisition price exceeded the net carrying amount of the old debt by $553,908. This amount is being amortized over the remaining life of the refunded debt. The County advanced refunded the Certificates of Obligation, Series 2009 to reduce its total debt service payments over four years by $110,740 and to obtain an economic gain (difference between the present values of the debt service payments of the old and new debt) of $75,303.

The net proceeds from the issuance of the General Obligation Refunding Bonds, Series 2019 were deposited in an irrevocable trust with an escrow agent. As a result, $1,710,000 of the Certificates of Obligation, Series 2009 are deemed to be paid in full and considered defeased. The liability for those bonds has been removed from the statement of net position.

During the year ended September 30, 2020, the County issued $6,000,000 of General Obligation Refunding Bonds, Series 2020 with an interest rate of 1.70%. The proceeds were used to advance refund $5,915,000 of outstanding Certificates of Obligations, Series 2010 which had interest rates ranging from 2.25% to 4.20%. Principal payments on the General Obligation Refunding Bonds, Series 2020 are made annually each August 1 with interest payments being made semi-annually each February 1 and August 1 until maturity on August 1, 2029. The County will levy ad valorem tax for the payments of the principal and interest. The net proceeds from this issuance were $6,000,000, which includes issuance costs of $85,000. The reacquisition price exceeded the net carrying amount of the old debt by $120,126. This amount is being amortized over the remaining life of the refunded debt. The County advanced refunded the Certificates of Obligation, Series 2010 to reduce its total debt service payments over nine years by $849,076 and to obtain an economic gain (difference between the present values of the debt service payments of the old and new debt) of $728,950.

The net proceeds from the issuance of the General Obligation Refunding Bonds, Series 2020 were deposited in an irrevocable trust with an escrow agent. As a result, $5,915,000 of the Certificates of Obligation, Series 2010 are deemed to be paid in full and considered defeased. The liability for the amount refunded on those bonds has been removed from the statement of net position.

Continued

NOTE 9 – GENERAL OBLIGATION BONDS – Continuation

The annual requirements to amortize all debt outstanding as of September 30, 2021, are as follows:

Years Ending September 30,	Total	Certificates of Obligation Series 2010 Principal	Certificates of Obligation Series 2010 Interest	General Obligation Refunding Bonds Series 2013 Principal	General Obligation Refunding Bonds Series 2013 Interest	Certificates of Obligation Series 2013 Principal	Certificates of Obligation Series 2013 Interest
2022	$ 5,453,094	$ 245,000	$ 9,800	$ 645,000	$ 75,460	$ 255,000	$ 144,400
2023	5,455,177	-	-	665,000	57,400	260,000	136,750
2024	4,818,926	-	-	680,000	38,780	270,000	127,000
2025	4,824,694	-	-	705,000	19,740	280,000	116,875
2026	4,850,911	-	-	-	-	290,000	107,075
2027-2031	13,759,815	-	-	-	-	1,610,000	375,950
2032-2036	3,943,130	-	-	-	-	1,105,000	83,925
Total	$ 43,105,747	$ 245,000	$ 9,800	$ 2,695,000	$ 191,380	$ 4,070,000	$ 1,091,975

General Obligation Refunding Bonds Series 2019 Principal	General Obligation Refunding Bonds Series 2019 Interest	General Obligation Refunding Bonds Series 2020 Principal	General Obligation Refunding Bonds Series 2020 Interest	Tax Notes Series 2020 Principal	Tax Notes Series 2020 Interest
$ 735,000	$ 53,400	$ 470,000	$ 101,405	$ 650,000	$ 58,388
600,000	24,000	740,000	93,415	665,000	47,143
-	-	750,000	80,835	675,000	35,638
-	-	775,000	68,085	685,000	23,961
-	-	785,000	54,910	700,000	12,110
-	-	2,445,000	83,470	-	-
-	-	-	-	-	-
$ 1,335,000	$ 77,400	$ 5,965,000	$ 482,120	$ 3,375,000	$ 177,240

Continued

NOTE 9 – GENERAL OBLIGATION BONDS – Continuation

Certificates of Obligation Series 2016		General Obligation Refunding Bonds Series 2017		Certificates of Obligation Series 2018	
Principal	Interest	Principal	Interest	Principal	Interest
$ 375,000	$ 176,815	$ 75,000	$ 181,076	$ 1,060,000	$ 142,350
390,000	161,815	235,000	179,554	1,090,000	110,100
400,000	150,115	885,000	174,783	465,000	86,775
415,000	138,115	890,000	156,818	480,000	71,100
425,000	125,665	1,660,000	138,751	500,000	52,400
2,315,000	441,068	5,175,000	211,527	1,060,000	42,800
2,585,000	169,205	-	-	-	-
$ 6,905,000	$ 1,362,798	$ 8,920,000	$ 1,042,509	$ 4,655,000	$ 505,525

NOTE 10 – LONG TERM DEBT

Change in long-term debt is summarized below:

	Balance October 1, 2020	Additions	Retirements	Balance September 30, 2021	Due Within One Year
Certificates of Obligation, Series 2010	$ 880,000	$ -	$ (635,000)	$ 245,000	$ 245,000
General Obligation Refunding, Series 2013	3,325,000	-	(630,000)	2,695,000	645,000
Certificates of Obligation, Series 2013	4,320,000	-	(250,000)	4,070,000	255,000
General Obligation Refunding, Series 2015	460,000	-	(460,000)	-	-
Certificates of Obligation, Series 2016	7,265,000	-	(360,000)	6,905,000	375,000
General Obligation Refunding, Series 2017	8,990,000	-	(70,000)	8,920,000	75,000
Certificates of Obligation, Series 2018	5,680,000	-	(1,025,000)	4,655,000	1,060,000
General Obligation Refunding, Series 2019	1,495,000	-	(160,000)	1,335,000	735,000
General Obligation Refunding, Series 2020	6,000,000	-	(35,000)	5,965,000	470,000
Tax Notes, Series 2020	4000000	-	(625,000)	3,375,000	650,000
Deferred issuance premiums	721,020	-	(93,837)	627,183	
Total bonds payable	43,136,020	-	(4,343,837)	38,792,183	4,510,000
Capital lease obligation	250,098	-	(123,216)	126,882	126,882
Estimated liability for compensated absences	1,887,671	2,246,983	(2,287,386)	1,847,268	185,000
Net pension liability	4,736,828	5,537,663	-	10,274,491	-
Total other post employment benefit liability	2,388,547	324,501	-	2,713,048	-
Total	$ 52,399,164	$ 8,109,147	$ (6,754,439)	$ 53,753,872	$ 4,821,882

The County incurred interest expense of $1,118,714 during the year ended September 30, 2021.

NOTE 11 – RISK MANAGEMENT

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

NOTE 12 – COMPENSATED ABSENCES

Regular full-time employees are entitled to vacations of up to 32 days per year based on years of service. Vacation time earned, but not taken, of up to one week may be carried beyond one anniversary year and paid at termination. Sick leave is eligible for up to five (5) days buyout annually and any unused balance is forfeited at termination. Those eligible for retirement are eligible to receive 50% of their sick leave balance, at retirement, not to exceed 160 hours. Compensatory time is limited and if not used, it is paid as overtime. Holiday hours are due to be paid within twelve months.

The liability for compensated absences will be liquidated by the General Fund.

NOTE 13 – HEALTH INSURANCE

The County has maintained a partially self-insured employee health insurance benefit plan for County employees for the 25 years ended September 30, 2021. The Plan accumulates resources to pay the insured healthcare costs for the County employees and their covered dependents and was established with the intent to provide appropriate healthcare insurance to employees and minimize total health insurance cost to the County.

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

The County provided $585 per month for each employee to utilize the insurance coverage for the employee. Employees are required to contribute $25 per month to utilize the employee coverage; however, this contribution is waived if the employee elects wellness testing during the year. Employees may authorize payroll withholding to pay for premium cost for dependent coverage.

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

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

Oversight of the Plan is provided by the Healthcare Insurance Committee made up of two of the County Commissioners and various County employees. The Committee makes recommendations to the Commissioners' Court for funding, procedural and coverage changes for the Plan on an annual basis. In 2008, a health care consultant was hired by the Committee to assist with this process.

During the current year, the self-funded Healthcare Insurance Fund had stop-loss coverage in effect for all claims per individual exceeding $125,000 and for an aggregate loss of $1,000,000. This stop-loss insurance coverage is provided by TPAC Underwriters. TPAC Underwriters is a commercial insurer licensed to do business in Texas in accordance with the Texas Insurance Code. The Plan purchases "15/12 month" insurance, re-insurance, and stop-loss insurance to provide protection for claims, or losses, arising in one insurance period that must be paid in the following insurance period. The provision for unpaid self-insurance health losses at year end is included in claims payable in the internal services fund. It is based upon actual prior claim cost experience and average time lags in settling such claims and actual claims paid after year end. There has been no significant reduction in insurance coverage from coverage in the prior year by major category of risk.

Continued

NOTE 13 – HEALTH INSURANCE – Continuation

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

Balance 10/1/2019	Incurred Claims	Claim Payments	Balance 9/30/2020
$ 279,299	$ 3,991,081	$ 3,838,580	$ 431,800

Balance 10/1/2020	Incurred Claims	Claim Payments	Balance 9/30/2021
$ 431,800	$ 4,070,097	$ 4,401,567	$ 100,330

NOTE 14 – RETIREMENT PLAN

Plan Description

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

Benefits Provided

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

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

Continued

NOTE 14 – RETIREMENT PLAN – Continuation

Employees Covered by Benefit Terms

The following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	235
Inactive employees entitled to but not yet receiving benefits	464
Active employees	542

Contributions

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

The County contributed using the actuarially determined rate of 10.44% for calendar year 2021, and 10.79% for calendar year 2020. The contribution rate payable by the employee members is 7.0% for fiscal year 2021 as adopted by the governing body of the County. The employee contribution rate and the employer contribution rate may be changed by the governing body of the County within the options available in the TCDRS Act.

Net Pension Liability

The County's net pension liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability or asset was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement.

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 – 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.

Continued

NOTE 14 – RETIREMENT PLAN – Continuation

TCDRS system-wide economic assumptions:

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

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

The annual salary increase rates assumed for individual members vary by length of service and by entry-age group. The annual rates consist of a general wage inflation component of 3.00% (made up of 2.50% inflation and 0.5% productivity increase assumptions) and a merit, promotion and longevity component that on average approximates 1.6% per year for a career employee.

Employer-specific economic assumptions:

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

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

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

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

Continued

NOTE 14 – RETIREMENT PLAN – Continuation

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

Asset Class	Benchmark	Target Allocation (1)	Geometric Real Rate of Return (Expected Minus Inflation) (2)
US Equities	Dow Jones U.S. Total Stock Market Index	11.50%	4.25%
Global Equities	MSCI World (net) Index	2.50%	4.55%
International Equities - Developed	MSCI World Ex USA (net) Index	5.00%	4.25%
International Equities - Emerging	MSCI Emerging Markets (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 Distressed Securities Index (3)	4.00%	5.70%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% S&P Global REIT (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 (4)	6.00%	4.90%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index (5)	25.00%	7.25%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Funds of Funds Composite Index	6.00%	1.85%
Cash Equivalents	90-Day U.S. Treasury	2.00%	-0.70%

(1) Target asset allocation adopted at the March 2021 TCDRS Board Meeting.
(2) Geometric real rates of return equal the expected return minus the assumed inflation rate of 2.0%, per Cliffwater's 2021 capital market assumptions.
(3) Includes vintage years 2005-present of Quarter Pooled Horizon IRRs.
(4) Includes vintage years 2007-present of Quarter Pooled Horizon IRRs.
(5) Includes vintage years 2006-present of Quarter Pooled Horizon IRRs.

Continued

NOTE 14 – RETIREMENT PLAN – Continuation

Discount Rate

The discount rate used to measure the total pension liability was 8.10%. The discount rate is the single rate of return that, when applied to all projected benefit payments results in an actuarial present value of projected benefit payments equal to the total of the following:

1. The actuarial present value of benefit payments projected to be made in future periods in which (a) the amount of the pension plan's fiduciary net position is projected to be greater than the benefit payments that are projected to be made in that period and (b) pension plan assets up to that point are expected to be invested using a strategy to achieve the long-term rate of return, calculated using the long-term expected rate of return on pension plan investments.

2. The actuarial present value of projected benefit payments not included in (1), calculated using the municipal bond rate.

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

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

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

1. TCDRS has a funding policy where the Unfunded Actuarial Accrued Liability (UAAL) shall be amortized as a level percent of pay over 20-year closed layered periods.

2. Under the TCDRS Act, the employer is legally required to make the contribution specified in the funding policy.

3. The employer's assets are projected to exceed its accrued liabilities in 20 years or less. When this point is reached, the employer is still required to contribute at least the normal cost.

4. Any increased cost due to the adoption of a COLA is required to be funded over a period of 15 years, if applicable.

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

Continued

NOTE 14 – RETIREMENT PLAN – Continuation

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

Changes in the Net Pension Liability / (Asset)

	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability / (Asset) (a) - (b)
Balances as of December 31, 2019	$ 125,661,731	$ 120,924,903	$ 4,736,828
Changes for the year:			
Service cost	3,760,974	-	3,760,974
Interest on total pension liability (1)	10,274,614	-	10,274,614
Effect of plan changes (2)	-	-	-
Effect of economic/demographic gains or losses	557,146	-	557,146
Effect of assumptions changes or inputs	8,734,925	-	8,734,925
Refund of contributions	(269,715)	(269,715)	-
Benefit payments	(4,983,796)	(4,983,796)	-
Administrative expenses	-	(97,656)	97,656
Member contributions	-	2,131,336	(2,131,336)
Net investment income	-	12,492,611	(12,492,611)
Employer contributions	-	3,247,999	(3,247,999)
Other (3)	-	15,706	(15,706)
Balances as of December 31, 2020	$ 143,735,879	$ 133,461,388	$ 10,274,491

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

(2) No plan changes valued.

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

Continued

NOTE 14 – RETIREMENT PLAN – Continuation

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

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

	1% Decrease 6.60%	Current Discount Rate 7.60%	1% Increase 8.60%
Total pension liability	$ 164,055,952	$ 143,735,879	$ 126,905,050
Fiduciary net position	133,461,388	133,461,388	133,461,388
Net pension liability / (asset)	$ 30,594,564	$ 10,274,491	$ (6,556,338)

Pension Plan Fiduciary Net Position

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

Pension Expense / (Income)

	January 1, 2020 to December 31, 2020
Service cost	$ 3,760,974
Interest on total pension liability (1)	10,274,614
Effect of plan changes	-
Administrative expenses	97,656
Member contributions	(2,131,336)
Expected investment return net of investment expenses	(9,796,659)
Recognition of deferred inflows/outflows of resources	
Recognition of economic/demographic gains or losses	(427,976)
Recognition of assumption changes or inputs	2,222,353
Recognition of investment gains or losses	(1,235,697)
Other (2)	(15,706)
Pension expense / (income)	$ 2,748,223

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

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

Continued

NOTE 14 – RETIREMENT PLAN – Continuation

Deferred Inflows / Outflows of Resources

As of September 30, 2021, the deferred inflows and outflows of resources are as follows:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	$ 728,021	$ 425,759
Changes of assumptions	-	6,589,818
Net difference between projected and actual earnings	4,327,768	-
Contributions made subsequent to measurement date	N/A	2,371,625

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

Year ended December 31:	
2021	$ 726,130
2022	1,872,142
2023	(99,293)
2024	(539,191)
2025	-
Thereafter	-

NOTE 15 – POSTEMPLOYMENT DEFINED BENEFIT GROUP TERM LIFE INSURANCE PLAN

Plan Description

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

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

Funding Policy

Each participating employer contributes to the GTLF at a contractually required rate. An annual actuarial valuation is performed and the contractual rate is determined using the unit credit method for providing one-year term life insurance. Randall County, Texas contributions to the GTLF for the year ended September 30, 2021, 2020, and 2019, were $43,690, $41,553, and $41,127, respectively, which equaled the contractually required contributions each year.

NOTE 16 – OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Plan Description

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

Benefits Provided

An employee who meets the retirement eligibility requirements of the Texas County and District Retirement System (TCDRS), and who leaves the employment of Randall County after eight (8) consecutive years or a total of at least 20 years, with two continuous years of employment with Randall County immediately preceding the date of separation becomes eligible to remain on the County's group medical and dental plan until the retire reaches age 65 or qualifies for Medicare. The eligible retiring employee may also continue the existing coverage for spouses and dependents.

The retiree pays 100% of the total monthly premium prescribed in the current health plan for active employees and dependents. Premiums are determined annually by estimating the amount needed to cover projected claims. If the retiree is eligible under TCDRS, but does not meet the employment requirements outlined above, the premiums for the retiree insurance will be equal to the COBRA rate set at the beginning of each year by the County's third party administrator. Eligible retirees and their spouse and/or dependents covered by the Randall County Health Care group receive the same health and dental care benefits as active employees, as described in the current health manual.

Employees Covered by Benefit Terms

The following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	8
Inactive employees entitled to but not yet receiving benefits	0
Active employees	441

Total OPEB Liability

The County's total OPEB liability was measured as of December 31, 2020, and was determined by an actuarial valuation as of that date.

Continued

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

Actuarial Assumptions

The total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement.

Actuarial cost method	Individual Entry-Age
Discount rate	2.00% as of December 31, 2020
Inflation	2.50%
Salary increases	0.5% to 5.00%, not including wage inflation of 3.25%
Demographic assumptions	Based on the experience study covering the four year period ending December 31, 2016 as conducted for the Texas County and District Retirement System (TCDRS)
Mortality	For healthy retirees, the gender-distinct RP-2014 Healthy Annuitant Mortality Tables are used with male rates multiplied by 130% and female rates multiplied by 110%. Those rates are projected on a fully generational basis based on 110% of the ultimate rates of Scale MP-2014.
Healthcare cost trend rates	Initial rate of 7.00% declining to an ultimate rate of 4.15% after 15 years.
Participation rates	It was assumed that 35% of of eligible employees who retire after the age of 49 would participate and no eligible employees who retire before the age of 50 would participate.

Discount Rate

For plans that do not have formal assets, the discount rate should equal the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. For the purpose of this valuation, the municipal bond rate is 2.00% (based on the daily rate closest to but not later than the measurement date of the Fidelity “20-Year Municipal GO AA Index”). The discount rate was 2.75% as of the prior measurement date.

Continued

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

Changes in the Total OPEB Liability

	Changes in Total OPEB Liability
Balances as of December 31, 2019	$ 2,388,547
Changes for the year:	
Service cost	160,672
Interest on total OPEB liability	67,303
Changes of benefit terms	-
Difference between expected and actual experience	(39,407)
Changes in assumption	178,956
Benefit payments	(43,023)
Balances as of December 31, 2020	$ 2,713,048

Changes of assumptions reflect a change in the discount rate from 2.75% as of December 31, 2019 to 2.00% as of December 31, 2020.

The benefit payments during the measurement period were determined as follows:

Retiree claims paid by County	$ 104,915
Stop-loss and administrative costs for retirees	16,373
Stop-loss reimbursements for retiree claims	-
Retiree contributions	(78,265)
Total benefit payments	$ 43,023

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

Regarding the sensitivity of the total OPEB liability to changes in the discount rate, the following presents the plan's total OPEB liability, calculated using a discounted rate of 2.00%, as well as what the plan's total OPEB liability would be if it were calculated using a discount rate that is one percent lower or one percent higher:

	1% Decrease 1.00%	Current Discount Rate 2.00%	1% Increase 3.00%
Total OPEB liability	$ 2,968,726	$ 2,713,048	$ 2,476,756

Continued

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

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

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

	1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
Total OPEB liability	$ 2,355,399	$ 2,713,048	$ 3,145,133

OPEB Expense / (Income)

	January 1, 2020 to December 31, 2020
Service cost	$ 160,672
Interest on total OPEB liability	67,303
Current period benefit changes	-
OPEB Plan administrative expense	-
Recognition of current year outflow (inflow) due to liabilities	14,711
Amortization of prior year outflow (inflow) due to liabilities	25,508
OPEB expense / (income)	$ 268,194

Deferred Inflows / Outflows of Resources

As of September 30, 2021, the deferred inflows and outflows of resources are as follows:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	$ -	$ 108,603
Changes of assumptions	465,354	45,407
Contributions made subsequent to measurement date	80,580	-

Continued

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

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

Year ended December 31:		
2021	$	40,219
2022		40,219
2023		40,219
2024		40,219
2025		40,219
Thereafter		110,249

NOTE 17 – COMMITMENTS, CONTINGENCIES AND SUBSEQUENT EVENTS

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

The County participates in numerous state and federal grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the County has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at September 30, 2021, may be impaired. In the opinion of the County, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying combined financial statements for such contingencies.

In May 2017, the County entered into an agreement with the Texas Department of Transportation to contribute right-of-way or funds for the purchase of right-of-way for the expansion of Loop 335. The County is committed for $949,207, which represents 10% of the expected cost of the right-of-way. Payments are scheduled through November 2021.

NOTE 18 – TAX ABATEMENT AGREEMENTS

The County has entered into a tax abatement agreement which is authorized and governed by the Property Redevelopment and Tax Abatement Act, Chapter 312, Texas Tax Code with Astra Wind, LLC. The Company is to develop a 163.2 megawatt wind powered electric generating facility in Randall County costing approximately $190,000,000. The County will abate 100% of the ad valorem taxes on this development for a period of ten years beginning on January 1 of the year following completion of the development. During this ten year tax abatement period, the Company will pay the County $2,000 per megawatt of turbine nameplate capacity. The Chief Appraiser will determine the certified appraised value annually pursuant to the terms of the abatement under this agreement. The amount of the abatement will automatically be deducted from the property owner's tax bill. In the event of default the County shall use the certified appraised values which were abated to determine the taxes due, less any payments made at any time to the County. In addition to the commitments for eligibility the Company has agreed to make payments in lieu of taxes annually in the amount of $2,000 per megawatt of turbine nameplate capacity during the abatement period. This resulted in payments in lieu of taxes for the year of $330,885.

Continued

NOTE 18 – TAX ABATEMENT AGREEMENTS – Continuation

The County has entered into a tax abatement agreement which is authorized and governed by the Property Redevelopment and Tax Abatement Act, Chapter 312, Texas Tax Code with Northdraw Wind, LLC. The Company is to develop a 148 megawatt wind powered electric generating facility in Randall County costing approximately $165,000,000. The County will abate 100% of the ad valorem taxes on this development for a period of ten years beginning on January 1 of the year following completion of the development. During this ten year tax abatement period, the Company will pay the County $2,000 per megawatt of turbine nameplate capacity. The Chief Appraiser will determine the certified appraised value annually pursuant to the terms of the abatement under this agreement. The amount of the abatement will automatically be deducted from the property owner's tax bill. In the event of default the County shall use the certified appraised values which were abated to determine the taxes due, less any payments made at any time to the County. In addition to the commitments for eligibility the Company has agreed to make payments in lieu of taxes annually in the amount of $2,000 per megawatt of turbine nameplate capacity during the abatement period. As of September 30, 2021 the construction on this project has not been completed.

The County has entered into a tax abatement agreement which is authorized and governed by the Property Redevelopment and Tax Abatement Act, Chapter 312, Texas Tax Code with Lone Star Dairy Products, LLC. The Company is to develop a new milk powder processing, specialty drying and milk ingredient facility in Randall County costing approximately $75,000,000. The County will abate 100% of the ad valorem taxes on this development for a period of ten years beginning on January 1 of the year following completion of the development. Starting in the second year of this ten year tax abatement period, the Company will begin to pay the County an amount in lieu of the ad valorem taxes. This amount begins at $76,200 per year and increases to $123,800 in year ten.

The County has entered into a tax abatement agreement which is authorized and governed by the Property Redevelopment and Tax Abatement Act, Chapter 312, Texas Tax Code with Cacique, LLC. The Company is to develop a new 180,00 square foot dairy product manufacturing facility in Randall County costing approximately $52,000,000. The County will abate 100% of the ad valorem taxes on this development for a period of ten years beginning on January 1 of the year following completion of the development. As of September 30, 2021 the construction on this project has not been completed.

The County has entered into a tax abatement agreement which is authorized and governed by the Property Redevelopment and Tax Abatement Act, Chapter 312, Texas Tax Code with Owens Corning Composite Materials, LLC. The Company is to install new automation equipment and rebuild the 10-01 furnace and all related equipment located in Randall County costing approximately $30,000,000 - $40,000,000. The County will abate 75% of the ad valorem taxes on this development for a period of five years, and 65% of the ad valorem taxes on this development for the next five years, beginning on January 1 of the year following completion of each project. As of September 30, 2021 the construction on either project has not been completed.

For the fiscal year ended September 30, 2021, Randall County abated property taxes totaling $943,890 under this program, including the following tax abatement agreement:

- A 100 percent tax abatement to Astra Wind, LLC, and the abatement was $667,033.
- A 100 percent tax abatement to Lone Star Dairy Products, LLC, and the abatement was $276,857.

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REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)

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

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 42,549,375	$ 42,549,375	$ 42,748,873	$ 199,498
Sales and miscellaneous taxes	2,035,000	2,035,000	2,347,788	312,788
Licenses and fees	4,309,920	4,309,920	4,857,603	547,683
Fines and forfeitures	1,335,000	1,335,000	1,239,690	(95,310)
Intergovernmental	6,741,317	6,995,817	7,576,430	580,613
Interest	650,000	650,000	293,120	(356,880)
Miscellaneous	288,145	1,090,754	1,208,345	117,591
Total revenues	57,908,757	58,965,866	60,271,849	1,305,983
EXPENDITURES				
Current:				
Administrative	7,366,037	7,313,732	6,823,480	490,252
Judicial	9,336,777	9,338,577	8,298,772	1,039,805
Elections	513,713	521,213	475,987	45,226
Financial administration	2,885,433	2,853,428	2,756,885	96,543
Public facilities	1,074,894	1,064,994	899,705	165,289
Public safety	26,176,870	26,471,860	24,755,615	1,716,245
Road and bridge	4,246,823	3,683,021	3,509,119	173,902
Public services	257,799	232,799	212,477	20,322
Environmental protection	2,000	2,000	2,000	-
Extension service	440,826	443,326	397,361	45,965
Capital outlay	3,434,700	6,672,830	5,137,480	1,535,350
Debt service:				
Principal	145,217	145,217	123,216	22,001
Interest	7,441	7,441	7,440	1
Total expenditures	55,888,530	58,750,438	53,399,537	5,350,901
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	2,020,227	215,428	6,872,312	6,656,884
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of assets	95,000	126,497	469,387	342,890
Transfers in	1,850	107,850	278	(107,572)
Transfers out	(3,665,766)	(3,589,766)	(3,181,979)	407,787
Total other financing sources (uses)	(3,568,916)	(3,355,419)	(2,712,314)	643,105
NET CHANGE IN FUND BALANCES	(1,548,689)	(3,139,991)	4,159,998	7,299,989
FUND BALANCES - BEGINNING	22,936,491	22,936,491	22,936,491	-
FUND BALANCES - ENDING	$ 21,387,802	$ 19,796,500	$ 27,096,489	$ 7,299,989

RANDALL COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
YOUTH CENTER OF THE HIGH PLAINS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental:				
Bed contracts	$ 140,000	$ 140,000	$ 314,230	$ 174,230
Grants	104,000	104,000	92,156	(11,844)
Amarillo ISD	46,428	46,428	46,428	-
Potter County contract	3,247,451	3,247,451	2,721,329	(526,122)
Interest	8,000	8,000	1,378	(6,622)
Miscellaneous	29,800	29,800	38,601	8,801
Total revenues	3,575,679	3,575,679	3,214,122	(361,557)
EXPENDITURES				
Public safety:				
Salaries and fringe benefits	6,026,990	6,026,990	5,369,049	657,941
Operating expenses	796,140	796,140	609,859	186,281
Total expenditures	6,823,130	6,823,130	5,978,908	844,222
EXCESS OF REVENUES OVER / (UNDER) EXPENDITURES	(3,247,451)	(3,247,451)	(2,764,786)	482,665
OTHER FINANCING SOURCES (USES)				
Transfers in	3,269,451	3,269,451	2,785,664	(483,787)
Transfers out	(22,000)	(22,000)	(21,540)	460
Total other financing sources (uses)	3,247,451	3,247,451	2,764,124	(483,327)
NET CHANGE IN FUND BALANCES	-	-	(662)	(662)
FUND BALANCES - BEGINNING	133,300	133,300	133,300	-
FUND BALANCES - ENDING	$ 133,300	$ 133,300	$ 132,638	$ (662)

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RANDALL COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
ARRA/CARES ACT GRANTS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental	$ -	$ 13,757,083	$ 13,730,474	$ (26,609)
Interest	-	148	10,203	10,055
Total revenues	-	13,757,231	13,740,677	(16,554)
EXPENDITURES				
Administrative				
Salaries and fringe benefits	-	43,225	18,638	24,587
Operating expenses	-	590,351	423,073	167,278
Elections				
Salaries and fringe benefits	-	29,421	26,678	2,743
Operating expenses	-	7,131	7,130	1
Public safety				
Operating expenses	-	24,994	24,994	-
Capital outlay	-	13,186,343	192,344	12,993,999
Total expenditures	-	13,881,465	692,857	13,188,608
NET CHANGE IN FUND BALANCES	-	(124,234)	13,047,820	13,172,054
FUND BALANCES - BEGINNING	-	-	-	-
FUND BALANCES - ENDING	$ -	$ (124,234)	$ 13,047,820	$ 13,172,054

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

	Year Ended December 31, 2020	2019	2018	2017
Total Pension Liability:				
Service cost	$ 3,760,974	$ 3,525,643	$ 3,520,917	$ 3,601,991
Interest on total pension liability	10,274,614	9,611,656	9,036,545	8,393,682
Effect of plan changes	-	705,489	-	-
Effect of assumption changes or inputs	8,734,925	-	-	193,112
Effect of economic/demographic (gains) or losses	557,146	(752,538)	(691,246)	39,500
Benefit payments/refunds of contributions	(5,253,511)	(5,032,604)	(4,519,016)	(3,914,026)
Net change in total pension liability	18,074,148	8,057,646	7,347,200	8,314,259
Total pension liability, beginning	125,661,731	117,604,085	110,256,885	101,942,626
Total pension liability, ending (a)	$ 143,735,879	$ 125,661,731	$ 117,604,085	$ 110,256,885
Fiduciary Net Position:				
Employer contributions	$ 3,247,999	$ 2,927,849	$ 2,805,741	$ 2,607,992
Member contributions	2,131,336	2,011,282	1,921,741	1,844,713
Investment income net of investment expenses	12,492,611	17,081,494	(1,969,509)	13,428,643
Benefit payments/refunds of contributions	(5,253,511)	(5,032,604)	(4,519,016)	(3,914,026)
Administrative expenses	(97,656)	(92,149)	(83,546)	(70,389)
Other	15,706	13,646	16,843	6,557
Net change in fiduciary net position	12,536,485	16,909,518	(1,827,746)	13,903,490
Fiduciary net position, beginning	120,924,903	104,015,385	105,843,131	91,939,641
Fiduciary net position, ending (b)	$ 133,461,388	$ 120,924,903	$ 104,015,385	$ 105,843,131
Net pension liability / (asset), ending = (a) - (b)	$ 10,274,491	$ 4,736,828	$ 13,588,700	$ 4,413,754
Fiduciary net position as a % of total pension liability	92.85%	96.23%	88.45%	96.00%
Pensionable covered payroll	$ 30,102,096	$ 28,732,597	$ 27,453,444	$ 26,237,518
Net pension liability as a % of covered payroll	34.13%	16.49%	49.50%	16.82%

Year Ended December 31,					
2016	2015	2014	2013	2012	2011
$ 3,692,616	$ 3,139,891	$ 3,023,898	$ N/A	$ N/A	$ N/A
7,742,132	7,176,649	6,645,469	N/A	N/A	N/A
339,421	(701,092.00)	-	N/A	N/A	N/A
-	901,261.00	-	N/A	N/A	N/A
(1,432,030)	(194,224)	84,257	N/A	N/A	N/A
(3,932,679)	(3,437,883)	(3,267,149)	N/A	N/A	N/A
6,409,460	6,884,603	6,486,475	N/A	N/A	N/A
95,533,166	88,648,564	82,162,089	N/A	N/A	N/A
$ 101,942,626	$ 95,533,166	$ 88,648,564	$ N/A	$ N/A	$ N/A
$ 2,444,753	$ 2,463,045	$ 2,275,729	$ N/A	$ N/A	$ N/A
1,772,265	1,745,073	1,604,304	N/A	N/A	N/A
6,347,752	(572,462)	5,367,921	N/A	N/A	N/A
(3,932,679)	(3,437,883)	(3,267,149)	N/A	N/A	N/A
(69,153)	(61,754)	(63,628)	N/A	N/A	N/A
(447,679)	139,373	149,984	N/A	N/A	N/A
6,115,259	275,391	6,067,161	N/A	N/A	N/A
85,824,382	85,548,991	79,481,830	N/A	N/A	N/A
$ 91,939,641	$ 85,824,382	$ 85,548,991	$ N/A	$ N/A	$ N/A
$ 10,002,985	$ 9,708,784	$ 3,099,573	$ N/A	$ N/A	$ N/A
90.19%	89.84%	96.50%	N/A	N/A	N/A
$ 25,281,849	$ 24,929,621	$ 22,918,625	$ N/A	$ N/A	$ N/A
39.57%	38.94%	13.52%	N/A	N/A	N/A

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

Year Ending September 30:	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll	Actual Contribution as a % of Covered Payroll
2015	$ 2,335,185	$ 2,335,185	$ -	$ 23,607,888	9.9%
2016	2,427,457	2,427,457	-	24,955,855	9.7%
2017	2,570,093	2,570,093	-	26,048,921	9.9%
2018	2,751,052	2,751,052	-	27,118,020	10.1%
2019	2,884,799	2,884,799	-	28,287,650	10.2%
2020	3,154,126	3,154,126	-	29,680,693	10.6%
2021	3,287,714	3,287,714	-	31,206,885	10.5%

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

Notes to Schedule:

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

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	20.0 years (based on contribution rate calculated in 12/31/2020 valuation)
Asset Valuation Method	5-year smoothed market
Inflation	2.50%
Salary increases	Varies by age and service. 4.6% average over career including inflation
Investment rate of return	7.5%, net of investment expenses, including inflation
Retirement age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.
Changes in Assumptions and Methods Reflected in the Schedule of Employer Contributions	2015: New inflation, mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected. 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: Employer contributions reflected that a 1% flat COLA was adopted. Also, 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: Employer contributions reflect that a 1% flat COLA was adopted.

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

	Year Ended December 31,			
	2020	2019	2018	2017
Total OPEB Liability:				
Service cost	$ 160,672	$ 105,898	$ 108,044	$ 95,588
Interest on total OPEB liability	67,303	73,188	64,016	67,709
Changes in benefit terms	-	-	-	-
Difference between expected and actual experience of the total OPEB liability	(39,407)	(36,160)	(64,539)	-
Changes in assumptions	178,956	328,069	(65,396)	78,256
Benefit payments	(43,023)	(4,423)	(278)	(181,552)
Net change in total OPEB liability	324,501	466,572	41,847	60,001
Total OPEB liability, beginning	2,388,547	1,921,975	1,880,128	1,820,127
Total OPEB liability, ending	$ 2,713,048	$ 2,388,547	$ 1,921,975	$ 1,880,128
Covered employee payroll	$ 30,267,358	$ 28,802,693	$ 27,341,142	$ 26,252,557
Total OPEB liability as a % of covered employee payroll	8.96%	8.29%	7.03%	7.16%

Notes to Schedule:

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

December 31, 2020	2.00 %
December 31, 2019	2.75 %
December 31, 2018	3.71 %
December 31, 2017	3.31 %
December 31, 2016	3.81 %

Financial Advisory Services
Provided By:

SAMCO Capital