

PANOLA COUNTY SHERIFF'S OFFICE

Office: 903.693.0333
Fax: 903.693.9366

314 W. Wellington
Carthage, Texas 75633



Sheriff Kevin Lake

February 21, 2020

The Honorable LeeAnn Jones
Panola County Judge
110 S. Sycamore
Carthage, Texas 75633

Dear Judge Jones,

Please add the following item(s) to the next scheduled meeting of the Panola County Commissioner's Court:

Please record the employment of Stephen Gillie as a Patrol Deputy for the Panola County Sheriff's Office at a pay rate of \$21.92 per hour effective February 29, 2020.

Sincerely,

A handwritten signature in black ink, appearing to read "K. Lake", with a long horizontal stroke extending to the right.

Kevin Lake
Sheriff

KL/lw

CC: Jennifer Stacy
Joni Reed

Honesty, Integrity, Service

PANOLA COUNTY, TEXAS

INVITATION TO BID

RETURN BID TO:

COUNTY JUDGE
PANOLA COUNTY COURTHOUSE, ROOM 216A
CARTHAGE, TEXAS 75633

The enclosed INVITATION TO BID (ITB) and accompanying SPECIFICATIONS AND BID SHEET are for your convenience in bidding the enclosed referenced service/products for Panola County.

Sealed bids shall be received no later than:

1:30 PM TUESDAY, MARCH 31, 2020.

MARK ENVELOPE

"ASPHALT MATERIALS FOR ROAD MAINTENANCE"

Bidder shall sign and date the bid. Bids, which are not signed and dated, can be rejected. Bids must be submitted on the enclosed bid sheets and must be in ink or typewritten.

Panola County appreciates your time and effort in preparing this bid. Please note that all bids must be received at the designated location by the deadline shown. Bids received after the deadline will not be considered for the award of the contract, and shall be considered void and unacceptable. Opening is scheduled to be held in Commissioners Courtroom, Panola County Courthouse, Carthage, Texas. You are invited to attend.

SIGNATURE OF BIDDER

PANOLA COUNTY
INVITATION TO BID

INSTRUCTIONS/TERMS OF CONTRACT

By order of the Commissioners Court of Panola County, Texas, sealed bids will be received for:

ASPHALT MATERIALS FOR ROAD MAINTENANCE

TO PROVIDE for an annual contract commencing **March 31, 2020** and continuing until **December 31, 2020.**

IT IS UNDERSTOOD that the Commissioners Court of Panola County, Texas reserves the right to reject any or all bids for any or all products and/or services covered in this bid request and to waive informalities or defects in bids or to accept such bids as it shall deem to be in the best interests of Panola County.

BIDS MUST BE submitted on the bid forms included for that purpose in this packet. Bids shall be placed in separate sealed envelopes, with **each page manually signed by a person having the authority to bind the firm in a contract** and marked clearly on the outside as shown below.

SUBMISSION OF BIDS: Sealed bids shall be submitted to:

COUNTY JUDGE
PANOLA COUNTY COURTHOUSE, ROOM 216A
CARTHAGE, TEXAS 75633

No later than **1:30 P.M. TUESDAY, MARCH 31, 2020**

MARK ENVELOPES:

"ASPHALT MATERIALS FOR ROAD MAINTENANCE"

ALL BIDS MUST BE RECEIVED IN THE COUNTY JUDGE'S OFFICE
BEFORE OPENING DATE AND TIME

SIGNATURE OF BIDDER

INVITATION TO BID
INSTRUCTIONS / TERMS OF CONTRACT

FUNDING: Funds for payment have been provided through the Panola County Budget adopted by the Commissioners Court for **March 31, 2020 thru December 31, 2020.**

LATE BIDS: Bids received in the County Judge's Office after submission deadline will be considered void and unacceptable. Panola County is not responsible for lateness or non-delivery of mail, carrier, etc.

ALTERING BIDS: Bids cannot be altered or amended after submission deadline. Any interlineation, alteration or erasure made before opening time must be initialed by the signer of the bid, guaranteeing authenticity.

WITHDRAWAL OF BID: A bid may not be withdrawn or canceled by the bidder without the permission of the county for a period of ninety (90) days following the date designated for the receipt of bids, and bidder so agrees upon submittal of their bid.

SALES TAX: Panola County is exempt by law from payment of Texas Sales Tax and Federal Excise Tax; therefore, the bid shall not include sales taxes.

BID AWARD: Panola County reserves the right to award bids on the lump sum or unit price basis, whichever is in the best interest of the county.

CONTRACT: This bid, when properly accepted by Panola County, shall constitute a contract equally binding between the successful bidder and Panola County. No different or additional terms will become a part of this contract with the exception of Change Orders.

CHANGE ORDERS: No oral statement of any person shall modify or otherwise change, or affect the terms, conditions or specifications stated in the resulting contract. All change orders to the contract will be made in writing by the Panola County Judge.

IF DURING THE life of the contract, the successful bidder's net prices to other customers for items awarded herein are reduced below the contracted price, it is understood and agreed that the benefits of such reduction shall be extended to Panola County.

DELIVERY: All delivery fees and freight or handling charges shall be as stated on the bid and contract forms section and if not so stated no such costs, fee or charge will be paid.

CONFLICT OF INTEREST: No public official shall have interest in this contract, in accordance with Vernon's Texas Codes Annotated, Local Government Code Title 5, Subtitle C, Chapter 171.

Signature of Bidder

ETHICS: The bidder shall not offer or accept gifts or anything of value nor enter into any business arrangement with any employee, official or agent of Panola County.

EXCEPTIONS / SUBSTITUTIONS: All bids meeting the intent of this invitation to bid will be considered for award. Bidders taking exception to the specifications, or offering substitutions, shall state these exceptions in the section provided or by attachment as part of the bid. The absence of such a list shall indicate that the bidder has not taken exceptions and shall hold the bidder responsible to perform in strict accordance with the specifications of the invitation. Panola County Commissioners Court reserves the right to accept any and all or none of the exceptions(s) / substitution(s) deemed to be in the best interest of the county.

DESCRIPTIONS: Any reference to model and/or make/manufacture used in bid specifications is descriptive, not restrictive. It is used to indicate the type and quality desired. Bids on items of like quality will be considered.

ADDENDA: Any interpretations, corrections or changes in this "Invitation To Bid and Specifications" will be made by addenda. Sole issuing authority of addenda shall be vested in Panola. Addenda will be mailed to all who are known to have received a copy of this Invitation To Bid. Bidders shall acknowledge receipt of all addenda.

BIDS MUST COMPLY with all federal, state, county and local laws concerning these types of service.

DESIGN, STRENGTH, QUALITY of materials must conform to the highest standards of manufacturing practice.

MINIMUM STANDARDS FOR RESPONSIBLE PROSPECTIVE BIDDERS: A prospective bidder must affirmatively demonstrate bidder's responsibility. A prospective bidder must meet the following requirements:

1. Have adequate financial resources, or the ability to obtain such resources as required;
2. be able to comply with the required or proposed delivery schedule;
3. Have a satisfactory record of performance;
4. Have a satisfactory record of integrity and ethics;
5. Be otherwise qualified and eligible to receive an award.

Panola County may request representation and other information sufficient to determine bidder's ability to meet these minimum standards listed above.

Signature of Bidder

REFERENCES: Panola County may request bidder to supply a list of at least three (3) references where like services/products have been supplied by their firm.

BIDDER SHALL PROVIDE with this bid response, all documentation required by this ITB. Failure to provide this information may result in rejection of bid.

WAGES: Successful bidder shall pay or cause to be paid, without cost or expense to Panola County, all Social Security, Unemployment and Federal Income Withholding Taxes of all such employees and all such employees shall be paid wages and benefits as required by Federal and/or State Law.

TERMINATION OF CONTRACT: This contract shall remain in effect until contract expires, delivery and acceptance of products and/or performance of services ordered or terminated by either party with a thirty (30) days written notice prior to any cancellation. The successful bidder must state therein the reasons for such cancellation. Panola County reserves the right to award canceled contract to next lowest and best bidder as it deems to be in the best interest of the county.

TERMINATION FOR DEFAULT: Panola County reserves the right to enforce the performance of this contract in any manner prescribed by law or deemed to be in the best interest of the county in the event of breach or default of this contract. Panola County reserves the right to terminate the contract immediately in the event the successful bidder fails to:

1. Meet schedules;
2. Defaults in the payment of any fees; or
3. Otherwise perform in accordance with these specifications.

Breach of contract or default authorizes the county to exercise any of all of the following rights:

1. Panola County may take possession of the assigned premises and any fees accrued or becoming due to date.
2. Panola County may take possession of all goods, fixtures and materials of successful bidder therein and may foreclose its lien against such personal property, applying the proceeds toward fees due or thereafter becoming due.

Signature of Bidder

In the event the successful bidder shall fail to perform, keep or observe any of the terms and conditions to be performed, kept or observed, Panola County shall give the successful bidder written notice of such default; and in the event said default is not remedied to the satisfaction and approval of the county within two (2) working days of receipt of such notice by the successful bidder, default will be declared and all the successful bidder's rights shall terminate.

Bidder, in submitting this bid, agrees that Panola County shall not be liable to prosecution for damages in the event that the county declares the bidder in default.

NOTICE: Any notice provided by this bid (or required by Law) to be given to the successful bidder by Panola County shall be conclusively deemed to have been given and received on the next day after such written notice has been deposited in the mail in Carthage, Texas, by Registered or Certified Mail with sufficient postage affixed thereto, addressed to the successful bidder at the address so provided; provided this shall not prevent the giving of actual notice in any other manner.

PATENTS / COPYRIGHTS: The successful bidder agrees to protect Panola County from claims involving infringement of patents and/or copyrights.

CONTRACT ADMINISTRATOR: Under this contract, Panola County may appoint a contract administrator with designated responsibility to ensure compliance with contract requirements. The contract administrator will serve as liaison between Panola County and the successful bidder.

PURCHASE ORDER: A purchase order(s) shall be generated by Panola County to the successful bidder. The purchase order number must appear on all itemized invoices and packing slips. Panola County will not be held responsible for any orders placed/delivered without a valid current purchase order number.

INVOICES shall show (a) name and address of successful bidder, (b) Panola County Purchase Order number, and (c) descriptive information as to the item(s) delivered.

PAYMENT will be made upon receipt and acceptance by the county of item(s) ordered and receipt of a valid invoice, in accordance with the State of Texas Prompt Payment Act, Government Code Chapter 2251. Successful bidder is required to pay subcontractors within ten (10) days.

Signature of Bidder

ITEMS supplied under this contract shall be subject to Panola County's approval. Items found defective or not meeting specifications shall be picked up and replaced by the successful bidder at no expense to the County. If item is not picked up within one (1) week after notification, the item will become a donation to the County for disposition.

SAMPLES: When requested, samples shall be furnished free of expense to Panola County.

WARRANTY: Successful bidder shall warrant that all items/services shall conform to the proposed specifications and/or all warranties as stated in the Uniform Commercial Code and be free from all defects in material, workmanship and title.

REMEDIES: The successful bidder and Panola County agree that both parties have all rights, duties, and remedies available as stated in the Uniform Commercial Code.

VENUE: This agreement will be governed and construed according to the laws of the State of Texas. This agreement is performable in Panola County, Texas.

ASSIGNMENT: The successful bidder shall not sell, assign, transfer or convey this contract, in whole or in part, without the prior written consent of Panola County.

SILENCE OF SPECIFICATION: The apparent silence of these specifications as to any detail or to the apparent omission from it of a detailed description concerning any point, shall be regarded as meaning that only the best commercial practices are to prevail. All interpretations of these specifications shall be made on the basis of this statement.

Each insurance policy to be furnished by successful bidder shall include, by endorsement to the policy, a statement that a notice shall be given to Panola County by certified mail thirty (30) days prior to cancellation or upon any material change in coverage.

CERTIFICATE OF INTERESTED PARTIES: Effective January 1, 2016 all contracts executed by Commissioners Court, regardless of the dollar amount, will require completion of Form 1295 "Certificate of Interested Parties", per Government Code Statute §2252.908. All vendors submitting a response to a formal Bid, or any contracts, contract amendments, renewals or change orders are required to complete the Form 1295 online through the State of Texas Ethics Commission website. Please visit, https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm, for more information.

NO DISCRIMINATION: The Bidder must ensure that employees and applicants for employment are not discriminated against because of their race, color, religion, sex, or national origin.

Signature of Bidder

NON COLLUSION AFFIDAVIT: Each Bidder submitting a Bid to the County for any portion of the work contemplated by the documents on which bidding is based shall execute and attach thereto, an affidavit substantially in the form herein provided, to the effect that he has not entered into a collusive agreement with any other person, firm, or corporation in regard to any Bid submitted.

DISPOSAL AND HOLDHARMLESS: BIDDER SHALL LAWFULLY DISPOSE OF ALL CONSTRUCTION MATERIALS, CHEMICALS, AND DEBRIS AND SHALL INDEMNIFY AND HOLD OWNER HARMLESS FOR THE UNLAWFUL DISPOSAL OF ALL CONSTRUCTION MATERIALS, CHEMICALS, AND DEBRIS DONE BY BIDDER OR ITS SUBCONTRACTOR IN FURTHERANCE OF THIS BID.

SUPERVISION AND WARRANTY: The work shall be strictly supervised, the Bidder shall bear full responsibility for any and all acts or omissions of those engaged in the work on behalf of the Bidder; the Bidder hereby warrants that all labor furnished under this Bid shall be competent to perform the tasks undertaken, that the product of such labor shall yield only first-class results, that all materials and equipment provided shall be new and of high quality, that the completed work will be complete, of high quality, without defects, and that all work strictly complies with the requirements of this Bid. Any work not strictly complying with the requirements of this provision shall constitute a breach of the Bidder's warranty.

INDEMNITY:

THE BIDDER SHALL DEFEND, INDEMNIFY AND HOLD PANOLA COUNTY AND ALL ITS EMPLOYEES, OFFICIALS, AND AGENTS HARMLESS FROM ANY AND ALL CLAIMS, LIABILITY, DAMAGES, LOSS, COST AND EXPENSE OF EVERY TYPE WHATSOEVER INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES AND EXPENSES, IN CONNECTION WITH THE BIDDER'S PERFORMANCE OF THIS BID, PROVIDED THAT SUCH CLAIMS, LIABILITY, DAMAGE, LOSS, COST OR EXPENSE IS DUE TO SICKNESS, PERSONAL INJURY, DISEASE OR DEATH, THE UNLAWFUL DISPOSAL OF CONSTRUCTION MATERIALS, CHEMICALS, OR DEBRIS, OR TO LOSS OR DESTRUCTION OF TANGIBLE PROPERTY (OTHER THAN THE WORK ITSELF), INCLUDING LOSS OF USE RESULTING THERE FROM, TO THE EXTENT CAUSED BY THE BIDDER, OR ANYONE FOR WHOSE ACTS THE BIDDER MAY BE LIABLE, REGARDLESS OF WHETHER SUCH LIABILITY, CLAIM, DAMAGE, LOSS, COST OR EXPENSE IS CAUSED IN PART BY THE COUNTY.

Texas Government Code Sec. 2270.002 Provision Required in Contract:

- (1) Bidder does not boycott Israel; and
- (2) Bidder will not boycott Israel during the term of the contract.

ANY QUESTIONS concerning this INVITATION TO BID AND SPECIFICATIONS should be directed to **Melanie Earle, Road and Bridge Warehouse Coordinator at (903) 693-3763.**

Signature of Bidder

SPECIFICATIONS FOR ASPHALT MATERIALS FOR ROAD MAINTENANCE

OIL SAND

<u>PROPERTIES</u>	<u>MINIMUM</u>	<u>MAXIMUM</u>
OIL	5%	6%
SAND	SANDY LOAM, RIVER SAND MUST BE PREDRIED	
ASPHALT CONTENT	5%	6%

HOT OIL SAND

PASSING 1/2" SIEVE	100%
RETAINED ON #10 SIEVE	20-30%
PASSING #10, RETAINED ON #40	5-30%
PASSING #40, RETAINED ON #80	25-60%
PASSING #80, RETAINED ON #200	10-35%
PASSING #200	5-15%
% DENSITY 80-95	STABILITY - MIN. 20

HOT MIX ASPHALT

HOT MIX ASPHALT TYPE D IN ACCORDANCE WITH TXDOT ITEM 340

In determining the lowest and best bid, the Commissioners Court will consider the pick up and delivery locations of the bidders and the cost to the County of delivering or hauling the material to be purchased. So as to determine the most economical cost of the materials, Panola County will factor in a rate of fifty cents (\$.50) per ton/per mile as a cost to the County for materials to be picked up at the plant.

If the Commissioners Court considers awarding a contract to a bidder who is not the lowest dollar bidder meeting specifications, the lowest dollar bidder will be given notice of the proposed award and will be given an opportunity to appear before the Commissioners Court to present evidence on the bidders behalf before the proposed bid is awarded.

Panola County shall provide as much advance notice as possible; however, supplier must be able to provide 90% of the orders as requested with a twelve (12) hour notice.

Bids shall be submitted on the attached bid sheet.

The successful bidders will supply Panola County with a certified weight ticket on each load delivered to Panola County, at the time of the delivery.

Samples of the above commodities may be taken as delivered at any time and submitted to a commercial testing laboratory for compliance. Commodities not meeting the above-described specifications must be removed by the supplier and will not be paid for.

ALL MATERIALS USED IN THESE PRODUCTS MUST COMPLY WITH STATE & FEDERAL ENVIROMENTAL LAWS AND REGULATIONS.

THE ESTIMATED QUANTITY TO BE PURCHASED IS:

**100 TONS OF OIL SAND
100 TONS OF HOT OIL SAND
100 TONS OF HOT MIX ASPHALT**

HOWEVER, THE COUNTY WILL NOT BE OBLIGATED TO PURCHASE THE ESTIMATED QUANTITY OR ANY OTHER PARTICULAR QUANTITY DURING THE YEAR.

BID FORM AND CONTRACT

TO THE COMMISSIONERS COURT OF PANOLA COUNTY, TEXAS FOR FURNISHING TO PANOLA COUTNY, TEXAS IN ACCORDANCE WITH THE FOREGOING SPECIFICATIONS:

The undersigned, as bidder, declares that the only person or persons interested in this bid as principals are those named herein; that this bid is made without collusion with any other person, firm, or corporation; and that I (we) have carefully examined the advertisement, instructions to bidders, specifications, and condition of payment. It is understood that the Court reserves the right to accept or reject any and/or all bids.

I (we) hereby agree to furnish Asphalt Materials for Road Maintenance in accordance with the foregoing specifications for the following prices:

	FOB (Any successful bidders plant location where product is made)	DELIVERED
OIL SAND	\$_____/TON	\$_____/TON
HOT OIL SAND	\$_____/TON	\$_____/TON
HOT MIX ASPHALT.....	\$_____/TON	\$_____/TON

Exceptions to Specifications:

OIL SAND _____

HOT SAND SAND _____

HOT MIX ASPHALT _____

DATE: _____

FIRM: _____

BY: _____

ADDRESS: _____

PHONE NUMBER: _____

DATE: _____

PANOLA COUNTY, TEXAS

BY: _____

**NOTICE OF PROPOSED INSTALLATION
PIPE AND / OR UTILITY LINES**

DATE February 24, 2020

TO: THE PANOLA COUNTY COMMISSIONERS COURT

c/o

PANOLA COUNTY ROAD & BRIDGE DEPARTMENT CARTHAGE, TEXAS

Formal notice is hereby given that:

R. Lacy Services, Ltd. proposes to place a
(COMPANY NAME)

10.750" steel pipe line within the Right-of-Way of
(PIPE SIZE)

County Road: 264 as follows:
(NUMBER OF ROAD)

The proposed pipeline will cross under the indicated roads on the attached sheet. Installation shall be made by boring approx. 60 feet, total length of line in Panola County, Texas.

The location and description of the proposed line and appurtenances is more fully shown by the drawings attached to this notice. The line will be constructed and maintained on the County Right-of-Way as directed by the County Commissioners in accordance with current Panola, County Specifications.

Construction of this line will begin on or after the:

15th day of March, 2020.

FIRM: R. Lacy Services, Ltd

BY: Nate Cook

TITLE: Facilities Engineer

ADDRESS: 222 E Tyler St, Longview, TX 75601
Longview, Texas

PHONE: 903-754-6547

APPROVAL

March 3, 2020

TO: R. Lacy Services, Ltd.
Attn: Nate Cook
222 E. Tyler St.
Longview, TX 75601

RE: **CR #264**

The Panola County Commissioners' Court offers no objection to the location on the right-of-way of your proposed **10.750" steel pipe line** within the right-of-way of County Road **#264** as shown by accompanying drawings and notice except as noted below.

It is expressly understood that the County Commissioners' Court does not purpose hereby, to grant any right, claim, title or easement in or upon this county road. It is further understood that in the future should for any reason the county need to work, improve, relocate, widen, increase, add to, or in any manner change the structure of this right-of-way, any required relocation of said lines shall be at the sole expense of owner.

All work on the county right-of-way shall be performed in accordance with the county instructions. The installations shall not damage any part of the road and adequate provisions must be made to cause minimum inconvenience to traffic and adjacent owners. Special specifications for placing this line are as follows:

1. All lines are to be installed a minimum of 36 inches below the flow line of the adjacent drainage or barrow ditch.
2. All excavation within the right-of-way and not under surfacing shall be backfilled by tamping in 6 inch horizontal layers. All surplus material shall be removed from the right-of-way and the excavation finished flush with surrounding natural ground.
3. Lines crossing under surfaced roads and under surfacing cross roads within the right-of-way shall be placed by boring. Boring shall extend from crown line to crown line. Gravity from sewer lines under roadways shall be cast iron pipe.
4. All lines, where practicable, shall be located to cross roadbed at approximately right angles thereto. No lines are to be installed under or within 50 feet of either end of any bridge. No lines shall be placed in any culvert or within 10 feet of the closest point of same.

5. Parallel line will be installed as near the right-of-way lines as is possible and no parallel line will be installed in the roadbed or between the drainage ditch and the roadbed without special permission of the Panola County Commissioners' Court.
6. Operations along roadbeds shall be performed in such manner that all excavated material be kept off the pavement at all times, as well as all operating equipment and materials. No equipment or installation procedures will be used which will damage any road surface or structures. The cost of any repairs to road surface, roadbed, structures or other right-of-way features as a direct result of this installation will be borne by the owner of this line.
7. Barricades, warning signs, lights, and flag man(men) when necessary shall be provided by the contractor or owner. One-half (1/2) of the traveled portion of the road must be open at all times.

Approved: 
COUNTY JUDGE

COMMISSIONERS:

Precinct #1	Ronnie LaGrone
Precinct #2	David A. Cole
Precinct #3	Craig M. Lawless
Precinct #4	Dale LaGrone

R. Lacy Services proposed CR 264 Crossing

Legend

Proposed R. Lacy
pipeline crossing CR 264

264

Google Earth

© 2020 Google

1000 ft



**NOTICE OF PROPOSED INSTALLATION
PIPE AND / OR UTILITY LINES**

DATE February 24, 2020

TO: THE PANOLA COUNTY COMMISSIONERS COURT

c/o

PANOLA COUNTY ROAD & BRIDGE DEPARTMENT CARTHAGE, TEXAS

Formal notice is hereby given that:

R. Lacy Services, Ltd. proposes to place a
(COMPANY NAME)

10.750" steel pipe line within the Right-of-Way of
(PIPE SIZE)

County Road: 3063 as follows:
(NUMBER OF ROAD)

The proposed pipeline will cross under the indicated roads on the attached sheet. Installation shall be made by boring approx. 60 feet, total length of line in Panola County, Texas.

The location and description of the proposed line and appurtenances is more fully shown by the drawings attached to this notice. The line will be constructed and maintained on the County Right-of-Way as directed by the County Commissioners in accordance with current Panola County Specifications.

Construction of this line will begin on or after the:

15th day of March, 2020.

FIRM: R. Lacy Services, Ltd

BY: Nate Cook

TITLE: Facilities Engineer

ADDRESS: 222 E Tyler St, Longview, TX 75601
Longview, Texas

PHONE: 903-754-6547

APPROVAL

March 3, 2020

TO: R. Lacy Services, Ltd.
Attn: Nate Cook
222 E. Tyler St.
Longview, TX 75601

RE: **CR #3063**

The Panola County Commissioners' Court offers no objection to the location on the right-of-way of your proposed **10.750" steel pipe line** within the right-of-way of County Road **#3063** as shown by accompanying drawings and notice except as noted below.

It is expressly understood that the County Commissioners' Court does not purpose hereby, to grant any right, claim, title or easement in or upon this county road. It is further understood that in the future should for any reason the county need to work, improve, relocate, widen, increase, add to, or in any manner change the structure of this right-of-way, any required relocation of said lines shall be at the sole expense of owner.

All work on the county right-of-way shall be performed in accordance with the county instructions. The installations shall not damage any part of the road and adequate provisions must be made to cause minimum inconvenience to traffic and adjacent owners. Special specifications for placing this line are as follows:

1. All lines are to be installed a minimum of 36 inches below the flow line of the adjacent drainage or barrow ditch.
2. All excavation within the right-of-way and not under surfacing shall be backfilled by tamping in 6 inch horizontal layers. All surplus material shall be removed from the right-of-way and the excavation finished flush with surrounding natural ground.
3. Lines crossing under surfaced roads and under surfacing cross roads within the right-of-way shall be placed by boring. Boring shall extend from crown line to crown line. Gravity from sewer lines under roadways shall be cast iron pipe.
4. All lines, where practicable, shall be located to cross roadbed at approximately right angles thereto. No lines are to be installed under or within 50 feet of either end of any bridge. No lines shall be placed in any culvert or within 10 feet of the closest point of same.

5. Parallel line will be installed as near the right-of-way lines as is possible and no parallel line will be installed in the roadbed or between the drainage ditch and the roadbed without special permission of the Panola County Commissioners' Court.
6. Operations along roadbeds shall be performed in such manner that all excavated material be kept off the pavement at all times, as well as all operating equipment and materials. No equipment or installation procedures will be used which will damage any road surface or structures. The cost of any repairs to road surface, roadbed, structures or other right-of-way features as a direct result of this installation will be borne by the owner of this line.
7. Barricades, warning signs, lights, and flag man(men) when necessary shall be provided by the contractor or owner. One-half (1/2) of the traveled portion of the road must be open at all times.

Approved: 
COUNTY JUDGE

COMMISSIONERS:

Precinct #1	Ronnie LaGrone
Precinct #2	David A. Cole
Precinct #3	Craig M. Lawless
Precinct #4	Dale LaGrone

Legend

R. Lacy Services proposed CR 3063 Crossing

Proposed CR 3063 R.
Lacy Crossing

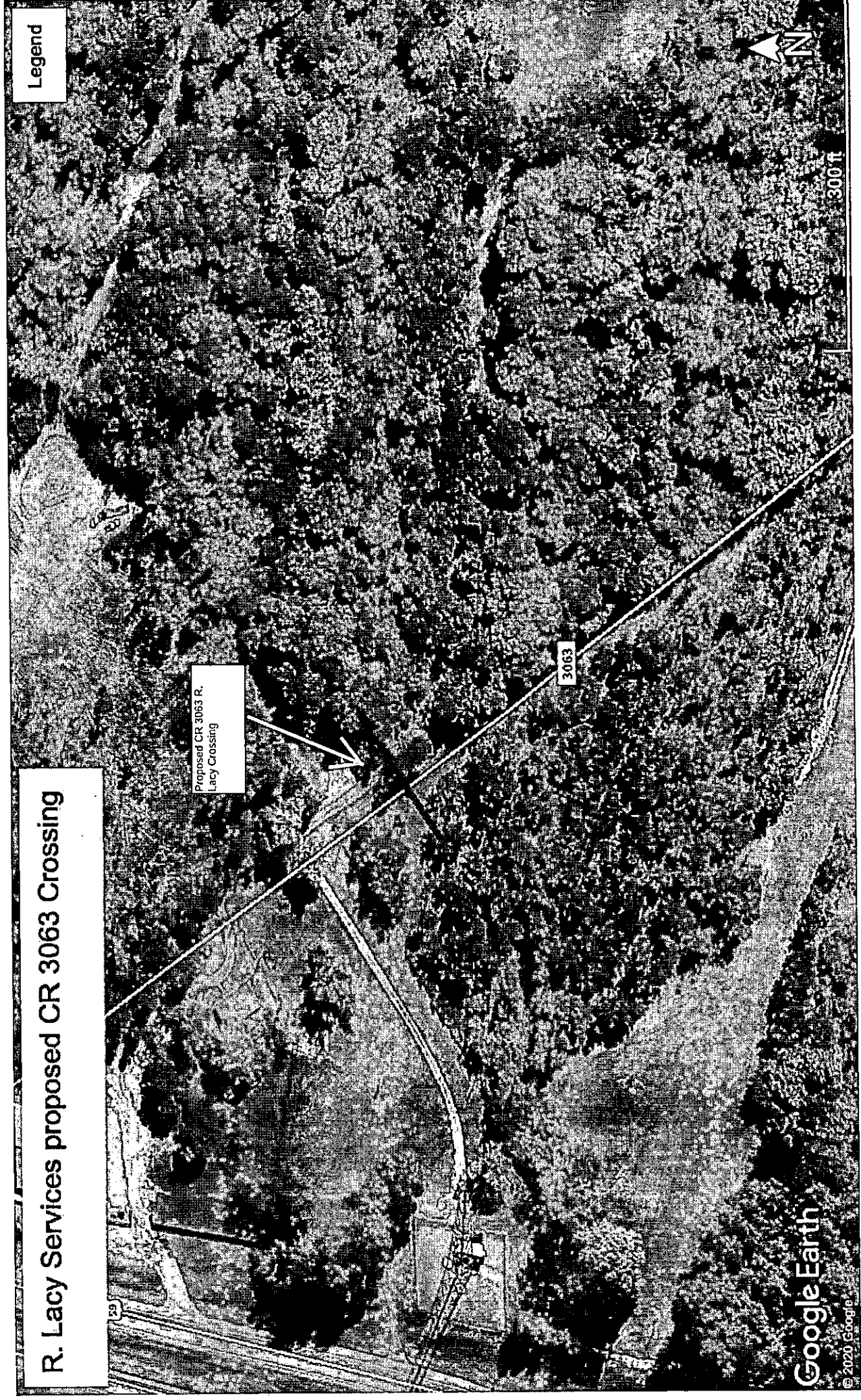
3063

Google Earth

© 2020 Google



300 ft





Equitable Sharing Agreement and Certification



NCIC/ORI/Tracking Number: TX1830000
Agency Name: Panola County Sheriff's Office
Mailing Address: 314 W Wellington St
Carthage, TX 75633

Type: Sheriff's Office

Agency Finance Contact

Name: Stacy, Jennifer
Phone: 9036930320
Email: jennifer.stacy@co.panola.tx.us

Jurisdiction Finance Contact

Name: Stacy, Jennifer
Phone: 9036930320
Email: jennifer.stacy@co.panola.tx.us

ESAC Preparer

Name: Stacy, Jennifer
Phone: 9036930320
Email: jennifer.stacy@co.panola.tx.us

FY End Date: 12/31/2019

Agency FY 2020 Budget: \$6,442,141.00

Annual Certification Report

Summary of Equitable Sharing Activity		Justice Funds ¹	Treasury Funds ²
1	Beginning Equitable Sharing Fund Balance	\$0.00	\$260.81
2	Equitable Sharing Funds Received	\$0.00	\$0.00
3	Equitable Sharing Funds Received from Other Law Enforcement Agencies and Task Force	\$0.00	\$0.00
4	Other Income	\$0.00	\$0.00
5	Interest Income	\$0.00	\$4.34
6	Total Equitable Sharing Funds Received (total of lines 1-5)	\$0.00	\$265.15
7	Equitable Sharing Funds Spent (total of lines a - n)	\$0.00	\$0.00
8	Ending Equitable Sharing Funds Balance (difference between line 7 and line 6)	\$0.00	\$265.15

¹Department of Justice Asset Forfeiture Program participants are: FBI, DEA, ATF, USPIS, USDA, DCIS, DSS, and FDA

²Department of the Treasury Asset Forfeiture Program participants are: IRS, ICE, CBP and USSS.

Summary of Shared Funds Spent		Justice Funds	Treasury Funds
a	Law Enforcement Operations and Investigations	\$0.00	\$0.00
b	Training and Education	\$0.00	\$0.00
c	Law Enforcement, Public Safety, and Detention Facilities	\$0.00	\$0.00
d	Law Enforcement Equipment	\$0.00	\$0.00
e	Joint Law Enforcement/Public Safety Equipment and Operations	\$0.00	\$0.00
f	Contracts for Services	\$0.00	\$0.00
g	Law Enforcement Travel and Per Diem	\$0.00	\$0.00
h	Law Enforcement Awards and Memorials	\$0.00	\$0.00
i	Drug, Gang, and Other Education or Awareness Programs	\$0.00	\$0.00
j	Matching Grants	\$0.00	\$0.00
k	Transfers to Other Participating Law Enforcement Agencies	\$0.00	\$0.00
l	Support of Community-Based Programs	\$0.00	
m	Non-Categorized Expenditures	\$0.00	\$0.00
n	Salaries	\$0.00	\$0.00
	Total	\$0.00	\$0.00

Equitable Sharing Funds Received From Other Agencies

Transferring Agency Name	Justice Funds	Treasury Funds

Other Income

Other Income Type	Justice Funds	Treasury Funds

Matching Grants

Matching Grant Name	Justice Funds	Treasury Funds

Transfers to Other Participating Law Enforcement Agencies

Receiving Agency Name	Justice Funds	Treasury Funds

Support of Community-Based Programs

Recipient	Justice Funds	

Non-Categorized Expenditures

Description	Justice Funds	Treasury Funds

Salaries

Salary Type	Justice Funds	Treasury Funds

Paperwork Reduction Act Notice

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Privacy Act Notice

The Department of Justice is collecting this information for the purpose of reviewing your equitable sharing expenditures. Providing this information is voluntary; however, the information is necessary for your agency to maintain Program compliance. Information collected is covered by Department of Justice System of Records Notice, 71 Fed. Reg. 29170 (May 19, 2006), JMD-022 Department of Justice Consolidated Asset Tracking System (CATS). This information may be disclosed to contractors when necessary to accomplish an agency function, to law enforcement when there is a violation or potential violation of law, or in accordance with other published routine uses. For a complete list of routine uses, see the System of Records Notice as amended by subsequent publications.

Single Audit Information**Independent Auditor****Name:** LaGrone, Morgan**Company:** Morgan LaGrone, CPA, PLLC**Phone:** 9036570240**Email:** morganlagrone@suddenlinkmail.com

Were equitable sharing expenditures included on your jurisdiction's prior fiscal year's Schedule of Expenditures of Federal Awards (SEFA)?

YES ☐ NO ☒

Prior year Single Audit Number Assigned by Harvester Database:

Affidavit

Under penalty of perjury, the undersigned officials certify that they have read and understand their obligations under the *Guide to Equitable Sharing for State, Local, and Tribal Law Enforcement Agencies (Guide)* and all subsequent updates, this Equitable Sharing Agreement, and the applicable sections of the Code of Federal Regulations. The undersigned officials certify that the information submitted on the Equitable Sharing Agreement and Certification form (ESAC) is an accurate accounting of funds received and spent by the Agency.

The undersigned certify that the Agency is in compliance with the applicable nondiscrimination requirements of the following laws and their Department of Justice implementing regulations: Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*), Title IX of the Education Amendments of 1972 (20 U.S.C. § 1681 *et seq.*), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794), and the Age Discrimination Act of 1975 (42 U.S.C. § 6101 *et seq.*), which prohibit discrimination on the basis of race, color, national origin, disability, or age in any federally assisted program or activity, or on the basis of sex in any federally assisted education program or activity. The Agency agrees that it will comply with all federal statutes and regulations permitting federal investigators access to records and any other sources of information as may be necessary to determine compliance with civil rights and other applicable statutes and regulations.

Equitable Sharing Agreement

This Federal Equitable Sharing Agreement, entered into among (1) the Federal Government, (2) the Agency, and (3) the Agency's governing body, sets forth the requirements for participation in the federal Equitable Sharing Program and the restrictions upon the use of federally forfeited funds, property, and any interest earned thereon, which are equitably shared with participating law enforcement agencies. By submitting this form, the Agency agrees that it will be bound by the *Guide* and all subsequent updates, this Equitable Sharing Agreement, and the applicable sections of the Code of Federal Regulations. Submission of the ESAC is a prerequisite to receiving any funds or property through the Equitable Sharing Program.

1. Submission. The ESAC must be signed and electronically submitted within 60 days of the end of the Agency's fiscal year. Electronic submission constitutes submission to the Department of Justice and the Department of the Treasury.

2. Signatories. The ESAC must be signed by the head of the Agency and the head of the governing body. Examples of Agency heads include police chief, sheriff, director, commissioner, superintendent, administrator, county attorney, district attorney, prosecuting attorney, state attorney, commonwealth attorney, and attorney general. The governing body head is the head of the agency that appropriates funding to the Agency. Examples of governing body heads include city manager, mayor, city council chairperson, county executive, county council chairperson, administrator, commissioner, and governor. The governing body head cannot be an official or employee of the Agency and must be from a separate entity.

3. Uses. Shared assets must be used for law enforcement purposes in accordance with the *Guide* and all subsequent updates, this Equitable Sharing Agreement, and the applicable sections of the Code of Federal Regulations.

4. Transfers. Before the Agency transfers funds to other state or local law enforcement agencies, it must obtain written approval from the Department of Justice or Department of the Treasury. Transfers of tangible property are not permitted. Agencies that transfer or receive equitable sharing funds must perform sub-recipient monitoring in accordance with the Code of Federal Regulations.

5. Internal Controls. The Agency agrees to account separately for federal equitable sharing funds received from the Department of Justice and the Department of the Treasury, funds from state and local forfeitures, joint law enforcement operations funds, and any other sources must not be commingled with federal equitable sharing funds.

The Agency certifies that equitable sharing funds are maintained by the entity that maintains the Agency's appropriated or general funds and agrees that the funds will be subject to the standard accounting requirements and practices employed by the Agency's jurisdiction in accordance with the requirements set forth in the *Guide*, any subsequent updates, and the Code of Federal Regulations, including the requirement to maintain relevant documents and records for five years.

The misuse or misapplication of equitably shared funds or assets or supplantation of existing resources with shared funds or assets is prohibited. The Agency must follow its jurisdiction's procurement policies when expending equitably shared funds. Failure to comply with any provision of the *Guide*, any subsequent updates, and the Code of Federal Regulations may subject the Agency to sanctions.

6. Single Audit Report and Other Reviews. Audits shall be conducted as provided by the Single Audit Act Amendments of 1996 and OMB Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards. The Agency must report its equitable sharing expenditures on the Schedule of Expenditures of Federal Awards (SEFA) under Catalog of Federal Domestic Assistance number 16.922 for Department of Justice and 21.016 for Department of the Treasury. The Department of Justice and the Department of the Treasury reserve the right to conduct audits or reviews.

7. Freedom of Information Act (FOIA). Information provided in this Document is subject to the FOIA requirements of the Department of Justice and the Department of the Treasury. Agencies must follow local release of information policies.

8. Waste, Fraud, or Abuse. An Agency or governing body is required to immediately notify the Money Laundering and Asset Recovery Section of the Department of Justice and the Executive Office for Asset Forfeiture of the Department of the Treasury of any allegations or theft, fraud, waste, or abuse involving federal equitable sharing funds.

Civil Rights Cases

During the past fiscal year: (1) has any court or administrative agency issued any finding, judgment, or determination that the Agency discriminated against any person or group in violation of any of the federal civil rights statutes listed above; or (2) has the Agency entered into any settlement agreement with respect to any complaint filed with a court or administrative agency alleging that the Agency discriminated against any person or group in violation of any of the federal civil rights statutes listed above?

☐ Yes ☒ No

Agency Head

Name: Lake, Kevin

Title: Panola County Sheriff

Email: kevin.lake@co.panola.tx.us

Signature: Submitted Electronically

Date: 02/24/2020

To the best of my knowledge and belief, the information provided on this ESAC is true and accurate and has been reviewed and authorized by the Law Enforcement Agency Head whose name appears above. Entry of the Agency Head name above indicates his/her agreement to abide by the Guide, any subsequent updates, and the Code of Federal Regulations, including ensuring permissibility of expenditures and following all required procurement policies and procedures.

Governing Body Head

Name: Jones, LeeAnn

Title: Panola County Judge

Email: leeann.jones@co.panola.tx.us

Signature: Submitted Electronically

Date: 02/24/2020

To the best of my knowledge and belief, the Agency's current fiscal year budget reported on this ESAC is true and accurate and the Governing Body Head whose name appears above certifies that the agency's budget has not been supplanted as a result of receiving equitable sharing funds. Entry of the Governing Body Head name above indicates his/her agreement to abide by the policies and procedures set forth in the Guide, any subsequent updates, and the Code of Federal Regulations.

☒ I certify that I have obtained approval from and I am authorized to submit this form on behalf of the Agency Head and the Governing Body Head.

Submitted Electronically on 02/24/2020



Equitable Sharing Agreement and Certification



NCIC/ORI/Tracking Number: TX183015A
Agency Name: Panola County District Attorney's Office
Mailing Address: Justice Center - Suite 301
Carthage, TX 75633

Type: Prosecutor's Office

Agency Finance Contact

Name: Stacy, Jennifer
Phone: 9036930320
Email: jennifer.stacy@co.panola.tx.us

Jurisdiction Finance Contact

Name: Stacy, Jennifer
Phone: 9036930320
Email: sidney.burns@co.panola.tx.us

ESAC Preparer

Name: Stacy, Jennifer
Phone: 9036930320
Email: sidney.burns@co.panola.tx.us

FY End Date: 12/31/2019

Agency FY 2020 Budget: \$955,825.00

Annual Certification Report

Summary of Equitable Sharing Activity		Justice Funds ¹	Treasury Funds ²
1	Beginning Equitable Sharing Fund Balance	\$58,126.44	\$0.00
2	Equitable Sharing Funds Received	\$0.00	\$0.00
3	Equitable Sharing Funds Received from Other Law Enforcement Agencies and Task Force	\$0.00	\$0.00
4	Other Income	\$0.00	\$0.00
5	Interest Income	\$966.76	\$0.00
6	Total Equitable Sharing Funds Received (total of lines 1-5)	\$59,093.20	\$0.00
7	Equitable Sharing Funds Spent (total of lines a - n)	\$0.00	\$0.00
8	Ending Equitable Sharing Funds Balance (difference between line 7 and line 6)	\$59,093.20	\$0.00

¹Department of Justice Asset Forfeiture Program participants are: FBI, DEA, ATF, USPIS, USDA, DCIS, DSS, and FDA

²Department of the Treasury Asset Forfeiture Program participants are: IRS, ICE, CBP and USSS.

Summary of Shared Funds Spent		Justice Funds	Treasury Funds
a	Law Enforcement Operations and Investigations	\$0.00	\$0.00
b	Training and Education	\$0.00	\$0.00
c	Law Enforcement, Public Safety, and Detention Facilities	\$0.00	\$0.00
d	Law Enforcement Equipment	\$0.00	\$0.00
e	Joint Law Enforcement/Public Safety Equipment and Operations	\$0.00	\$0.00
f	Contracts for Services	\$0.00	\$0.00
g	Law Enforcement Travel and Per Diem	\$0.00	\$0.00
h	Law Enforcement Awards and Memorials	\$0.00	\$0.00
i	Drug, Gang, and Other Education or Awareness Programs	\$0.00	\$0.00
j	Matching Grants	\$0.00	\$0.00
k	Transfers to Other Participating Law Enforcement Agencies	\$0.00	\$0.00
l	Support of Community-Based Programs	\$0.00	
m	Non-Categorized Expenditures	\$0.00	\$0.00
n	Salaries	\$0.00	\$0.00
	Total	\$0.00	\$0.00

Equitable Sharing Funds Received From Other Agencies

Transferring Agency Name	Justice Funds	Treasury Funds

Other Income

Other Income Type	Justice Funds	Treasury Funds

Matching Grants

Matching Grant Name	Justice Funds	Treasury Funds

Transfers to Other Participating Law Enforcement Agencies

Receiving Agency Name	Justice Funds	Treasury Funds

Support of Community-Based Programs

Recipient	Justice Funds	

Non-Categorized Expenditures

Description	Justice Funds	Treasury Funds

Salaries

Salary Type	Justice Funds	Treasury Funds

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Single Audit Information**Independent Auditor****Name:** LaGrone, Morgan**Company:** Morgan LaGrone, CPA, PLLC**Phone:** 9036570240**Email:** morganlagrone@suddenlinkmail.com

Were equitable sharing expenditures included on your jurisdiction's prior fiscal year's Schedule of Expenditures of Federal Awards (SEFA)?

YES ☐ NO ☒

Prior year Single Audit Number Assigned by Harvester Database:

~~_____~~

Affidavit

Under penalty of perjury, the undersigned officials certify that they have read and understand their obligations under the *Guide to Equitable Sharing for State, Local, and Tribal Law Enforcement Agencies (Guide)* and all subsequent updates, this Equitable Sharing Agreement, and the applicable sections of the Code of Federal Regulations. The undersigned officials certify that the information submitted on the Equitable Sharing Agreement and Certification form (ESAC) is an accurate accounting of funds received and spent by the Agency.

The undersigned certify that the Agency is in compliance with the applicable nondiscrimination requirements of the following laws and their Department of Justice implementing regulations: Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*), Title IX of the Education Amendments of 1972 (20 U.S.C. § 1681 *et seq.*), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794), and the Age Discrimination Act of 1975 (42 U.S.C. § 6101 *et seq.*), which prohibit discrimination on the basis of race, color, national origin, disability, or age in any federally assisted program or activity, or on the basis of sex in any federally assisted education program or activity. The Agency agrees that it will comply with all federal statutes and regulations permitting federal investigators access to records and any other sources of information as may be necessary to determine compliance with civil rights and other applicable statutes and regulations.

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1. Submission. The ESAC must be signed and electronically submitted within 60 days of the end of the Agency's fiscal year. Electronic submission constitutes submission to the Department of Justice and the Department of the Treasury.

2. Signatories. The ESAC must be signed by the head of the Agency and the head of the governing body. Examples of Agency heads include police chief, sheriff, director, commissioner, superintendent, administrator, county attorney, district attorney, prosecuting attorney, state attorney, commonwealth attorney, and attorney general. The governing body head is the head of the agency that appropriates funding to the Agency. Examples of governing body heads include city manager, mayor, city council chairperson, county executive, county council chairperson, administrator, commissioner, and governor. The governing body head cannot be an official or employee of the Agency and must be from a separate entity.

3. Uses. Shared assets must be used for law enforcement purposes in accordance with the *Guide* and all subsequent updates, this Equitable Sharing Agreement, and the applicable sections of the Code of Federal Regulations.

4. Transfers. Before the Agency transfers funds to other state or local law enforcement agencies, it must obtain written approval from the Department of Justice or Department of the Treasury. Transfers of tangible property are not permitted. Agencies that transfer or receive equitable sharing funds must perform sub-recipient monitoring in accordance with the Code of Federal Regulations.

5. Internal Controls. The Agency agrees to account separately for federal equitable sharing funds received from the Department of Justice and the Department of the Treasury, funds from state and local forfeitures, joint law enforcement operations funds, and any other sources must not be commingled with federal equitable sharing funds.

The Agency certifies that equitable sharing funds are maintained by the entity that maintains the Agency's appropriated or general funds and agrees that the funds will be subject to the standard accounting requirements and practices employed by the Agency's jurisdiction in accordance with the requirements set forth in the *Guide*, any subsequent updates, and the Code of Federal Regulations, including the requirement to maintain relevant documents and records for five years.

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6. Single Audit Report and Other Reviews. Audits shall be conducted as provided by the Single Audit Act Amendments of 1996 and OMB Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards. The Agency must report its equitable sharing expenditures on the Schedule of Expenditures of Federal Awards (SEFA) under Catalog of Federal Domestic Assistance number 16.922 for Department of Justice and 21.016 for Department of the Treasury. The Department of Justice and the Department of the Treasury reserve the right to conduct audits or reviews.

7. Freedom of Information Act (FOIA). Information provided in this Document is subject to the FOIA requirements of the Department of Justice and the Department of the Treasury. Agencies must follow local release of information policies.

8. Waste, Fraud, or Abuse. An Agency or governing body is required to immediately notify the Money Laundering and Asset Recovery Section of the Department of Justice and the Executive Office for Asset Forfeiture of the Department of the Treasury of any allegations or theft, fraud, waste, or abuse involving federal equitable sharing funds.

Civil Rights Cases

During the past fiscal year: (1) has any court or administrative agency issued any finding, judgment, or determination that the Agency discriminated against any person or group in violation of any of the federal civil rights statutes listed above; or (2) has the Agency entered into any settlement agreement with respect to any complaint filed with a court or administrative agency alleging that the Agency discriminated against any person or group in violation of any of the federal civil rights statutes listed above?

☐ Yes ☒ No

Agency Head

Name: Davidson, Danny Buck
Title: Criminal District Attorney
Email: kevin.jones@co.panola.tx.us

Signature: Submitted Electronically

Date: 02/24/2020

To the best of my knowledge and belief, the information provided on this ESAC is true and accurate and has been reviewed and authorized by the Law Enforcement Agency Head whose name appears above. Entry of the Agency Head name above indicates his/her agreement to abide by the Guide, any subsequent updates, and the Code of Federal Regulations, including ensuring permissibility of expenditures and following all required procurement policies and procedures.

Governing Body Head

Name: Jones, Lee Ann
Title: Panola County Judge
Email: leeann.jones@co.panola.tx.us

Signature: Submitted Electronically

Date: 02/24/2020

To the best of my knowledge and belief, the Agency's current fiscal year budget reported on this ESAC is true and accurate and the Governing Body Head whose name appears above certifies that the agency's budget has not been supplanted as a result of receiving equitable sharing funds. Entry of the Governing Body Head name above indicates his/her agreement to abide by the policies and procedures set forth in the Guide, any subsequent updates, and the Code of Federal Regulations.

☒ I certify that I have obtained approval from and I am authorized to submit this form on behalf of the Agency Head and the Governing Body Head.

Submitted Electronically on 02/24/2020



Equitable Sharing Agreement and Certification



NCIC/ORI/Tracking Number: TX1830200
Agency Name: Panola County Constable Precinct 1 & 4
Mailing Address: 314 W. Wellington
Carthage, TX 75633

Type: Police Department

Agency Finance Contact

Name: Stacy, Jennifer
Phone: 9036930320

Email: jennifer.stacy@co.panola.tx.us

Jurisdiction Finance Contact

Name: Stacy, Jennifer
Phone: 9036930320

Email: jennifer.stacy@co.panola.tx.us

ESAC Preparer

Name: Stacy, Jennifer
Phone: 9036930320

Email: jennifer.stacy@co.panola.tx.us

FY End Date: 12/31/2019

Agency FY 2020 Budget: \$185,155.00

Annual Certification Report

Summary of Equitable Sharing Activity		Justice Funds ¹	Treasury Funds ²
1	Beginning Equitable Sharing Fund Balance	\$0.00	\$0.00
2	Equitable Sharing Funds Received	\$0.00	\$0.00
3	Equitable Sharing Funds Received from Other Law Enforcement Agencies and Task Force	\$0.00	\$0.00
4	Other Income	\$0.00	\$0.00
5	Interest Income	\$0.00	\$0.00
6	Total Equitable Sharing Funds Received (total of lines 1-5)	\$0.00	\$0.00
7	Equitable Sharing Funds Spent (total of lines a - n)	\$0.00	\$0.00
8	Ending Equitable Sharing Funds Balance (difference between line 7 and line 6)	\$0.00	\$0.00

¹Department of Justice Asset Forfeiture Program participants are: FBI, DEA, ATF, USPIS, USDA, DCIS, DSS, and FDA

²Department of the Treasury Asset Forfeiture Program participants are: IRS, ICE, CBP and USSS.

Summary of Shared Funds Spent		Justice Funds	Treasury Funds
a	Law Enforcement Operations and Investigations	\$0.00	\$0.00
b	Training and Education	\$0.00	\$0.00
c	Law Enforcement, Public Safety, and Detention Facilities	\$0.00	\$0.00
d	Law Enforcement Equipment	\$0.00	\$0.00
e	Joint Law Enforcement/Public Safety Equipment and Operations	\$0.00	\$0.00
f	Contracts for Services	\$0.00	\$0.00
g	Law Enforcement Travel and Per Diem	\$0.00	\$0.00
h	Law Enforcement Awards and Memorials	\$0.00	\$0.00
i	Drug, Gang, and Other Education or Awareness Programs	\$0.00	\$0.00
j	Matching Grants	\$0.00	\$0.00
k	Transfers to Other Participating Law Enforcement Agencies	\$0.00	\$0.00
l	Support of Community-Based Programs	\$0.00	
m	Non-Categorized Expenditures	\$0.00	\$0.00
n	Salaries	\$0.00	\$0.00
	Total	\$0.00	\$0.00

Equitable Sharing Funds Received From Other Agencies

Transferring Agency Name	Justice Funds	Treasury Funds

Other Income

Other Income Type	Justice Funds	Treasury Funds

Matching Grants

Matching Grant Name	Justice Funds	Treasury Funds

Transfers to Other Participating Law Enforcement Agencies

Receiving Agency Name	Justice Funds	Treasury Funds

Support of Community-Based Programs

Recipient	Justice Funds	

Non-Categorized Expenditures

Description	Justice Funds	Treasury Funds

Salaries

Salary Type	Justice Funds	Treasury Funds

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Single Audit Information**Independent Auditor****Name:** LaGrone, Morgan**Company:** Morgan LaGrone, CPA, PLLC**Phone:** 9036570240**Email:** morganlagrone@suddenlinkmail.com

Were equitable sharing expenditures included on your jurisdiction's prior fiscal year's Schedule of Expenditures of Federal Awards (SEFA)?

YES ☐ NO ☒

Prior year Single Audit Number Assigned by Harvester Database:

Affidavit

Under penalty of perjury, the undersigned officials certify that they have read and understand their obligations under the *Guide to Equitable Sharing for State, Local, and Tribal Law Enforcement Agencies (Guide)* and all subsequent updates, this Equitable Sharing Agreement, and the applicable sections of the Code of Federal Regulations. The undersigned officials certify that the information submitted on the Equitable Sharing Agreement and Certification form (ESAC) is an accurate accounting of funds received and spent by the Agency.

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2. Signatories. The ESAC must be signed by the head of the Agency and the head of the governing body. Examples of Agency heads include police chief, sheriff, director, commissioner, superintendent, administrator, county attorney, district attorney, prosecuting attorney, state attorney, commonwealth attorney, and attorney general. The governing body head is the head of the agency that appropriates funding to the Agency. Examples of governing body heads include city manager, mayor, city council chairperson, county executive, county council chairperson, administrator, commissioner, and governor. The governing body head cannot be an official or employee of the Agency and must be from a separate entity.

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The Agency certifies that equitable sharing funds are maintained by the entity that maintains the Agency's appropriated or general funds and agrees that the funds will be subject to the standard accounting requirements and practices employed by the Agency's jurisdiction in accordance with the requirements set forth in the *Guide*, any subsequent updates, and the Code of Federal Regulations, including the requirement to maintain relevant documents and records for five years.

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Civil Rights Cases

During the past fiscal year: (1) has any court or administrative agency issued any finding, judgment, or determination that the Agency discriminated against any person or group in violation of any of the federal civil rights statutes listed above; or (2) has the Agency entered into any settlement agreement with respect to any complaint filed with a court or administrative agency alleging that the Agency discriminated against any person or group in violation of any of the federal civil rights statutes listed above?

☐ Yes ☒ No

Agency Head

Name: Murff, Bryan
Title: Constable Pct. 1 & 4
Email: bryan.murff@co.panola.tx.us

Signature: Submitted Electronically

Date: 02/24/2020

To the best of my knowledge and belief, the information provided on this ESAC is true and accurate and has been reviewed and authorized by the Law Enforcement Agency Head whose name appears above. Entry of the Agency Head name above indicates his/her agreement to abide by the Guide, any subsequent updates, and the Code of Federal Regulations, including ensuring permissibility of expenditures and following all required procurement policies and procedures.

Governing Body Head

Name: Jones, LeeAnn
Title: County Judge
Email: leeann.jones@co.panola.tx.us

Signature: Submitted Electronically

Date: 02/24/2020

To the best of my knowledge and belief, the Agency's current fiscal year budget reported on this ESAC is true and accurate and the Governing Body Head whose name appears above certifies that the agency's budget has not been supplanted as a result of receiving equitable sharing funds. Entry of the Governing Body Head name above indicates his/her agreement to abide by the policies and procedures set forth in the Guide, any subsequent updates, and the Code of Federal Regulations.

☒ I certify that I have obtained approval from and I am authorized to submit this form on behalf of the Agency Head and the Governing Body Head.

Submitted Electronically on 02/24/2020



Equitable Sharing Agreement and Certification



NCIC/ORI/Tracking Number: TX1830300

Agency Name: Panola County Constable Precincts 2 & 3

Type: Police Department

Mailing Address: 110 S. Sycamore Rm 102a
Carthage, TX 75633

Agency Finance Contact

Name: Stacy, Jennifer

Phone: 9036930320

Email: jennifer.stacy@co.panola.tx.us

Jurisdiction Finance Contact

Name: Stacy, Jennifer

Phone: 9036930320

Email: jennifer.stacy@co.panola.tx.us

ESAC Preparer

Name: Stacy, Jennifer

Phone: 9036930320

Email: jennifer.stacy@co.panola.tx.us

FY End Date: 12/31/2019

Agency FY 2020 Budget: \$226,477.00

Annual Certification Report

Summary of Equitable Sharing Activity		Justice Funds ¹	Treasury Funds ²
1	Beginning Equitable Sharing Fund Balance	\$32.81	\$281.53
2	Equitable Sharing Funds Received	\$0.00	\$0.00
3	Equitable Sharing Funds Received from Other Law Enforcement Agencies and Task Force	\$0.00	\$0.00
4	Other Income	\$0.00	\$0.00
5	Interest Income	\$0.52	\$4.69
6	Total Equitable Sharing Funds Received (total of lines 1-5)	\$33.33	\$286.22
7	Equitable Sharing Funds Spent (total of lines a - n)	\$0.00	\$0.00
8	Ending Equitable Sharing Funds Balance (difference between line 7 and line 6)	\$33.33	\$286.22

¹Department of Justice Asset Forfeiture Program participants are: FBI, DEA, ATF, USPIS, USDA, DCIS, DSS, and FDA

²Department of the Treasury Asset Forfeiture Program participants are: IRS, ICE, CBP and USSS.

Summary of Shared Funds Spent		Justice Funds	Treasury Funds
a	Law Enforcement Operations and Investigations	\$0.00	\$0.00
b	Training and Education	\$0.00	\$0.00
c	Law Enforcement, Public Safety, and Detention Facilities	\$0.00	\$0.00
d	Law Enforcement Equipment	\$0.00	\$0.00
e	Joint Law Enforcement/Public Safety Equipment and Operations	\$0.00	\$0.00
f	Contracts for Services	\$0.00	\$0.00
g	Law Enforcement Travel and Per Diem	\$0.00	\$0.00
h	Law Enforcement Awards and Memorials	\$0.00	\$0.00
i	Drug, Gang, and Other Education or Awareness Programs	\$0.00	\$0.00
j	Matching Grants	\$0.00	\$0.00
k	Transfers to Other Participating Law Enforcement Agencies	\$0.00	\$0.00
l	Support of Community-Based Programs	\$0.00	
m	Non-Categorized Expenditures	\$0.00	\$0.00
n	Salaries	\$0.00	\$0.00
	Total	\$0.00	\$0.00

Equitable Sharing Funds Received From Other Agencies

Transferring Agency Name	Justice Funds	Treasury Funds

Other Income

Other Income Type	Justice Funds	Treasury Funds

Matching Grants

Matching Grant Name	Justice Funds	Treasury Funds

Transfers to Other Participating Law Enforcement Agencies

Receiving Agency Name	Justice Funds	Treasury Funds

Support of Community-Based Programs

Recipient	Justice Funds	

Non-Categorized Expenditures

Description	Justice Funds	Treasury Funds

Salaries

Salary Type	Justice Funds	Treasury Funds

Paperwork Reduction Act Notice

Under the Paperwork Reduction Act, a person is not required to respond to a collection of information unless it displays a valid OMB control number. We try to create accurate and easily understood forms that impose the least possible burden on you to complete. The estimated average time to complete this form is 30 minutes. If you have comments regarding the accuracy of this estimate, or suggestions for making this form simpler, please write to the Asset Forfeiture and Money Laundering Section at 1400 New York Avenue, N.W., Washington, DC 20005.

Privacy Act Notice

The Department of Justice is collecting this information for the purpose of reviewing your equitable sharing expenditures. Providing this information is voluntary; however, the information is necessary for your agency to maintain Program compliance. Information collected is covered by Department of Justice System of Records Notice, 71 Fed. Reg. 29170 (May 19, 2006), JMD-022 Department of Justice Consolidated Asset Tracking System (CATS). This information may be disclosed to contractors when necessary to accomplish an agency function, to law enforcement when there is a violation or potential violation of law, or in accordance with other published routine uses. For a complete list of routine uses, see the System of Records Notice as amended by subsequent publications.

Single Audit Information**Independent Auditor**

Name: LaGrone, Morgan

Company: Morgan LaGrone, CPA, PLLC

Phone: 9036570240

Email: morganlagrone@suddenlinkmail.com

Were equitable sharing expenditures included on your jurisdiction's prior fiscal year's Schedule of Expenditures of Federal Awards (SEFA)?

YES ☐ NO ☒

Prior year Single Audit Number Assigned by Harvester Database:

Affidavit

Under penalty of perjury, the undersigned officials certify that they have read and understand their obligations under the *Guide to Equitable Sharing for State, Local, and Tribal Law Enforcement Agencies (Guide)* and all subsequent updates, this Equitable Sharing Agreement, and the applicable sections of the Code of Federal Regulations. The undersigned officials certify that the information submitted on the Equitable Sharing Agreement and Certification form (ESAC) is an accurate accounting of funds received and spent by the Agency.

The undersigned certify that the Agency is in compliance with the applicable nondiscrimination requirements of the following laws and their Department of Justice implementing regulations: Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*), Title IX of the Education Amendments of 1972 (20 U.S.C. § 1681 *et seq.*), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794), and the Age Discrimination Act of 1975 (42 U.S.C. § 6101 *et seq.*), which prohibit discrimination on the basis of race, color, national origin, disability, or age in any federally assisted program or activity, or on the basis of sex in any federally assisted education program or activity. The Agency agrees that it will comply with all federal statutes and regulations permitting federal investigators access to records and any other sources of information as may be necessary to determine compliance with civil rights and other applicable statutes and regulations.

Equitable Sharing Agreement

This Federal Equitable Sharing Agreement, entered into among (1) the Federal Government, (2) the Agency, and (3) the Agency's governing body, sets forth the requirements for participation in the federal Equitable Sharing Program and the restrictions upon the use of federally forfeited funds, property, and any interest earned thereon, which are equitably shared with participating law enforcement agencies. By submitting this form, the Agency agrees that it will be bound by the *Guide* and all subsequent updates, this Equitable Sharing Agreement, and the applicable sections of the Code of Federal Regulations. Submission of the ESAC is a prerequisite to receiving any funds or property through the Equitable Sharing Program.

1. Submission. The ESAC must be signed and electronically submitted within 60 days of the end of the Agency's fiscal year. Electronic submission constitutes submission to the Department of Justice and the Department of the Treasury.

2. Signatories. The ESAC must be signed by the head of the Agency and the head of the governing body. Examples of Agency heads include police chief, sheriff, director, commissioner, superintendent, administrator, county attorney, district attorney, prosecuting attorney, state attorney, commonwealth attorney, and attorney general. The governing body head is the head of the agency that appropriates funding to the Agency. Examples of governing body heads include city manager, mayor, city council chairperson, county executive, county council chairperson, administrator, commissioner, and governor. The governing body head cannot be an official or employee of the Agency and must be from a separate entity.

3. Uses. Shared assets must be used for law enforcement purposes in accordance with the *Guide* and all subsequent updates, this Equitable Sharing Agreement, and the applicable sections of the Code of Federal Regulations.

4. Transfers. Before the Agency transfers funds to other state or local law enforcement agencies, it must obtain written approval from the Department of Justice or Department of the Treasury. Transfers of tangible property are not permitted. Agencies that transfer or receive equitable sharing funds must perform sub-recipient monitoring in accordance with the Code of Federal Regulations.

5. Internal Controls. The Agency agrees to account separately for federal equitable sharing funds received from the Department of Justice and the Department of the Treasury, funds from state and local forfeitures, joint law enforcement operations funds, and any other sources must not be commingled with federal equitable sharing funds.

The Agency certifies that equitable sharing funds are maintained by the entity that maintains the Agency's appropriated or general funds and agrees that the funds will be subject to the standard accounting requirements and practices employed by the Agency's jurisdiction in accordance with the requirements set forth in the *Guide*, any subsequent updates, and the Code of Federal Regulations, including the requirement to maintain relevant documents and records for five years.

The misuse or misapplication of equitably shared funds or assets or supplantation of existing resources with shared funds or assets is prohibited. The Agency must follow its jurisdiction's procurement policies when expending equitably shared funds. Failure to comply with any provision of the *Guide*, any subsequent updates, and the Code of Federal Regulations may subject the Agency to sanctions.

6. Single Audit Report and Other Reviews. Audits shall be conducted as provided by the Single Audit Act Amendments of 1996 and OMB Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards. The Agency must report its equitable sharing expenditures on the Schedule of Expenditures of Federal Awards (SEFA) under Catalog of Federal Domestic Assistance number 16.922 for Department of Justice and 21.016 for Department of the Treasury. The Department of Justice and the Department of the Treasury reserve the right to conduct audits or reviews.

7. Freedom of Information Act (FOIA). Information provided in this Document is subject to the FOIA requirements of the Department of Justice and the Department of the Treasury. Agencies must follow local release of information policies.

8. Waste, Fraud, or Abuse. An Agency or governing body is required to immediately notify the Money Laundering and Asset Recovery Section of the Department of Justice and the Executive Office for Asset Forfeiture of the Department of the Treasury of any allegations or theft, fraud, waste, or abuse involving federal equitable sharing funds.

Civil Rights Cases

During the past fiscal year: (1) has any court or administrative agency issued any finding, judgment, or determination that the Agency discriminated against any person or group in violation of any of the federal civil rights statutes listed above; or (2) has the Agency entered into any settlement agreement with respect to any complaint filed with a court or administrative agency alleging that the Agency discriminated against any person or group in violation of any of the federal civil rights statutes listed above?

☐ Yes ☒ No

Agency Head

Name: Blue, Charlie

Title: Constable Pct. 2 & 3

Email: charles.blue@co.panola.tx.us

Signature: Submitted Electronically

Date: 02/24/2020

To the best of my knowledge and belief, the information provided on this ESAC is true and accurate and has been reviewed and authorized by the Law Enforcement Agency Head whose name appears above. Entry of the Agency Head name above indicates his/her agreement to abide by the Guide, any subsequent updates, and the Code of Federal Regulations, including ensuring permissibility of expenditures and following all required procurement policies and procedures.

Governing Body Head

Name: Jones, Lee Ann

Title: Panola County Judge

Email: leeann.jones@co.panola.tx.us

Signature: Submitted Electronically

Date: 02/24/2020

To the best of my knowledge and belief, the Agency's current fiscal year budget reported on this ESAC is true and accurate and the Governing Body Head whose name appears above certifies that the agency's budget has not been supplanted as a result of receiving equitable sharing funds. Entry of the Governing Body Head name above indicates his/her agreement to abide by the policies and procedures set forth in the Guide, any subsequent updates, and the Code of Federal Regulations.

☒ I certify that I have obtained approval from and I am authorized to submit this form on behalf of the Agency Head and the Governing Body Head.

Submitted Electronically on 02/24/2020



KEN PAXTON

ATTORNEY GENERAL *of* TEXAS

CHAPTER 59 ASSET FORFEITURE REPORT BY LAW ENFORCEMENT AGENCY

Agency Information

Agency Information

Year: 2019	Agency Name: <u>Panola County Sheriff's Dept.</u>
Agency Mailing Street: 314 W. Wellington	City: Carthage
ZIP: 75633	State: TX
County: Panola	Phone Number: (903) 693-0333
Agency Fiscal Beginning Month: January	Agency Fiscal Ending Month: December

I. Seized Funds

Do not include federal seizures and/or forfeitures on this form. This form is only for those seizures and/or forfeitures made pursuant to Chapter 59 of the Texas Code of Criminal Procedure.

Seized Funds Pursuant to Chapter 59

Funds that have been seized but have not yet been awarded/forfeited to your agency by the judicial system.

A) Beginning Balance: \$0.00

B) Seizures During Reporting Period

Include only those seizures which occurred during the reporting period and where the seizure affidavit required by Article 59.03 is sworn to by a peace officer employed by your agency (E.G. seizing officer's affidavit).

1) Amount seized and retained
in your agency's custody: \$0.00

2) Amount seized and transferred to the District Attorney pending forfeiture: \$0.00

3) Total Seizures - This field will be auto-calculated when you SAVE or switch sections: \$0.00

C) Interest Earned on Seized Funds During Reporting Period: \$0.00

D) Amount Returned to Defendants/Respondents: \$0.00

E) Amount Transferred to Forfeiture Account: \$0.00

F) Other Reconciliation Items (Must provide detail in box below): \$0.00

Description:

G) Ending Balance - This field will be auto-calculated when you SAVE or switch sections: \$0.00

Ending Balance - Mailed Form:

II. Forfeited Funds & Other Court Awards

Forfeited Funds and Other Court Awards Pursuant to Chapter 59

Funds awarded to your agency by the judicial system and which are available to spend.

A) Beginning Balance: \$80,393.00

B) Amount Forfeited to and Received by Reporting Agency (Including Interest) During Reporting Period: \$7,671.00

C) Interest Earned on Forfeited
Funds During Reporting
Period: \$1,520.00

D) Amount Awarded Pursuant
to 59.022: \$0.00

E) Amount Awarded Pursuant
to 59.023: \$0.00

F) Proceeds Received by Your
Agency From Sale of Forfeited
Property: \$0.00

G) Amount Returned to Crime
Victims: \$0.00

H) Other Reconciliation Items
(Must provide detail in box
below): \$0.00

Description:

I) Total Expenditures of
Forfeited Funds During
Reporting Period. This field will
be auto-calculated once
section VI has been completed
and you save or switch
sections.: \$5,991.00

J) Ending Balance - This field
will be auto-calculated when
you SAVE or switch sections.: \$83,593.00

I) Total Expenditure from
Mailed Form:

J) Ending Balance from Mailed
Form:

III. Other Property

Other Property

List the number of items seized for each category. Include only those seizures where a seizure is made by a peace officer employed by your agency. If property is sold, list under "Proceeds Received by Your Agency From Sale of Forfeited Property" in Section II (F) in the reporting year in which the proceeds are received. Please note - this should be a number not a currency amount. Example 4 cars seized, 3 cars forfeited and 0 cars put into use.

A) Motor Vehicles (Include cars, motorcycles, tractor trailers, etc.)

- 1) Seized: 0
- 2) Forfeited to Agency: 0
- 3) Returned to Defendants/Respondents: 1
- 4) Put into use by Agency: 0

B) Real Property (Count each parcel seized as one item)

- 1) Seized: 0
- 2) Forfeited to Agency: 0
- 3) Returned to Defendants/Respondents: 0
- 4) Put into use by Agency: 0

C) Computers (Include computer and attached system components, such as printers and monitors, as one item)

Please note - this should be a number not a currency amount. For example, 4 computers seized, 3 computers forfeited and 0 computers put into use.

- 1) Seized: 0
- 2) Forfeited to Agency: 0
- 3) Returned to Defendants/Respondents: 0
- 4) Put into use by Agency: 0

D) Firearms (Include only firearms seized for forfeiture under Chapter 59. Do not include weapons disposed under Chapter 18)

Please note - this should be a number not a currency amount. For example, 4 firearms seized, 3 firearms forfeited, 0 firearms put into use.

- 1) Seized: 0
- 2) Forfeited to Agency: 0
- 3) Returned to Defendants/Respondents: 0
- 4) Put into use by Agency: 0

E) Other Property

Please note - this should be a number not a currency amount. For example, 4 lots of tools seized, 3 lots of tools forfeited, 0 lots of tools put into use.

Description	Seized	Forfeited To Agency	Returned to Defendants/Respondents	Put into use by Agency
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IV. Forfeited Property Received

Forfeited Property Received From Another Agency

Enter the total number of items transferred to your agency where the forfeiture judgment awarded ownership of the property to another agency prior to the transfer.

A) Motor Vehicles: 0

B) Real Property: 0

C) Computers: 0

D) Firearms: 0

E) Other: 0

V. Forfeited Property Transferred/Loaned

Forfeited Property Transferred or Loaned to Another Agency

Enter the total number of items transferred or loaned from your agency where the forfeiture judgment awarded ownership of the property to your agency prior to the transfer.

A) Motor Vehicles: 0

B) Real Property: 0

C) Computers: 0

D) Firearms: 0

E) Other: 0

VI. Expenditures: A - D

A) Salaries

1) Increase of Salary, Expense
or Allowance for Employees \$3,814.00
(Salary Supplements):

2) Salary Budgeted Solely
From Forfeited Funds: \$0.00

3) Number of Employees Paid
Using Forfeiture Funds: 1

4) TOTAL SALARIES PAID
OUT OF CHAPTER 59 \$3,814.00
FUNDS:

Total Salaries from Mailed
Form:

B) Overtime

1) For Employees Budgeted by
Governing Body: \$0.00

2) For Employees Budgeted
Solely out of Forfeiture Funds: \$0.00

3) Number of Employees Paid
Using Forfeiture Funds: 0

4) TOTAL OVERTIME PAID
OUT OF CHAPTER 59 \$0.00
FUNDS:

Total Overtime from Mailed
Form:

C) Equipment

1) Vehicles: \$0.00

2) Computers: \$0.00

3) Firearms, Protective Body
Armor, Personal Equipment: \$0.00

4) Furniture: \$0.00

5) Software: \$0.00

6) Maintenance Costs: \$0.00

7) Uniforms: \$0.00

8) K9 Related Costs: \$0.00
9) Other (Must provide detail in
box below): \$0.00

Description:

10) TOTAL EQUIPMENT
PURCHASED WITH \$0.00
CHAPTER 59 FUNDS:

Total Equipment from Mailed
Form:

D) Supplies

1) Office Supplies: \$0.00
2) Mobile Phone and Data
Account Fees: \$0.00
3) Internet: \$0.00
4) Other (Must provide detail in
box below): \$0.00

Description:

5) TOTAL SUPPLIES
PURCHASED WITH \$0.00
CHAPTER 59 FUNDS:

Total Supplies from Mailed
Form:

VI. Expenditures: E

E) Travel

1) In State Travel

a) Transportation: \$0.00
b) Meals & Lodging: \$177.00
c) Mileage: \$0.00
d) Incidental Expenses: \$0.00

e) Total In State Travel: \$177.00

Total In State Travel from
Mailed Form:

2) Out of State Travel

a) Transportation: \$0.00

b) Meals & Lodging: \$0.00

c) Mileage: \$0.00

d) Incidental Expenses: \$0.00

e) Total Out of State Travel: \$0.00

Total Out of State Travel from
Mailed Form:

3) Total Travel Paid Out of Chapter 59 Funds

Total Travel Paid Out of
Chapter 59 Funds: \$177.00

Total Travel from Mailed Form:

VI. Expenditures: F - G

F) Training

1) Fees (Conferences,
Seminars): \$0.00

2) Materials (Books, CDs,
Videos, etc.): \$0.00

3) Other (Must provide detail in
box below): \$0.00

Description:

4) TOTAL TRAINING PAID
OUT OF CHAPTER 59 FUNDS: \$0.00

Total Training from Mailed
Form:

G) Investigative Costs

- 1) Informant Costs: \$0.00
- 2) Buy Money: \$2,000.00
- 3) Lab Expenses: \$0.00
- 4) Other (Must provide detail in
box below): \$0.00

Description:

5) TOTAL INVESTIGATIVE
COSTS PAID OUT OF \$2,000.00
CHAPTER 59 FUNDS:

Total Investigative Costs from
Mailed Form:

VI. Expenditures: H - N

H) Prevention / Treatment Programs / Financial Assistance / Donation

- 1) Total Prevention/Treatment
Programs (pursuant to 59.06 \$0.00
(d-3(6), (h), (j)):
- 2) Total Financial Assistance
(pursuant to Articles 59.06 (n) \$0.00
and (o)):
- 3) Total Donations (pursuant to
Articles 59.06 (d-2)): \$0.00
- 4) Total scholarships to
children of officers killed in the \$0.00
line of duty (pursuant to Article
59.06 (r)):

5) TOTAL
PREVENTION/TREATMENT
PROGRAMS/FINANCIAL
ASSISTANCE/DONATIONS
(Pursuant to Articles 59.06 \$0.00
(d-3(6)), (h), (j), (n), (o), (d-2),
(r)) - This field will be

auto-calculated when you
SAVE or switch sections:

Total
PREVENTION/TREATMENT
PROGRAMS/FINANCIAL
ASSISTANCE/DONATIONS
from Mailed Form:

I) Facility Costs

- 1) Building Purchase: \$0.00
- 2) Lease Payments: \$0.00
- 3) Remodeling: \$0.00
- 4) Maintenance Costs: \$0.00
- 5) Utilities: \$0.00
- 6) Other (Must provide detail in
box below): \$0.00

Description:

7) TOTAL FACILITY COSTS
PAID OUT OF CHAPTER 59
FUNDS: \$0.00

Total Facility Costs from
Mailed Form:

J) Miscellaneous Fees

- 1) Court Costs: \$0.00
- 2) Filing Fees: \$0.00
- 3) Insurance: \$0.00
- 4) Witness Fees (including
travel and security): \$0.00
- 5) Audit Costs and Fees
(including audit preparation
and professional fees): \$0.00
- 6) Other (Must provide detail in
box below): \$0.00

Description:

7) Total Miscellaneous Fees
Paid Out of Chapter 59 Funds
- This will be auto-calculated
when you SAVE or switch
sections: \$0.00

Total Miscellaneous Costs
from Mailed Form:

K) Paid to State Treasury / General Fund / Health & Human Services Commission

1) Total paid to State Treasury
due to lack of local agreement \$0.00
pursuant to 59.06 (c):

2) Total paid to State Treasury
due to participating in task \$0.00
force not established in
accordance with 59.06 (q)(1):

3) Total paid to General Fund
pursuant to 59.06 (c-3) (C) \$0.00
(Texas Department of Public
Safety only):

4) Total forfeiture funds
transferred to the Health and \$0.00
Human Services Commission
pursuant to 59.06 (p):

5) TOTAL PAID TO STATE
TREASURY/ GENERAL
FUND/ HEALTH & HUMAN
SERVICES COMMISSION \$0.00
OUT OF CHAPTER 59
FUNDS:

Total Paid to State
Treasury/General fund/ Health
& Human Services
Commission from Mailed
Form:

L) Total Paid to Cooperating Agency(ies) Pursuant to Local Agreement

TOTAL PAID TO
COOPERATING \$0.00
AGENCY(IES) PURSUANT
TO LOCAL AGREEMENT:

M) Total Other Expenses Paid Out of Chapter 59 Funds Which Are Not Accounted For In Previous Categories

TOTAL OTHER EXPENSES
PAID OUT OF CHAPTER 59
FUNDS WHICH ARE NOT
ACCOUNTED FOR IN \$0.00
PREVIOUS CATEGORIES
(Must provide detail in box
below):

Description:

N) Total Expenditures

TOTAL EXPENDITURES: \$5,991.00

Total Expenditures from Mailed
Form:

Financial Professional Signature

After signing and pressing "Save", using your email address and password account access, and pursuant to the terms of service, you certify that you swear or affirm that the Commissioners Court, City Council or Head of Agency (if no governing body) has requested that you conduct the audit required by Article 59.06 of the Code of Criminal Procedure and that upon diligent inspection of all relevant documents and supporting materials, you believe that the information contained in this report is true and correct to the best of your Knowledge.

Do you acknowledge the
above terms : Yes

Typed Name of
Auditor/Treasurer/Accounting
Professional/Preparer:: Rachael Payne

Title: Certified Public
Accountant

Head of Agency Certification

After signing and pressing "Submit" using your email address and password account access, and pursuant to the terms of service you swear or affirm, under penalty of perjury, that you have accounted for the seizure, forfeiture, receipt, and specific expenditure of all proceeds and property subject to Chapter 59 of the Code of Criminal Procedure, and that upon diligent inspection of all relevant documents and supporting materials, this asset forfeiture report is true and correct and contains all information required by Article 59.06 of the Code of Criminal Procedure. You further swear or affirm that, to the best of your knowledge, all expenditures reported herein were lawful and proper, and made in accordance with Texas law.

Do you acknowledge the
above terms : Yes

Year: 2019

Typed Name of Head of
Agency:: Kevin Lake

Title: Sheriff

Date: 2/10/2020

Comments:



KEN PAXTON

ATTORNEY GENERAL of TEXAS

CHAPTER 59 ASSET FORFEITURE REPORT BY LAW ENFORCEMENT AGENCY

Agency Information

Agency Information

Year: 2019	Agency Name: <u>Panola County</u> <u>Constable Precinct</u> <u>1 and 4</u>
Agency Mailing Street: 110 S. Sycamore Room 102-A	City: Carthage
ZIP: 75633	State: TX
County: Panola	Phone Number: (903) 693-0385
Agency Fiscal Beginning Month: January	Agency Fiscal Ending Month: December

I. Seized Funds

Do not include federal seizures and/or forfeitures on this form. This form is only for those seizures and/or forfeitures made pursuant to Chapter 59 of the Texas Code of Criminal Procedure.

Seized Funds Pursuant to Chapter 59

Funds that have been seized but have not yet been awarded/forfeited to your agency by the judicial system.

A) Beginning Balance: \$0.00

B) Seizures During Reporting Period

Include only those seizures which occurred during the reporting period and where the seizure affidavit required by Article 59.03 is sworn to by a peace officer employed by your agency (E.G. seizing officer's affidavit).

1) Amount seized and retained
in your agency's custody: \$0.00

2) Amount seized and transferred to the District Attorney pending forfeiture: \$0.00

3) Total Seizures - This field will be auto-calculated when you SAVE or switch sections: \$0.00

C) Interest Earned on Seized Funds During Reporting Period: \$0.00

D) Amount Returned to Defendants/Respondents: \$0.00

E) Amount Transferred to Forfeiture Account: \$0.00

F) Other Reconciliation Items (Must provide detail in box below): \$0.00

Description:

G) Ending Balance - This field will be auto-calculated when you SAVE or switch sections: \$0.00

Ending Balance - Mailed Form:

II. Forfeited Funds & Other Court Awards

Forfeited Funds and Other Court Awards Pursuant to Chapter 59

Funds awarded to your agency by the judicial system and which are available to spend.

A) Beginning Balance: \$192.00

B) Amount Forfeited to and Received by Reporting Agency (Including Interest) During Reporting Period: \$0.00

C) Interest Earned on Forfeited
Funds During Reporting
Period: \$3.00

D) Amount Awarded Pursuant
to 59.022: \$0.00

E) Amount Awarded Pursuant
to 59.023: \$0.00

F) Proceeds Received by Your
Agency From Sale of Forfeited
Property: \$0.00

G) Amount Returned to Crime
Victims: \$0.00

H) Other Reconciliation Items
(Must provide detail in box
below): \$0.00

Description:

I) Total Expenditures of
Forfeited Funds During
Reporting Period. This field will
be auto-calculated once
section VI has been completed
and you save or switch
sections.: \$0.00

J) Ending Balance - This field
will be auto-calculated when
you SAVE or switch sections.: \$195.00

I) Total Expenditure from
Mailed Form:

J) Ending Balance from Mailed
Form:

III. Other Property

Other Property

List the number of items seized for each category. Include only those seizures where a seizure is made by a peace officer employed by your agency. If property is sold, list under "Proceeds Received by Your Agency From Sale of Forfeited Property" in Section II (F) in the reporting year in which the proceeds are received. Please note - this should be a number not a currency amount. Example 4 cars seized, 3 cars forfeited and 0 cars put into use.

A) Motor Vehicles (Include cars, motorcycles, tractor trailers, etc.)

- 1) Seized: 0
- 2) Forfeited to Agency: 0
- 3) Returned to Defendants/Respondents: 0
- 4) Put into use by Agency: 0

B) Real Property (Count each parcel seized as one item)

- 1) Seized: 0
- 2) Forfeited to Agency: 0
- 3) Returned to Defendants/Respondents: 0
- 4) Put into use by Agency: 0

C) Computers (Include computer and attached system components, such as printers and monitors, as one item)

Please note - this should be a number not a currency amount. For example, 4 computers seized, 3 computers forfeited and 0 computers put into use.

- 1) Seized: 0
- 2) Forfeited to Agency: 0
- 3) Returned to Defendants/Respondents: 0
- 4) Put into use by Agency: 0

D) Firearms (Include only firearms seized for forfeiture under Chapter 59. Do not include weapons disposed under Chapter 18)

Please note - this should be a number not a currency amount. For example, 4 firearms seized, 3 firearms forfeited, 0 firearms put into use.

- 1) Seized: 0
- 2) Forfeited to Agency: 0
- 3) Returned to Defendants/Respondents: 0
- 4) Put into use by Agency: 0

E) Other Property

Please note - this should be a number not a currency amount. For example, 4 lots of tools seized, 3 lots of tools forfeited, 0 lots of tools put into use.

Description	Seized	Forfeited To Agency	Returned to Defendants/Respondents	Put into use by Agency
-------------	--------	---------------------	------------------------------------	------------------------

IV. Forfeited Property Received

Forfeited Property Received From Another Agency

Enter the total number of items transferred to your agency where the forfeiture judgment awarded ownership of the property to another agency prior to the transfer.

A) Motor Vehicles: 0

B) Real Property: 0

C) Computers: 0

D) Firearms: 0

E) Other: 0

V. Forfeited Property Transferred/Loaned

Forfeited Property Transferred or Loaned to Another Agency

Enter the total number of items transferred or loaned from your agency where the forfeiture judgment awarded ownership of the property to your agency prior to the transfer.

A) Motor Vehicles: 0

B) Real Property: 0

C) Computers: 0

D) Firearms: 0

E) Other: 0

VI. Expenditures: A - D

A) Salaries

1) Increase of Salary, Expense
or Allowance for Employees \$0.00
(Salary Supplements):

2) Salary Budgeted Solely \$0.00
From Forfeited Funds:

3) Number of Employees Paid 0
Using Forfeiture Funds:

4) TOTAL SALARIES PAID
OUT OF CHAPTER 59 \$0.00
FUNDS:

Total Salaries from Mailed
Form:

B) Overtime

1) For Employees Budgeted by \$0.00
Governing Body:

2) For Employees Budgeted \$0.00
Solely out of Forfeiture Funds:

3) Number of Employees Paid 0
Using Forfeiture Funds:

4) TOTAL OVERTIME PAID
OUT OF CHAPTER 59 \$0.00
FUNDS:

Total Overtime from Mailed
Form:

C) Equipment

1) Vehicles: \$0.00

2) Computers: \$0.00

3) Firearms, Protective Body \$0.00
Armor, Personal Equipment:

4) Furniture: \$0.00

5) Software: \$0.00

6) Maintenance Costs: \$0.00

7) Uniforms: \$0.00
8) K9 Related Costs: \$0.00
9) Other (Must provide detail in
box below): \$0.00

Description:

10) TOTAL EQUIPMENT
PURCHASED WITH \$0.00
CHAPTER 59 FUNDS:

Total Equipment from Mailed
Form:

D) Supplies

1) Office Supplies: \$0.00
2) Mobile Phone and Data
Account Fees: \$0.00
3) Internet: \$0.00
4) Other (Must provide detail in
box below): \$0.00

Description:

5) TOTAL SUPPLIES
PURCHASED WITH \$0.00
CHAPTER 59 FUNDS:

Total Supplies from Mailed
Form:

VI. Expenditures: E

E) Travel

1) In State Travel

a) Transportation: \$0.00
b) Meals & Lodging: \$0.00
c) Mileage: \$0.00

d) Incidental Expenses: \$0.00

e) Total In State Travel: \$0.00

Total In State Travel from
Mailed Form:

2) Out of State Travel

a) Transportation: \$0.00

b) Meals & Lodging: \$0.00

c) Mileage: \$0.00

d) Incidental Expenses: \$0.00

e) Total Out of State Travel: \$0.00

Total Out of State Travel from
Mailed Form:

3) Total Travel Paid Out of Chapter 59 Funds

Total Travel Paid Out of
Chapter 59 Funds: \$0.00

Total Travel from Mailed Form:

VI. Expenditures: F - G

F) Training

1) Fees (Conferences,
Seminars): \$0.00

2) Materials (Books, CDs,
Videos, etc.): \$0.00

3) Other (Must provide detail in
box below): \$0.00

Description:

4) TOTAL TRAINING PAID
OUT OF CHAPTER 59 FUNDS: \$0.00

Total Training from Mailed
Form:

G) Investigative Costs

- 1) Informant Costs: \$0.00
- 2) Buy Money: \$0.00
- 3) Lab Expenses: \$0.00
- 4) Other (Must provide detail in
box below): \$0.00

Description:

5) TOTAL INVESTIGATIVE
COSTS PAID OUT OF \$0.00
CHAPTER 59 FUNDS:

Total Investigative Costs from
Mailed Form:

VI. Expenditures: H - N

H) Prevention / Treatment Programs / Financial Assistance / Donation

- 1) Total Prevention/Treatment
Programs (pursuant to 59.06
(d-3(6)), (h), (j)): \$0.00
- 2) Total Financial Assistance
(pursuant to Articles 59.06 (n)
and (o)): \$0.00
- 3) Total Donations (pursuant to
Articles 59.06 (d-2)): \$0.00
- 4) Total scholarships to
children of officers killed in the
line of duty (pursuant to Article
59.06 (r)): \$0.00
- 5) TOTAL
PREVENTION/TREATMENT
PROGRAMS/FINANCIAL
ASSISTANCE/DONATIONS
(Pursuant to Articles 59.06
(d-3(6)), (h), (j), (n), (o), (d-2), \$0.00

(r)) - This field will be
auto-calculated when you
SAVE or switch sections:

Total
PREVENTION/TREATMENT
PROGRAMS/FINANCIAL
ASSISTANCE/DONATIONS
from Mailed Form:

I) Facility Costs

- 1) Building Purchase: \$0.00
- 2) Lease Payments: \$0.00
- 3) Remodeling: \$0.00
- 4) Maintenance Costs: \$0.00
- 5) Utilities: \$0.00
- 6) Other (Must provide detail in
box below): \$0.00

Description:

7) TOTAL FACILITY COSTS
PAID OUT OF CHAPTER 59
FUNDS: \$0.00

Total Facility Costs from
Mailed Form:

J) Miscellaneous Fees

- 1) Court Costs: \$0.00
- 2) Filing Fees: \$0.00
- 3) Insurance: \$0.00
- 4) Witness Fees (including
travel and security): \$0.00
- 5) Audit Costs and Fees
(including audit preparation
and professional fees): \$0.00
- 6) Other (Must provide detail in
box below): \$0.00

Description:

7) Total Miscellaneous Fees
Paid Out of Chapter 59 Funds

\$0.00

- This will be auto-calculated
when you SAVE or switch
sections:

Total Miscellaneous Costs
from Mailed Form:

K) Paid to State Treasury / General Fund / Health & Human Services Commission

1) Total paid to State Treasury
due to lack of local agreement \$0.00
pursuant to 59.06 (c):

2) Total paid to State Treasury
due to participating in task \$0.00
force not established in
accordance with 59.06 (q)(1):

3) Total paid to General Fund
pursuant to 59.06 (c-3) (C) \$0.00
(Texas Department of Public
Safety only):

4) Total forfeiture funds
transferred to the Health and \$0.00
Human Services Commission
pursuant to 59.06 (p):

5) TOTAL PAID TO STATE
TREASURY/ GENERAL
FUND/ HEALTH & HUMAN \$0.00
SERVICES COMMISSION
OUT OF CHAPTER 59
FUNDS:

Total Paid to State
Treasury/General fund/ Health
& Human Services
Commission from Mailed
Form:

L) Total Paid to Cooperating Agency(ies) Pursuant to Local Agreement

TOTAL PAID TO
COOPERATING \$0.00
AGENCY(IES) PURSUANT
TO LOCAL AGREEMENT:

M) Total Other Expenses Paid Out of Chapter 59 Funds Which Are Not Accounted For In Previous Categories

TOTAL OTHER EXPENSES
PAID OUT OF CHAPTER 59
FUNDS WHICH ARE NOT
ACCOUNTED FOR IN \$0.00
PREVIOUS CATEGORIES
(Must provide detail in box
below):

Description:

N) Total Expenditures

TOTAL EXPENDITURES: \$0.00

Total Expenditures from Mailed
Form:

Financial Professional Signature

After signing and pressing "Save", using your email address and password account access, and pursuant to the terms of service, you certify that you swear or affirm that the Commissioners Court, City Council or Head of Agency (if no governing body) has requested that you conduct the audit required by Article 59.06 of the Code of Criminal Procedure and that upon diligent inspection of all relevant documents and supporting materials, you believe that the information contained in this report is true and correct to the best of your Knowledge.

Do you acknowledge the
above terms : Yes

Typed Name of
Auditor/Treasurer/Accounting Rachael Payne
Professional/Preparer::

Title: Certified Public
Accountant

Head of Agency Certification

After signing and pressing "Submit" using your email address and password account access, and pursuant to the terms of service you swear or affirm, under penalty of perjury, that you have accounted for the seizure, forfeiture, receipt, and specific expenditure of all proceeds and property subject to Chapter 59 of the Code of Criminal Procedure, and that upon diligent inspection of all relevant documents and supporting materials, this asset forfeiture report is true and correct and contains all information required by Article 59.06 of the Code of Criminal Procedure. You further swear or affirm that, to the best of your knowledge, all expenditures reported herein were lawful and proper, and made in accordance with Texas law.

Do you acknowledge the
above terms : Yes

Year: 2019

Typed Name of Head of Agency:: Bryan Murff

Title: Constable

Date: 2/10/2020

Comments:



KEN PAXTON

ATTORNEY GENERAL of TEXAS

CHAPTER 59 ASSET FORFEITURE REPORT BY LAW ENFORCEMENT AGENCY

Agency Information

Agency Information

Year: 2019	Agency Name: <u>Panola County</u> <u>Constable Precinct</u> <u>2 and 3</u>
Agency Mailing Street: 110 S. Sycamore, #102A	City: Carthage
ZIP: 75633	State: TX
County: Panola	Phone Number: (903) 693-0342
Agency Fiscal Beginning Month: January	Agency Fiscal Ending Month: December

I. Seized Funds

Do not include federal seizures and/or forfeitures on this form. This form is only for those seizures and/or forfeitures made pursuant to Chapter 59 of the Texas Code of Criminal Procedure.

Seized Funds Pursuant to Chapter 59

Funds that have been seized but have not yet been awarded/forfeited to your agency by the judicial system.

A) Beginning Balance: \$0.00

B) Seizures During Reporting Period

Include only those seizures which occurred during the reporting period and where the seizure affidavit required by Article 59.03 is sworn to by a peace officer employed by your agency (E.G. seizing officer's affidavit).

1) Amount seized and retained
in your agency's custody: \$0.00

2) Amount seized and
transferred to the District \$0.00
Attorney pending forfeiture:

3) Total Seizures - This field
will be auto-calculated when \$0.00
you SAVE or switch sections:

C) Interest Earned on Seized
Funds During Reporting \$0.00
Period:

D) Amount Returned to \$0.00
Defendants/Respondents:

E) Amount Transferred to \$0.00
Forfeiture Account:

F) Other Reconciliation Items \$0.00
(Must provide detail in box
below):

Description:

G) Ending Balance - This field
will be auto-calculated when \$0.00
you SAVE or switch sections:

Ending Balance - Mailed Form:

II. Forfeited Funds & Other Court Awards

Forfeited Funds and Other Court Awards Pursuant to Chapter 59

Funds awarded to your agency by the judicial system and which are available to spend.

A) Beginning Balance: \$1,028.00

B) Amount Forfeited to and
Received by Reporting Agency \$0.00
(Including Interest) During
Reporting Period:

C) Interest Earned on Forfeited
Funds During Reporting
Period: \$17.00

D) Amount Awarded Pursuant
to 59.022: \$0.00

E) Amount Awarded Pursuant
to 59.023: \$0.00

F) Proceeds Received by Your
Agency From Sale of Forfeited
Property: \$0.00

G) Amount Returned to Crime
Victims: \$0.00

H) Other Reconciliation Items
(Must provide detail in box
below): \$0.00

Description:

I) Total Expenditures of
Forfeited Funds During
Reporting Period. This field will
be auto-calculated once
section VI has been completed
and you save or switch
sections.: \$0.00

J) Ending Balance - This field
will be auto-calculated when
you SAVE or switch sections.: \$1,045.00

I) Total Expenditure from
Mailed Form:

J) Ending Balance from Mailed
Form:

III. Other Property

Other Property

List the number of items seized for each category. Include only those seizures where a seizure is made by a peace officer employed by your agency. If property is sold, list under "Proceeds Received by Your Agency From Sale of Forfeited Property" in Section II (F) in the reporting year in which the proceeds are received. Please note - this should be a number not a currency amount. Example 4 cars seized, 3 cars forfeited and 0 cars put into use.

A) Motor Vehicles (Include cars, motorcycles, tractor trailers, etc.)

- 1) Seized: 0
- 2) Forfeited to Agency: 0
- 3) Returned to Defendants/Respondents: 0
- 4) Put into use by Agency: 0

B) Real Property (Count each parcel seized as one item)

- 1) Seized: 0
- 2) Forfeited to Agency: 0
- 3) Returned to Defendants/Respondents: 0
- 4) Put into use by Agency: 0

C) Computers (Include computer and attached system components, such as printers and monitors, as one item)

Please note - this should be a number not a currency amount. For example, 4 computers seized, 3 computers forfeited and 0 computers put into use.

- 1) Seized: 0
- 2) Forfeited to Agency: 0
- 3) Returned to Defendants/Respondents: 0
- 4) Put into use by Agency: 0

D) Firearms (Include only firearms seized for forfeiture under Chapter 59. Do not include weapons disposed under Chapter 18)

Please note - this should be a number not a currency amount. For example, 4 firearms seized, 3 firearms forfeited, 0 firearms put into use.

- 1) Seized: 0
- 2) Forfeited to Agency: 0
- 3) Returned to Defendants/Respondents: 0
- 4) Put into use by Agency: 0

E) Other Property

Please note - this should be a number not a currency amount. For example, 4 lots of tools seized, 3 lots of tools forfeited, 0 lots of tools put into use.

Description	Seized	Forfeited To Agency	Returned to Defendants/Respondents	Put into use by Agency
-------------	--------	---------------------	------------------------------------	------------------------

IV. Forfeited Property Received

Forfeited Property Received From Another Agency

Enter the total number of items transferred to your agency where the forfeiture judgment awarded ownership of the property to another agency prior to the transfer.

A) Motor Vehicles: 0

B) Real Property: 0

C) Computers: 0

D) Firearms: 0

E) Other: 0

V. Forfeited Property Transferred/Loaned

Forfeited Property Transferred or Loaned to Another Agency

Enter the total number of items transferred or loaned from your agency where the forfeiture judgment awarded ownership of the property to your agency prior to the transfer.

A) Motor Vehicles: 0

B) Real Property: 0

C) Computers: 0

D) Firearms: 0

E) Other: 0

VI. Expenditures: A - D

A) Salaries

1) Increase of Salary, Expense
or Allowance for Employees \$0.00
(Salary Supplements):

2) Salary Budgeted Solely \$0.00
From Forfeited Funds:

3) Number of Employees Paid 0
Using Forfeiture Funds:

4) TOTAL SALARIES PAID
OUT OF CHAPTER 59 \$0.00
FUNDS:

Total Salaries from Mailed
Form:

B) Overtime

1) For Employees Budgeted by \$0.00
Governing Body:

2) For Employees Budgeted \$0.00
Solely out of Forfeiture Funds:

3) Number of Employees Paid 0
Using Forfeiture Funds:

4) TOTAL OVERTIME PAID
OUT OF CHAPTER 59 \$0.00
FUNDS:

Total Overtime from Mailed
Form:

C) Equipment

1) Vehicles: \$0.00

2) Computers: \$0.00

3) Firearms, Protective Body \$0.00
Armor, Personal Equipment:

4) Furniture: \$0.00

5) Software: \$0.00

6) Maintenance Costs: \$0.00

- 7) Uniforms: \$0.00
8) K9 Related Costs: \$0.00
9) Other (Must provide detail in
box below): \$0.00

Description:

10) TOTAL EQUIPMENT
PURCHASED WITH \$0.00
CHAPTER 59 FUNDS:

Total Equipment from Mailed
Form:

D) Supplies

- 1) Office Supplies: \$0.00
2) Mobile Phone and Data
Account Fees: \$0.00
3) Internet: \$0.00
4) Other (Must provide detail in
box below): \$0.00

Description:

5) TOTAL SUPPLIES
PURCHASED WITH \$0.00
CHAPTER 59 FUNDS:

Total Supplies from Mailed
Form:

VI. Expenditures: E

E) Travel

1) In State Travel

- a) Transportation: \$0.00
b) Meals & Lodging: \$0.00
c) Mileage: \$0.00

d) Incidental Expenses: \$0.00

e) Total In State Travel: \$0.00

Total In State Travel from
Mailed Form:

2) Out of State Travel

a) Transportation: \$0.00

b) Meals & Lodging: \$0.00

c) Mileage: \$0.00

d) Incidental Expenses: \$0.00

e) Total Out of State Travel: \$0.00

Total Out of State Travel from
Mailed Form:

3) Total Travel Paid Out of Chapter 59 Funds

Total Travel Paid Out of
Chapter 59 Funds: \$0.00

Total Travel from Mailed Form:

VI. Expenditures: F - G

F) Training

1) Fees (Conferences,
Seminars): \$0.00

2) Materials (Books, CDs,
Videos, etc.): \$0.00

3) Other (Must provide detail in
box below): \$0.00

Description:

4) TOTAL TRAINING PAID
OUT OF CHAPTER 59 \$0.00
FUNDS:

Total Training from Mailed
Form:

G) Investigative Costs

- 1) Informant Costs: \$0.00
- 2) Buy Money: \$0.00
- 3) Lab Expenses: \$0.00
- 4) Other (Must provide detail in
box below): \$0.00

Description:

5) TOTAL INVESTIGATIVE
COSTS PAID OUT OF \$0.00
CHAPTER 59 FUNDS:

Total Investigative Costs from
Mailed Form:

VI. Expenditures: H - N

H) Prevention / Treatment Programs / Financial Assistance / Donation

- 1) Total Prevention/Treatment
Programs (pursuant to 59.06 \$0.00
(d-3(6), (h), (j)):
- 2) Total Financial Assistance
(pursuant to Articles 59.06 (n) \$0.00
and (o)):
- 3) Total Donations (pursuant to
Articles 59.06 (d-2)): \$0.00
- 4) Total scholarships to
children of officers killed in the \$0.00
line of duty (pursuant to Article
59.06 (r)):

5) TOTAL
PREVENTION/TREATMENT
PROGRAMS/FINANCIAL
ASSISTANCE/DONATIONS
(Pursuant to Articles 59.06 \$0.00
(d-3(6)), (h), (j), (n), (o), (d-2),

(r)) - This field will be
auto-calculated when you
SAVE or switch sections:

Total
PREVENTION/TREATMENT
PROGRAMS/FINANCIAL
ASSISTANCE/DONATIONS
from Mailed Form:

I) Facility Costs

- 1) Building Purchase: \$0.00
- 2) Lease Payments: \$0.00
- 3) Remodeling: \$0.00
- 4) Maintenance Costs: \$0.00
- 5) Utilities: \$0.00
- 6) Other (Must provide detail in
box below): \$0.00

Description:

7) TOTAL FACILITY COSTS
PAID OUT OF CHAPTER 59
FUNDS: \$0.00

Total Facility Costs from
Mailed Form:

J) Miscellaneous Fees

- 1) Court Costs: \$0.00
- 2) Filing Fees: \$0.00
- 3) Insurance: \$0.00
- 4) Witness Fees (including
travel and security): \$0.00
- 5) Audit Costs and Fees
(including audit preparation
and professional fees): \$0.00
- 6) Other (Must provide detail in
box below): \$0.00

Description:

7) Total Miscellaneous Fees
Paid Out of Chapter 59 Funds

\$0.00

- This will be auto-calculated when you SAVE or switch sections:

Total Miscellaneous Costs
from Mailed Form:

K) Paid to State Treasury / General Fund / Health & Human Services Commission

1) Total paid to State Treasury
due to lack of local agreement
pursuant to 59.06 (c): \$0.00

2) Total paid to State Treasury
due to participating in task
force not established in
accordance with 59.06 (q)(1): \$0.00

3) Total paid to General Fund
pursuant to 59.06 (c-3) (C)
(Texas Department of Public
Safety only): \$0.00

4) Total forfeiture funds
transferred to the Health and
Human Services Commission
pursuant to 59.06 (p): \$0.00

5) TOTAL PAID TO STATE
TREASURY/ GENERAL
FUND/ HEALTH & HUMAN
SERVICES COMMISSION
OUT OF CHAPTER 59
FUNDS: \$0.00

Total Paid to State
Treasury/General fund/ Health
& Human Services
Commission from Mailed
Form:

L) Total Paid to Cooperating Agency(ies) Pursuant to Local Agreement

TOTAL PAID TO
COOPERATING
AGENCY(IES) PURSUANT
TO LOCAL AGREEMENT: \$0.00

M) Total Other Expenses Paid Out of Chapter 59 Funds Which Are Not Accounted For In Previous Categories

TOTAL OTHER EXPENSES
PAID OUT OF CHAPTER 59
FUNDS WHICH ARE NOT
ACCOUNTED FOR IN
PREVIOUS CATEGORIES \$0.00
(Must provide detail in box
below):

Description:

N) Total Expenditures

TOTAL EXPENDITURES: \$0.00

Total Expenditures from Mailed
Form:

Financial Professional Signature

After signing and pressing "Save", using your email address and password account access, and pursuant to the terms of service, you certify that you swear or affirm that the Commissioners Court, City Council or Head of Agency (if no governing body) has requested that you conduct the audit required by Article 59.06 of the Code of Criminal Procedure and that upon diligent inspection of all relevant documents and supporting materials, you believe that the information contained in this report is true and correct to the best of your Knowledge.

Do you acknowledge the
above terms : Yes

Typed Name of
Auditor/Treasurer/Accounting Professional/Preparer:: Rachael Payne

Title: Certified Public
Accountant

Head of Agency Certification

After signing and pressing "Submit" using your email address and password account access, and pursuant to the terms of service you swear or affirm, under penalty of perjury, that you have accounted for the seizure, forfeiture, receipt, and specific expenditure of all proceeds and property subject to Chapter 59 of the Code of Criminal Procedure, and that upon diligent inspection of all relevant documents and supporting materials, this asset forfeiture report is true and correct and contains all information required by Article 59.06 of the Code of Criminal Procedure. You further swear or affirm that, to the best of your knowledge, all expenditures reported herein were lawful and proper, and made in accordance with Texas law.

Do you acknowledge the
above terms : Yes

Year: 2019

Typed Name of Head of Agency: Charles Blue

Title: Constable

Date: 2/11/2020

Comments:

Form #2201 Rev. 09/2017

Submit to:

SECRETARY OF STATE

Government Filings

Section P O Box 12887

Austin, TX 78711-2887

512-463-6334

512-463-5569 - Fax

Filing Fee: None



STATEMENT OF OFFICER

FILED FOR RECORD
IN MY OFFICE

AT 4:00 O'CLOCK P M

APR 15 2020

BOBBIE DAVIS
COUNTY CLERK, PANOLA COUNTY, TEXAS

BY B. Davis DEPUTY

Statement

I, ANDREW FAVORS, do solemnly swear (or affirm) that I have not directly or indirectly paid, offered, promised to pay, contributed, or promised to contribute any money or thing of value, or promised any public office or employment for the giving or withholding of a vote at the election at which I was elected or as a reward to secure my appointment or confirmation, whichever the case may be, so help me God.

Title of Position to Which Elected/Appointed: RESERVE DEPUTY CONSTABLE

Execution

Under penalties of perjury, I declare that I have read the foregoing statement and that the facts stated therein are true.

Date: 2-14-20

Andrew Favors
Signature of Officer

Form #2204 Rev 9/2017

Submit to:
SECRETARY OF STATE
Government Filings Section
P O Box 12887
Austin, TX 78711-2887
512-463-6334
FAX 512-463-5569
Filing Fee: None



OATH OF OFFICE

This space reserved for office use
FILED FOR RECORD
IN MY OFFICE

AT 4:00 O'CLOCK P M

APR 15 2020

BOBBIE DAVIS
COUNTY CLERK, PANOLA COUNTY, TEXAS
BY B. Davis DEPUTY

IN THE NAME AND BY THE AUTHORITY OF THE STATE OF TEXAS,
I, ANDREW FAVORS, do solemnly swear (or affirm), that I will faithfully
execute the duties of the office of RESERVE DEPUTY CONSTABLE of
the State of Texas, and will to the best of my ability preserve, protect, and defend the Constitution and laws
of the United States and of this State, so help me God.

Andrew Favors

Signature of Officer

Certification of Person Authorized to Administer Oath

State of TEXAS

County of PANOLA

Sworn to and subscribed before me on this 14th day of FEBRUARY, 2020.

(Affix Notary Seal,
only if oath
administered by a
notary.)

Charles Blue

Signature of Notary Public or
Signature of Other Person Authorized to Administer An
Oath

Charles Blue

Printed or Typed Name

Form #2201 Rev. 09/2017
Submit to:
SECRETARY OF STATE
Government Filings
Section P O Box 12887
Austin, TX 78711-2887
512-463-6334
512-463-5569 - Fax
Filing Fee: None



STATEMENT OF OFFICER

FILED FOR RECORD
IN MY OFFICE
AT 4:00 O'CLOCK P M

APR 15 2020

BOBBIE DAVIS
COUNTY CLERK, PANOLA COUNTY, TEXAS
BY B. DAVIS DEPUTY

Statement


I, DANIEL McMillen, do solemnly swear (or affirm) that I have not directly or indirectly paid, offered, promised to pay, contributed, or promised to contribute any money or thing of value, or promised any public office or employment for the giving or withholding of a vote at the election at which I was elected or as a reward to secure my appointment or confirmation, whichever the case may be, so help me God.

Title of Position to Which Elected/Appointed: RESERVE DEPUTY CONSTABLE

Execution

Under penalties of perjury, I declare that I have read the foregoing statement and that the facts stated therein are true.

Date: 2/24/2020


Signature of Officer

Form #2204 Rev 9/2017

Submit to:
SECRETARY OF STATE
Government Filings Section
P O Box 12887
Austin, TX 78711-2887
512-463-6334
FAX 512-463-5569
Filing Fee: None



OATH OF OFFICE

FILED FOR RECORD
This space reserved for office use
IN MY OFFICE

AT 4:00 O'CLOCK P M

APR 15 2020

BOBBIE DAVIS
COUNTY CLERK, PANOLA COUNTY, TEXAS

BY B Davis DEPUTY

IN THE NAME AND BY THE AUTHORITY OF THE STATE OF TEXAS,
I, DANIEL McMILLEN, do solemnly swear (or affirm), that I will faithfully
execute the duties of the office of RESERVE DEPUTY CONSTABLE of
the State of Texas, and will to the best of my ability preserve, protect, and defend the Constitution and laws
of the United States and of this State, so help me God.

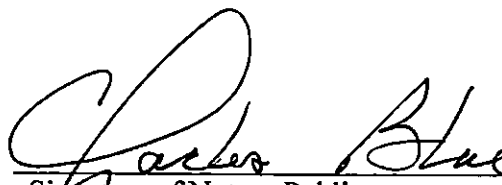

Signature of Officer

Certification of Person Authorized to Administer Oath

State of TEXAS
County of PANOLA

Sworn to and subscribed before me on this 24th day of FEBRUARY, 2020.

(Affix Notary Seal,
only if oath
administered by a
notary.)



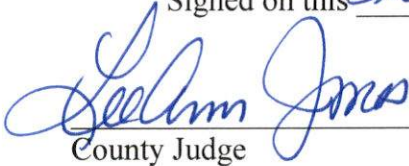
Signature of Notary Public or
Signature of Other Person Authorized to Administer An
Oath


Charles Blue
Printed or Typed Name


PANOLA COUNTY
2020
BUDGET AMENDMENT #6

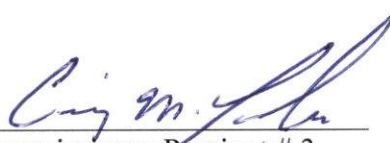
We hereby amend the Panola County Budget for the Fiscal Year 2020 as set forth above according to the procedures outlined under Local Government Code, Chapter 111, Subchapter A Sections 111.010 (c), (d). A copy of this Order is to be filed with the County Clerk and Attached to the Budget originally adopted for 2020.

Signed on this 3rd day of March, 2020.


County Judge


Commissioner Precinct # 1


Commissioner Precinct # 2


Commissioner Precinct # 3


Commissioner Precinct # 4

Passed and approved by the Commissioners Court of Panola County on the 3rd day of March, 2020 as the same appears on file in the office of the County Clerk of Panola County.


County Clerk



March 3, 2020



Panola County, Texas

Budget Adjustment Register

Adjustment Detail

Packet: GLPKT14654 - 2020-#6

Adjustment Number	Budget Code	Description	Adjustment Date
BA0001132	2020 COUNTY BUDGET JAN...	560-UNIFORM PURCHASE	3/3/2020

Summary Description:

Account Number	Account Name	Adjustment Description	Before	Adjustment	After
<u>100-409-54080</u>	CONTINGENCY	560-UNIFORM PURCHASE	449,973.00	-5,000.00	444,973.00
January: -416.67	April: -416.67	July: -416.67	October: -416.67		
February: -416.67	May: -416.67	August: -416.67	November: -416.67		
March: -416.67	June: -416.67	September: -416.67	December: -416.63		
<u>100-560-53920</u>	UNIFORMS	560-UNIFORM PURCHASE	7,000.00	5,000.00	12,000.00
January: 416.67	April: 416.67	July: 416.67	October: 416.67		
February: 416.67	May: 416.67	August: 416.67	November: 416.67		
March: 416.67	June: 416.67	September: 416.67	December: 416.63		

Adjustment Number	Budget Code	Description	Adjustment Date
BA0001133	2020 COUNTY BUDGET JAN...	622-VOTER TRAILER	3/3/2020

Summary Description:

Account Number	Account Name	Adjustment Description	Before	Adjustment	After
<u>200-622-54080</u>	CONTINGENCY	622-VOTER TRAILER	265,063.00	-300.00	264,763.00
January: -25.00	April: -25.00	July: -25.00	October: -25.00		
February: -25.00	May: -25.00	August: -25.00	November: -25.00		
March: -25.00	June: -25.00	September: -25.00	December: -25.00		
<u>200-622-54610</u>	RENTALS & LEASES	622-VOTER TRAILER	50.00	300.00	350.00
January: 25.00	April: 25.00	July: 25.00	October: 25.00		
February: 25.00	May: 25.00	August: 25.00	November: 25.00		
March: 25.00	June: 25.00	September: 25.00	December: 25.00		

Adjustment Number	Budget Code	Description	Adjustment Date
BA0001134	2020 COUNTY BUDGET JAN...	622-PURCHASE A TRUCK	3/3/2020

Summary Description:

Account Number	Account Name	Adjustment Description	Before	Adjustment	After
<u>200-622-54080</u>	CONTINGENCY	621-PURCHASE A TRUCK	265,063.00	-10,000.00	255,063.00
January: -833.33	April: -833.33	July: -833.33	October: -833.33		
February: -833.33	May: -833.33	August: -833.33	November: -833.33		
March: -833.33	June: -833.33	September: -833.33	December: -833.37		
<u>200-622-55270</u>	FURNITURE & EQUIPMENT	622-PURCHASE A TRUCK	50,000.00	10,000.00	60,000.00
January: 833.33	April: 833.33	July: 833.33	October: 833.33		
February: 833.33	May: 833.33	August: 833.33	November: 833.33		
March: 833.33	June: 833.33	September: 833.33	December: 833.37		

Adjustment Number	Budget Code	Description	Adjustment Date
BA0001135	2020 COUNTY BUDGET JAN...	622-PURCHASE EQUIPMENT	3/3/2020

Summary Description:

Account Number	Account Name	Adjustment Description	Before	Adjustment	After
<u>200-622-54080</u>	CONTINGENCY	622-PURCHASE EQUIPMENT	265,063.00	-250,000.00	15,063.00
January: -20,833.33	April: -20,833.33	July: -20,833.33	October: -20,833.33		
February: -20,833.33	May: -20,833.33	August: -20,833.33	November: -20,833.33		
March: -20,833.33	June: -20,833.33	September: -20,833.33	December: -20,833.37		

Budget Adjustment Register**Packet: GLPKT14654 - 2020-#6**[200-622-55270](#)

FURNITURE & EQUIPMENT

622-PURCHASE EQUIPMENT

50,000.00

250,000.00

300,000.00

January: 20,833.33
February: 20,833.33
March: 20,833.33

April: 20,833.33
May: 20,833.33
June: 20,833.33

July: 20,833.33
August: 20,833.33
September: 20,833.33

October: 20,833.33
November: 20,833.33
December: 20,833.37

Summary

Budget	Budget Description	Account	Account Description	Before	Adjustment	After
2020	2020 COUNTY BUDGET JA	100-409-54080	CONTINGENCY	449,973.00	-5,000.00	444,973.00
		100-560-53920	UNIFORMS	7,000.00	5,000.00	12,000.00
		200-622-54080	CONTINGENCY	265,063.00	-260,300.00	4,763.00
		200-622-54610	RENTALS & LEASES	50.00	300.00	350.00
		200-622-55270	FURNITURE & EQUIPMENT	50,000.00	260,000.00	310,000.00
2020 Total:				772,086.00	0.00	772,086.00
Grand Total:				772,086.00	0.00	772,086.00

**PANOLA COUNTY
JUVENILE PROBATION DEPARTMENT
SPECIAL REVENUE FUNDS AND ACCOUNT GROUPS**

FINANCIAL STATEMENTS

AUGUST 31, 2019

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**PANOLA COUNTY JUVENILE PROBATION DEPARTMENT
FINANCIAL STATEMENTS
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Rachael Payne, CPA, PLLC

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Member of
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Texas Society of Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

Members of the Board
Panola County Juvenile Board
Carthage, Texas

I have audited the accompanying financial statements of the Texas Juvenile Justice Department Grant Funds of Panola County Juvenile Probation Department (Department), which comprise the statement of revenues, expenditures and changes in fund balances—budget and actual-regulatory basis for the year ended August 31, 2019 and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Texas Juvenile Justice Department. Management is also responsible for 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 error or fraud.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the revenue earned and expenditures incurred compared to budgeted revenues and expenditures of the Department's Texas Juvenile Justice Department Grant Funds for the year ended August 31, 2019 in accordance with the financial reporting provisions of the Texas Juvenile Justice Department as described in Note 1.

Basis of Accounting

I draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the basis of the financial reporting provisions of the Texas Juvenile Justice Department, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with the requirements of the Texas Juvenile Justice Department. My opinion is not modified with respect to that matter.

Emphasis of Matter

As discussed in Note 1, the financial statement presents the results of operations of the Department's Texas Juvenile Justice Department Grant Funds only and is not intended to present fairly the result of operations of the County in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting standards generally accepted in the United States require that the Schedule of Changes in Net Pension Liability and Related Ratios on page 16, the Schedule of Contributions on page 17, Schedule of Changes in Net OPEB Liability on page 18, and the Schedule of OPEB Plan Contributions on page 19 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I 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 my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Information

My audit was conducted for the purpose of forming an opinion on the accompanying financial statements as a whole. The supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. The special revenue funds and account groups - combining balance sheet and special revenue funds - statements of revenues, expenditures and changes in fund balances - budget and actual are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated February 18, 2020, on my consideration of the Department's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering the Department's internal control over financial reporting and compliance.

Restriction on Use

This report is intended solely for the information and use of management, Panola County, others within Panola County Juvenile Probation Department and the Texas Juvenile Justice Department and is not intended to be and should not be used by anyone other than these specified parties.

Rachael Payne

Rachael Payne, CPA, PLLC
Certified Public Accountant
Carthage, Texas

February 18, 2020

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**PANOLA COUNTY JUVENILE PROBATION DEPARTMENT
TEXAS JUVENILE JUSTICE DEPARTMENT GRANT FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE BY CONTRACT
BUDGET AND ACTUAL - REGULATORY BASIS
FOR THE YEAR ENDED AUGUST 31, 2019**

	<u>Grant A-19-183</u>			<u>Grant R-19-183</u>		
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:						
TJJD Funds	\$ 194,195	\$ 194,195	\$ -	\$ 14,361	\$ 10,812	\$ (3,549)
Total Revenues	<u>194,195</u>	<u>194,195</u>	<u>-</u>	<u>14,361</u>	<u>10,812</u>	<u>(3,549)</u>
Expenditures:						
Basic Probation Services	53,263	45,220	8,043	-	-	-
Community Programs	54,932	51,267	3,665	-	-	-
Pre Post-Adjudication	70,000	45,777	24,223	-	-	-
Commitment Diversion	7,000	-	7,000	-	-	-
Mental Health Services	9,000	1,400	1,522	-	-	-
Region	-	-	-	14,361	7,702	6,659
Total Expenditures	<u>194,195</u>	<u>143,664</u>	<u>44,453</u>	<u>14,361</u>	<u>7,702</u>	<u>6,659</u>
Excess Revenues over Expenditures	-	50,531	50,531	-	3,110	3,110
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,971</u>	<u>5,971</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ 50,531</u>	<u>\$ 50,531</u>	<u>\$ 5,971</u>	<u>\$ 9,081</u>	<u>\$ 3,110</u>

Additional Information:

Refunds Paid to TJJD.

10/29/2019

\$ 50,531

\$ 6,659

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

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**PANOLA COUNTY JUVENILE PROBATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2019**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. ENTITY

The Texas Juvenile Justice Department Grant Funds of Panola County (the Funds) were established to account for juvenile probation services funded by the Texas Juvenile Justice Department (TJJD) in Panola County.

The Funds provide separate accountability as required under the State Financial Assistance Contract, by TJJD. The Funds are used to account for each separate program, matching funds and all related expenditures incurred.

B. BASIS OF ACCOUNTING

The financial statements were prepared in conformity with the accounting practices prescribed by TJJD, which prescribes policies and procedures for county probation departments, which is a comprehensive basis of accounting other than generally accepted accounting principles. These accounting practices include the following:

- The financial statements are reported using the accrual basis of accounting. Revenues are recorded when all eligibility requirements have been met and expenditures are recorded when incurred.
- The accompanying financial statements do not represent financial statements prepared in accordance with provisions for governmental funds as prescribed by the Governmental Accounting Standards Board.
- The accompanying financial statements are prepared in a format to facilitate uniform financial reporting by county probation departments.

NOTE 2 - RECONCILIATION OF INTEREST EARNED

Idle funds were maintained in an interest bearing account. The reconciliation of interest earned on funds received from TJJD is as follows:

	Interest Earned TJJD Funds FY 2019	Interest Earned Title IV-E Funds FY 2019	Total <u>Interest</u>
Beginning balance, Sept 1, 2018	\$ 13,757	\$ 24,883	\$ 38,640
Interest earned on funds received from the period of 09/01/18 – 08/31/19	<u>210</u>	<u>2,921</u>	<u>3,131</u>
Total Interest at Aug. 31, 2019	\$ 13,967	\$ 27,804	41,771
Minus interest expenditures in FY 2019	<u>-</u>	<u>-</u>	<u>-</u>
Ending Balance, Aug 31, 2019	<u>\$ 13,967</u>	<u>\$ 27,804</u>	<u>\$ 41,771</u>

**PANOLA COUNTY JUVENILE PROBATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2019**

NOTE 3 – OPERATING COST FOR A SECURE JUVENILE FACILITY

The Department does not operate a secure juvenile facility.

NOTE 4 – FEDERAL FINANCIAL ASSISTANCE

The Texas Juvenile Justice Department administers, along with the Texas Department of Family and Protective Services, the Title IV-E Program (CFDA 93.658). TJJD disburses funds to Panola County, Texas on a cost reimbursement basis. There were no Title IV-E Program revenues in the year ending August 31, 2019.

NOTE 5 – FINANCIAL MATCH REQUIREMENTS

To receive Texas Juvenile Justice Department state funds, the juvenile probation departments are required to certify that the amount of local or county funds expended for juvenile services is at least equal to or greater than the amount spent in the 2006 county fiscal year excluding construction and capital outlay expenses. A confirmation of local funds for the year ending August 31, 2019 is required and presented below:

Local Funding Expended (less construction and capital outlay)

FY 2019	\$ 193,097
FY 2006	\$ 76,882

The juvenile probation department certified the financial match requirements were fulfilled in FY 2019.

NOTE 6 – STATE FINANCIAL ASSISTANCE

- a. The Texas Juvenile Justice Department provided the County the following funds for the Grant R – Regional Diversion Alternative (RDA) Program **Reimbursement** Grant Funds. A confirmation of revenue received in the year ending August 31, 2019 is required and presented below.

<u>Contract Number</u>	<u>Amount Received (Cash Basis) August 31, 2019</u>
R-2019-183	<u>\$ 31,486</u>
Total	<u>\$ 31,486</u>

NOTE 7 - CASH, PETTY CASH AND INVESTMENTS

The Department's cash and cash equivalents are considered to be cash on hand, demand deposits, and certificates of deposit with an original maturity of less than 90 days. The Department invested its funds during the year into demand deposit checking accounts and certificates of deposit. All funds were invested with the First State Bank & Trust of Carthage, Texas. First State Bank & Trust is the depository bank of Panola County. Accounts of Panola County (including the Juvenile Probation accounts) are covered aggregately by the Federal Deposit Insurance Corporation up to \$250,000 by type account. In addition, as of August 31, 2019, First State Bank & Trust had pledged securities totaling approximately \$92,879,493 toward the County's deposits. The amount pledged is greater than the average amount on deposit during the year.

**PANOLA COUNTY JUVENILE PROBATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2019**

NOTE 8 - PENSION PLAN

Employees of the Department are treated as employees of Panola County and as such, are participants in the pension plan provided by the County.

Payroll and Contribution Information

The Department's total payroll for the year ended August 31, 2019 was \$110,726 and the Department's contributions were based on a covered payroll of \$110,726. Employer and employee contributions for the year were made as required and are detailed below. Employee contributions may include the purchase of credits for military or legislative service or the buyback of previously forfeited service credit. There were no related-party transactions.

Employee Contributions	\$ 7,751
Employer Contributions	\$26,563

Plan Description

Panola County provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional defined benefit pension plan in the statewide, agent multiple-employer, Texas County and District Retirement System (TCDRS). Each employer has its own defined benefit plan that functions similarly to a cash balance plan. The assets of the plans are pooled for investment purposes, but each employer's plan assets may be used only for the payment of benefits to the members of that employer's plan. In accordance with Texas law, it is intended that the pension plan be construed and administered in a manner that the retirement system will be considered qualified under Section 401(a) of the Internal Revenue Code. All employees (except temporary staff) of a participating employer must be enrolled in the plan. The TCDRS issues a comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034. The CAFR is also available at www.tcdrs.org.

The plan provisions are adopted by the governing body of the 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 30 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 their employer.

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

As of January 1, 2018, there were 151 inactive employees receiving benefits, 85 inactive employees entitled to but not yet receiving benefits, and 184 active employees.

Funding Policy

The County has elected the annually determined contribution rate (variable-rate) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the County is actuarially determined annually. It was 23.50% for calendar year 2017 and 2018. The contribution rate payable by the employee members is the rate of 7.00% as adopted by the Commissioners' Court of the County. The employee contribution rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act.

**PANOLA COUNTY JUVENILE PROBATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2019**

NOTE 8 - PENSION PLAN (cont.)

Discount Rate

The discount rate used to measure the total pension liability was 8.1%. There was no change in the discount rate since the previous year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term rate of return on pension plan investments is 8.0%. The long-term expected rate of return 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 below are based on January 2018 information for a 10 year time horizon.

Note that the valuation assumption for long-term expected return is re-assessed at a minimum of every four years, and is set based on a 30-year time horizon; the most recent analysis was performed in 2017.

Asset Class	Benchmark	Target Allocation (1)	Geometric Real Rate of Return (Expected minus Inflation) (2)
US Equities	Dow Jones U.S. Total Stock Market Index	11.50%	4.55%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index (3)	16.00%	7.55%
Global Equities	MSCI World (net) Index	1.50%	4.85%
International Equities-Developed	MSCI World Ex USA (net)	10.00%	4.70%
International Equities-Emerging	MSCI World EM Standard (net) Index	8.00%	5.50%
Investment-Grade Bonds	Bloomberg Barclays US Aggregate Bond Index	3.00%	75.00%
Strategic Credit	FTSE High-Yield Cash-Pay Capped Index	8.00%	4.12%
Direct Lending	S&P/LSTA Leveraged Loan Index	10.00%	8.06%
Distressed Debt	Cambridge Associates Distressed Securities Index (4)	2.00%	6.30%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% S&P Global REIT (net) Index	2.00%	4.05%
Master Limited Partnerships (MLPs)	Alerian MLP Index	3.00%	6.00%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index (5)	6.00%	6.25%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	18.00%	4.10%
Total		<u>100.00%</u>	

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

(2) Geometric real rates of return equals the expected return minus the assumed inflation rate of 1.95% per Cliffwater' 2018 capital market assumptions.

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

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

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

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

**PANOLA COUNTY JUVENILE PROBATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2019**

NOTE 8 - PENSION PLAN (cont.)

Changes in the Net Pension Liability

At December 31, 2017, the County reported a net pension liability of \$4,416,448. The changes in net pension liability were as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balance at 12/31/16	\$ 62,420,682	\$ 51,492,723	\$ 10,927,959
Changes for the year:			
Service cost	1,528,882		1,528,882
Interest	5,073,643		5,073,643
Change in benefit terms	-		-
Diff between expected/actual experience	(1,674,570)		(1,674,570)
Changes of assumptions	(999,472)		(999,472)
Contributions - employer		2,438,959	(2,438,959)
Contributions - employee		516,439	(516,439)
Net investment income		7,520,633	(7,520,633)
Benefit payments, including refunds of employee contributions	(2,676,104)	(2,676,104)	-
Administrative expenses		(39,408)	39,408
Other charges		3,372	(3,372)
Net changes	1,252,379	7,763,891	(6,511,512)
Balance at 12/31/17	\$ 63,673,062	\$ 59,256,614	\$ 4,416,447

The net pension liability was measured as of December 31, 2017 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date and for the year then ended.

There were no changes of assumptions or other inputs that affected measurement of the total pension liability during the measurement period.

There were no changes of benefit terms that affected measurement of the total pension liability during the measurement period.

Discount Rate Sensitivity Analysis

The following shows the net pension liability calculated using the discount rate of 8.1%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (7.10%) or 1 percentage point higher (9.10%) than the current rate.

	1% Decrease in Discount Rate (7.1%)	Discount Rate (8.1%)	1% Increase in Discount Rate (9.1%)
County's net pension liability	\$ 13,175,705	\$ 4,416,447	\$ (2,668,619)

PANOLA COUNTY JUVENILE PROBATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2019

NOTE 8 - PENSION PLAN (cont.)

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

For the year ended December 31, 2018, the County recognized pension expense of \$1,753,955.

At December 31, 2018, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience (net of current year amortization)	\$ -	\$ 2,005,920
Changes in actuarial assumptions	(387,975)	-
Differences between projected and actual earnings (net of current year amortization)	-	336,245
Contributions made subsequent to the measurement date	1,666,774	-
Total	<u>\$ 1,278,799</u>	<u>\$ 2,342,165</u>

\$1,666,774 reported as deferred outflows of resources related to pension resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended December 31, 2019. Other amounts reported as deferred outflows and inflows of resources related to pension will be recognized in pension expense as follows.

Year ended December 31,	
2019	\$ (187,597)
2020	(209,167)
2021	(1,130,552)
2022	(1,202,824)
2023	-
Thereafter	-

NOTE 9 – OTHER POST-EMPLOYMENT BENEFITS PLAN

Employees of the Department are treated as employees of Panola County and as such, are participants in the other post-employment benefits plan provided by the County.

Contribution Information

During the current year, contributions to the Retiree Health Benefit Trust (RHBT) in the amount of \$24,212 were made by the Panola County Juvenile Probation Department.

Plan Description

The Panola County, Texas Retiree Health Benefit Trust (RHBT), also known as other post-employment benefits (OPEB) trust, is a single employer defined benefit healthcare plan (the Plan) administered by the County which provides medical insurance benefits to eligible retirees and their beneficiaries.

**PANOLA COUNTY JUVENILE PROBATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2019**

NOTE 9 – OTHER POST-EMPLOYMENT BENEFITS PLAN (cont.)

By order 2007-23, dated November 26, 2007, enacted by the Commissioners' Court of Panola County, the County established the RHBT to provide for the payment of the health care insurance premiums for eligible retired employees, a continuation of a policy in effect for approximately thirty-six years prior to that date whereby the County provided certain group medical insurance continuation benefits to retirees of the County on a "pay-as-you-go" basis. The entire cost of the retiree's medical insurance coverage is currently paid from the funds in the trust, but no direct subsidy of dependent coverage is provided. Order 2007-23 of Panola County also assigned the authority to establish and amend benefit provisions to the Commissioners' Court.

The RHBT is a single employer defined benefit healthcare plan administered by the County which provides medical insurance benefits to eligible retirees and their beneficiaries.

The County does not issue a separate financial report that includes financial statements and required supplementary information for the RHBT. However, the financial statements and the required supplementary information is included in the County's comprehensive annual financial report at pages 37 - 38 (financial statements) and page 60 (required supplementary information).

Benefits Provided

The County funds the entire cost of retiree health insurance premiums. Medical benefits are provided through the Texas Association of Counties Insurance Pool (TAC). Retiree dependents and surviving spouses are eligible for coverage and may remain in the plan, but the retiree is responsible for the entire cost. There is no direct RHBT subsidy. Dependent premiums are collected from the participants and remitted to the insurance provider on a monthly basis.

Employees who retire at the age of 60 or above with 8 years of TCDRS service are eligible to remain in the medical plan, and employees who retire with 30 or more years of service are eligible to remain in the plan regardless of their age at retirement. Employees whose attained age and years of TCDRS service combine to equal or exceed 75 are also eligible.

Life insurance coverage is not available to retirees. Dental insurance is on a voluntary basis and is not subsidized by Panola County.

Employees Covered

At December 31, 2018 the following employees were covered by the benefit terms:

Retirees currently receiving benefits	101
Active employees	<u>164</u>
Total	<u>265</u>

Actuarial Methods and Assumptions

Calculations of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of plan costs. The actuarial methods and assumptions used are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspectives of the calculations. Actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations of the OPEB plan reflect a long-term perspective.

**PANOLA COUNTY JUVENILE PROBATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2019**

NOTE 9 – OTHER POST EMPLOYMENT BENEFITS PLAN (cont.)

The following actuarial assumptions were used to determine the Total OPEB Liability in the December 31, 2018 actuarial valuation:

Valuation Date	December 31, 2018
Measurement Date	December 31, 2018
Actuarial Cost Method	Entry Age Normal
Inflation	2.30%
Salary Increases Including Inflation	3.00%
Discount Rate	4.10%
Discount Rate Basis	Bond Buyer 20-Bond GO Index
Healthcare Trend Rates	5.00% – 8.50%*

*Initial trend rates are 8.5% for pre-Medicare and 6.0% for post-Medicare; with both rates grading down to an ultimate trend rate of 5.0%.

Mortality rates were based on the RP-2014 table (sex distinct). Rates of disability were derived from a Society of Actuaries study. These were not tested against Panola County experience.

The actuarial valuation of RHBT assets was set at fair market value of the cash and certificates of deposit comprising the investment account at the measurement date.

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
	(a)	(b)	(a) - (b)
Balance at 12/31/16	\$ 29,764,129	\$ 31,007,407	\$ (1,243,278)
Changes for the year:			
Service cost	1,666,934	-	1,666,934
Interest	1,081,229	571,536	509,693
Change in benefit terms	-	-	-
Diff between expected/actual experience	-	-	-
Changes of assumptions	(2,711,856)	-	(2,711,856)
Contributions - employer	-	1,746,235	(1,746,235)
Contributions - employee	-	-	-
Net investment income	-	-	-
Benefit payments, including refunds of employee contributions	-	(1,267,612)	1,267,612
Administrative expenses	-	-	-
Other charges	-	-	-
Net changes	36,307	1,050,159	(1,013,852)
Balance at 12/31/17	\$ 29,800,436	\$ 32,057,566	\$ (2,257,130)

Sensitivity Analysis

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

	1% Decrease in Discount Rate (3.10%)	Discount Rate (4.10%)	1% Increase in Discount Rate (5.10%)
County's Total OPEB Liability/(Asset)	\$ 2,215,508	\$ (2,257,130)	\$ (5,905,995)

**PANOLA COUNTY JUVENILE PROBATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2019**

NOTE 9 – OTHER POST EMPLOYMENT BENEFITS PLAN (cont.)

Healthcare Cost Trend Rates Sensitivity Analysis

The following schedule presents the Net OPEB Liability (Asset) of the plan using the assumed healthcare cost trend rate, as well as what the Net OPEB Liability (Asset) would be if it were calculated using a trend rate that is 1-percentage-point lower or 1-percentage-point higher than the assumed healthcare cost trend rate.

	1% Decrease in Trend Rate	Current Healthcare Cost Trend Rates	1% Increase in Trend Rate
County's Total OPEB Liability/(Asset)	\$ (6,341,240)	\$ (2,257,130)	\$ 2,898,814

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The County's Net OPEB Asset reported for the year ended December 31, 2018 was measured as of December 31, 2018, and the Total OPEB Liability used to calculate the Net OPEB Asset was determined by an actuarial valuation as of that same date.

The components of the Net OPEB Asset of the County at December 31, 2018 were as follows:

Total OPEB Liability	\$ 29,800,436
Plan Fiduciary Net Position	(32,057,566)
Net OPEB Liability (Asset)	<u>\$ (2,257,130)</u>

At December 31, 2018, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings	\$ -	\$ -
Differences between expected and actual experience	-	-
Changes in assumptions or inputs	-	2,426,663
Total	<u>\$ -</u>	<u>\$ 2,426,663</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended December 31:</u>	<u>OPEB Expense Amount</u>
2019	\$ (285,193)
2020	(285,193)
2021	(285,193)
2022	(285,193)
2023	(285,193)
Thereafter	<u>(1,000,698)</u>
Total	<u>\$ (2,426,663)</u>

**PANOLA COUNTY JUVENILE PROBATION DEPARTMENT
REQUIRED SUPPLEMENTARY INFORMATION
AUGUST 31, 2019**

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED DECEMBER 31, 2018**

	2017	2016	2015	2014
Total Pension Liability				
Service cost	\$ 1,528,882	\$ 1,627,854	\$ 1,457,414	\$ 1,429,368
Interest (on the total pension liability)	5,073,643	4,744,127	4,457,975	4,184,774
Changes of benefit terms	-	-	(206,371)	-
Difference between expected and actual experience	(1,674,570)	(562,543)	(661,728)	(601,515)
Change of assumptions	(999,472)	-	1,029,006	-
Benefit payments, including refunds of employee contributions	(2,676,104)	(2,275,968)	(2,173,650)	(1,944,467)
Net Change in Total Pension Liability	1,252,379	3,533,470	3,902,646	3,068,160
Total Pension Liability - Beginning	62,420,682	58,887,212	54,984,566	51,916,406
Total Pension Liability - Ending (a)	\$ 63,673,061	\$ 62,420,682	\$ 58,887,212	\$ 54,984,566
Plan Fiduciary Net Position				
Contributions - employer	\$ 2,438,959	\$ 2,531,576	\$ 2,489,599	\$ 3,353,570
Contributions - employee	516,439	544,034	531,525	505,905
Net investment income	7,520,633	3,493,015	(1,037,364)	2,863,212
Benefit payments, including refunds of employee contributions	(2,676,104)	(2,275,968)	(2,173,649)	(1,944,467)
Administrative expense	(39,408)	(38,018)	(34,088)	(34,814)
Other	3,372	52,769	26,592	(226,419)
Net Change in Plan Fiduciary Net Position	7,763,891	4,307,408	(197,385)	4,516,987
Plan Fiduciary Net Position - Beginning	51,492,725	47,185,317	47,382,702	42,865,715
Plan Fiduciary Net Position - Ending (b)	\$ 59,256,616	\$ 51,492,725	\$ 47,185,317	\$ 47,382,702
Net Pension Liability - Ending (a) - (b)	\$ 4,416,445	\$ 10,927,957	\$ 11,701,895	\$ 7,601,864
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	93.06%	82.49%	80.13%	86.17%
Covered Payroll	\$ 7,377,699	\$ 7,771,911	\$ 7,593,216	\$ 7,227,213
Net Pension Liability as a Percentage of Covered Payroll	59.86%	140.61%	154.11%	105.18%

**PANOLA COUNTY JUVENILE PROBATION DEPARTMENT
REQUIRED SUPPLEMENTARY INFORMATION
AUGUST 31, 2019**

**SCHEDULE OF CONTRIBUTIONS
FOR THE YEAR ENDED DECEMBER 31, 2018**

	2018	2017	2016	2015
Actuarially determined contribution	\$ 1,666,774	\$ 2,438,949	\$ 2,531,576	\$ 2,489,599
Contributions in relation to actuarially determined contribution	(1,666,774)	(2,438,949)	(2,531,576)	(2,489,599)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 7,092,592	\$ 7,377,699	\$ 7,771,911	\$ 7,593,216
Contributions as a percentage of covered payroll	23.50%	33.06%	32.57%	32.79%

**PANOLA COUNTY, TEXAS
NOTES TO SCHEDULE OF CONTRIBUTIONS
FOR THE YEAR ENDED DECEMBER 31, 2018**

Valuation Date: Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of the fiscal year in which 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	0.0 years (based on contribution rate calculated in 12/31/2016 valuation)
Asset Valuation Method	5-yr smoothed market
Inflation	2.75%
Salary Increases	Varies by age and service. 4.9% average over career including inflation.
Investment Rate of Return	8.00%, net investment expenses, including inflation
Retirement Age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.

Changes in Assumptions and Methods Reflected in the Schedule of Employer Contributions* 2015: New inflation, mortality and other assumptions were reflected.
2017: New mortality assumptions were reflected.

Changes in Plan Provisions Reflected in the Schedule of Employer Contributions* 2015: Employer contributions reflect that a 100% CPI COLA was adopted.
2016: Employer contributions reflect that a 100% CPE COLA was adopted.
2017: Employer contributions reflect that a 100% CPI COLA was adopted.
Also, new Annuity Purchase Rates were reflected for benefits earned after

**PANOLA COUNTY JUVENILE PROBATION DEPARTMENT
REQUIRED SUPPLEMENTARY INFORMATION
AUGUST 31, 2019**

**PANOLA COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET OPEB LIABILITY
DECEMBER 31, 2018**

	<u>2018</u>
Total OPEB Liability	
Service Cost	\$ 1,666,934
Interest on Total OPEB Liability	1,081,229
Effect of Plan Changes	-
Effect of economic/demographic gains or (losses)	-
Effect of assumption changes or inputs	(2,711,856)
Benefit payments	-
Net Change in Total OPEB Liability	<u>36,307</u>
Total OPEB Liability - Beginning	<u>29,764,129</u>
Total OPEB Liability - Ending (a)	<u><u>\$ 29,800,436</u></u>
Plan Fiduciary Net Position	
Earnings on Assets	\$ 571,536
Contributions - Employer	1,746,235
Retiree Medical Premiums Paid	(1,267,612)
Expenses	-
Net Change in Plan Fiduciary Net Position	<u>1,050,159</u>
Plan Fiduciary Net Position - Beginning	<u>31,007,407</u>
Plan Fiduciary Net Position - Ending (b)	<u><u>\$ 32,057,566</u></u>
Net OPEB Liability (Asset) - Ending (a) - (b)	\$ (2,257,130)
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	107.57%
Covered Employee Payroll	\$ 7,139,612
Net OPEB Liability (Asset) as a Percentage of Covered Employee Payroll	-31.61%

Notes to Schedule:

This schedule only shows the year for which this information is available. Additional information will be added until 10 years of data are available and reported.

**PANOLA COUNTY JUVENILE PROBATION DEPARTMENT
REQUIRED SUPPLEMENTARY INFORMATION
AUGUST 31, 2019**

**PANOLA COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF OPEB PLAN CONTRIBUTIONS
DECEMBER 31, 2018**

	<u>2018</u>
Actuarilly Determined Contribution	\$ 1,746,235
Contributions in relation to the actuarially determined contribution	<u>(1,746,235)</u>
Contribution deficiency (excess)	<u>\$ -</u>
Covered employee payroll	\$ 7,139,612
Contributions as a percentage of covered employee payroll	24.46%

Notes to Schedule of Contributions

Valuation Date:

Notes

Actuarially determined contribution rates are calculated as of December 31.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Inflation	2.30%
Salary Increases Including Inflation	3.00%
Mortality	RP2014 Mortality Table (sex distinct)

Other Information:

Notes

There were no benefit changes during the year.

This schedule only shows the year for which this information is available. Additional information will be added until 10 years of data are available and reported.

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SUPPLEMENTAL INFORMATION

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PANOLA COUNTY JUVENILE PROBATION DEPARTMENT
SPECIAL REVENUE FUNDS AND ACCOUNT GROUPS
COMBINING BALANCE SHEET
AUGUST 31, 2019

	Special Revenue Fund										Account Group
	Fund 520	Fund 560	Fund 540	Fund 555	Fund 580	Fund 582	Fund 585	Fund 552	Fund 553	Fund 530	
	Panola Juvenile Probation	Grant A Basic Probation Supervision	Grant A Community Programs	Grant A Pre Post-Adjudication	Grant A Commitment Diversion	Grant A Mental Health Services	Local Match Funding	Grant R Regional Diversion Alternatives	Grant R RDA Reimb Program	Title IV-E Program	Totals (Memorandum Only)
ASSETS											
Cash and cash equivalents	\$ 35,204	\$ 9,353	\$ 5,808	\$ 29,586	\$ 7,000	\$ 7,600	\$ 180,289	\$ 10,859	\$ -	\$ 76,590	\$ 362,289
Investments	10,000	-	-	-	-	-	100,000	-	-	70,000	180,000
Accounts Receivable	135	-	-	-	-	-	-	-	-	-	135
Interest Receivable	527	-	-	-	-	-	-	-	-	326	853
Capital Assets	-	-	-	-	-	-	-	-	-	-	44,574
Total Assets	\$ 45,866	\$ 9,353	\$ 5,808	\$ 29,586	\$ 7,000	\$ 7,600	\$ 280,289	\$ 10,859	\$ -	\$ 146,916	\$ 587,851
LIABILITIES AND FUND BALANCE											
Liabilities:											
Accounts Payable	\$ -	\$ 26	\$ 255	\$ 5,363	\$ -	\$ -	\$ 2,583	\$ 1,778	\$ -	\$ -	\$ 10,005
Accrued Payroll Liabilities Payable	-	-	-	-	-	-	4,047	-	-	-	4,047
Accrued Wages Payable	-	1,284	1,888	-	-	-	149	-	-	-	3,321
Total Liabilities	-	1,310	2,143	5,363	-	-	6,779	1,778	-	-	17,373
Fund Balance:											
Investment in Capital Assets	-	-	-	-	-	-	-	-	-	-	44,574
Fund Balance: Restricted	45,866	8,043	3,665	24,223	7,000	7,600	273,510	9,081	-	146,916	525,904
Total Liabilities and Fund Balance	\$ 45,866	\$ 9,353	\$ 5,808	\$ 29,586	\$ 7,000	\$ 7,600	\$ 280,289	\$ 10,859	\$ -	\$ 146,916	\$ 587,851

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

PANOLA COUNTY JUVENILE PROBATION DEPARTMENT
FUND 520 - PANOLA JUVENILE PROBATION SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED AUGUST 31, 2019

	<u>Final Budget</u>	<u>Actual</u>	<u>Budget Variance Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental Receipts			
State Comptroller	\$ -	\$ -	\$ -
Total Intergovernmental Receipts	<u>-</u>	<u>-</u>	<u>-</u>
Miscellaneous			
Interest Earned	-	6,126	6,126
Probation/Informal Adj. Fees	-	780	780
Miscellaneous Revenues	-	15	15
Total Miscellaneous Receipts	<u>-</u>	<u>6,921</u>	<u>6,921</u>
Total Revenues	<u>-</u>	<u>6,921</u>	<u>6,921</u>
Expenditures:			
Salaries & Fringe Benefits	-	-	-
Travel and Training	-	-	-
Operating Expenses	-	-	-
Inter-County Contracts	-	-	-
External Contracts	-	-	-
Capital Outlay	1,100	-	1,100
Total Expenditures	<u>1,100</u>	<u>-</u>	<u>1,100</u>
Excess (Deficiency) Revenues over Expenditures	(1,100)	6,921	8,021
Fund Balance - Beginning of Year	<u>38,945</u>	<u>38,945</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ 37,845</u>	<u>\$ 45,866</u>	<u>\$ 8,021</u>

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

PANOLA COUNTY JUVENILE PROBATION DEPARTMENT
FUND 560 - GRANT A - BASIC PROBATION SUPERVISION SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED AUGUST 31, 2019

	<u>Final Budget</u>	<u>Actual</u>	<u>Budget Variance Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental Receipts			
State Comptroller	\$ 53,263	\$ 53,263	\$ -
Total Intergovernmental Receipts	<u>53,263</u>	<u>53,263</u>	<u>-</u>
Total Revenues	<u>53,263</u>	<u>53,263</u>	<u>-</u>
Expenditures:			
Basic Probation Supervision:			
Salaries & Fringe Benefits	31,243	31,243	-
Travel and Training	8,000	3,571	4,429
Operating Expenses	14,020	10,406	3,614
Inter-County Contracts	-	-	-
External Contracts	-	-	-
Capital Outlay	-	-	-
Total Expenditures	<u>53,263</u>	<u>45,220</u>	<u>8,043</u>
Excess (Deficiency) Revenues over Expenditures	-	8,043	8,043
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ 8,043</u>	<u>\$ 8,043</u>

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

**PANOLA COUNTY JUVENILE PROBATION DEPARTMENT
FUND 540 - GRANT A - COMMUNITY PROGRAMS SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED AUGUST 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	<u>Budget Variance Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental Receipts			
State Comptroller	\$ 54,932	\$ 54,932	\$ -
Total Intergovernmental Receipts	<u>54,932</u>	<u>54,932</u>	<u>-</u>
Total Revenues	<u>54,932</u>	<u>54,932</u>	<u>-</u>
Expenditures:			
Community Programs:			
Salaries & Fringe Benefits	45,932	45,932	-
Travel and Training	-	-	-
Operating Expenses	-	-	-
Inter-County Contracts	-	-	-
External Contracts	9,000	5,335	3,665
Capital Outlay	-	-	-
Total Expenditures	<u>54,932</u>	<u>51,267</u>	<u>3,665</u>
Excess (Deficiency) Revenues over Expenditures	-	3,665	3,665
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ 3,665</u>	<u>\$ 3,665</u>

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

PANOLA COUNTY JUVENILE PROBATION DEPARTMENT
FUND 555 - GRANT A - PRE POST-ADJUDICATION SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED AUGUST 31, 2019

	<u>Final Budget</u>	<u>Actual</u>	<u>Budget Variance Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental Receipts			
State Comptroller	\$ 70,000	\$ 70,000	\$ -
Total Intergovernmental Receipts	<u>70,000</u>	<u>70,000</u>	<u>-</u>
Total Revenues	<u>70,000</u>	<u>70,000</u>	<u>-</u>
Expenditures:			
Pre Post-Adjudication:			
Salaries & Fringe Benefits	-	-	-
Travel and Training	-	-	-
Operating Expenses	-	-	-
Inter-County Contracts	70,000	45,777	24,223
External Contracts	-	-	-
Capital Outlay	-	-	-
Total Expenditures	<u>70,000</u>	<u>45,777</u>	<u>24,223</u>
Excess (Deficiency) Revenues over Expenditures	-	24,223	24,223
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ 24,223</u>	<u>\$ 24,223</u>

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

**PANOLA COUNTY JUVENILE PROBATION DEPARTMENT
FUND 580 - GRANT A - COMMITMENT DIVERSION SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED AUGUST 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	<u>Budget Variance Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental Receipts			
State Comptroller	\$ 7,000	\$ 7,000	\$ -
Total Intergovernmental Receipts	<u>7,000</u>	<u>7,000</u>	<u>-</u>
Total Revenues	<u>7,000</u>	<u>7,000</u>	<u>-</u>
Expenditures:			
Commitment Diversion:			
Salaries & Fringe Benefits	-	-	-
Travel and Training	-	-	-
Operating Expenses	-	-	-
Inter-County Contracts	7,000	-	7,000
External Contracts	-	-	-
Capital Outlay	-	-	-
Total Expenditures	<u>7,000</u>	<u>-</u>	<u>7,000</u>
Excess (Deficiency) Revenues over Expenditures	-	7,000	7,000
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ 7,000</u>	<u>\$ 7,000</u>

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

**PANOLA COUNTY JUVENILE PROBATION DEPARTMENT
FUND 582 - GRANT A - MENTAL HEALTH SERVICES SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED AUGUST 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	<u>Budget Variance Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental Receipts			
State Comptroller	\$ 9,000	\$ 9,000	\$ -
Total Intergovernmental Receipts	<u>9,000</u>	<u>9,000</u>	<u>-</u>
Total Revenues	<u>9,000</u>	<u>9,000</u>	<u>-</u>
Expenditures:			
Mental Health Services:			
Salaries & Fringe Benefits	-	-	-
Travel and Training	-	-	-
Operating Expenses	9,000	1,400	7,600
Inter-County Contracts	-	-	-
External Contracts	-	-	-
Capital Outlay	-	-	-
Total Expenditures	<u>9,000</u>	<u>1,400</u>	<u>7,600</u>
Excess (Deficiency) Revenues over Expenditures	-	7,600	7,600
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ 7,600</u>	<u>\$ 7,600</u>

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

**PANOLA COUNTY JUVENILE PROBATION DEPARTMENT
FUND 585 - LOCAL MATCH FUNDING SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED AUGUST 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	<u>Budget Variance Favorable (Unfavorable)</u>
Revenues:			
Total Revenues	\$ -	\$ -	\$ -
Expenditures:			
Salaries & Fringe Benefits	151,397	149,764	1,633
Travel and Training	4,000	169	3,831
Operating Expenses	15,000	6,082	8,918
Inter-County Contracts	24,000	7,888	16,112
External Contracts	8,700	-	8,700
Capital Outlay	-	-	-
Total Expenditures	<u>203,097</u>	<u>163,903</u>	<u>39,194</u>
Other Financing Sources			
Local Panola County Funding	<u>193,097</u>	<u>193,097</u>	<u>-</u>
Total Other Financing Sources	<u>193,097</u>	<u>193,097</u>	<u>-</u>
Excess (Deficiency) Revenues over Expenditures	(10,000)	29,194	39,194
Fund Balance - Beginning of Year	<u>244,316</u>	<u>244,316</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ 234,316</u>	<u>\$ 273,510</u>	<u>\$ 39,194</u>

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

**PANOLA COUNTY JUVENILE PROBATION DEPARTMENT
FUND 552 - GRANT R - REGIONAL DIVERSION ALTERNATIVE PROGRAM
SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED AUGUST 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	<u>Budget Variance Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental Receipts			
State Comptroller	\$ 14,361	\$ 10,812	\$ (3,549)
Total Intergovernmental Receipts	<u>14,361</u>	<u>10,812</u>	<u>(3,549)</u>
Total Revenues	<u>14,361</u>	<u>10,812</u>	<u>(3,549)</u>
Expenditures:			
Regionalization:			
Salaries & Fringe Benefits	-	-	-
Travel and Training	-	-	-
Operating Expenses	2,000	-	2,000
Inter-County Contracts	-	-	-
External Contracts	12,361	7,702	4,659
Capital Outlay	-	-	-
Total Expenditures	<u>14,361</u>	<u>7,702</u>	<u>6,659</u>
Excess (Deficiency) Revenues over Expenditures	-	3,110	3,110
Fund Balance - Beginning of Year	<u>5,971</u>	<u>5,971</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ 5,971</u>	<u>\$ 9,081</u>	<u>\$ 3,110</u>

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

**PANOLA COUNTY JUVENILE PROBATION DEPARTMENT
FUND 553 - GRANT R - RDA REIMBURSEMENT PROGRAM
SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED AUGUST 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	<u>Budget Variance Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental Receipts			
Regional Reimbursement	\$ 47,000	\$ 31,486	\$ (15,514)
Total Intergovernmental Receipts	<u>47,000</u>	<u>31,486</u>	<u>(15,514)</u>
Total Revenues	<u>47,000</u>	<u>31,486</u>	<u>(15,514)</u>
Expenditures:			
Regionalization:			
Salaries & Fringe Benefits	-	-	-
Travel and Training	-	-	-
Operating Expenses	-	-	-
Inter-County Contracts	47,000	31,486	15,514
External Contracts	-	-	-
Capital Outlay	-	-	-
Total Expenditures	<u>47,000</u>	<u>31,486</u>	<u>15,514</u>
Excess (Deficiency) Revenues over Expenditures	-	-	-
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**PANOLA COUNTY JUVENILE PROBATION DEPARTMENT
FUND 530 - TITLE IV-E PROGRAM SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED AUGUST 31, 2019**

	<u>Final Budget</u>	<u>Actual</u>	<u>Budget Variance Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental Receipts			
State Comptroller	\$ -	\$ -	\$ -
Total Intergovernmental Receipts	<u>-</u>	<u>-</u>	<u>-</u>
Miscellaneous			
Interest Earned	-	2,921	2,921
Total Miscellaneous Receipts	<u>-</u>	<u>2,921</u>	<u>2,921</u>
Total Revenues	<u>-</u>	<u>2,921</u>	<u>2,921</u>
Expenditures:			
Salaries & Fringe Benefits	-	-	-
Travel and Training	-	-	-
Operating Expenses	-	-	-
Inter-County Contracts	-	-	-
External Contracts	25,000	-	25,000
Capital Outlay	-	-	-
Total Expenditures	<u>25,000</u>	<u>-</u>	<u>25,000</u>
Excess (Deficiency) Revenues over Expenditures	(25,000)	2,921	27,921
Fund Balance - Beginning of Year	<u>143,995</u>	<u>143,995</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ 118,995</u>	<u>\$ 146,916</u>	<u>\$ 27,921</u>

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

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

Members of the Board
Panola County Juvenile Board
Carthage, Texas

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Texas Juvenile Justice Department Grant Funds of Panola County Juvenile Probation Department (Department) as of and for the year ended August 31, 2019, and have issued my report thereon dated February 18, 2020.

Internal Control over Financial Reporting

In planning and performing my audit of the financial statements, I considered Panola County Juvenile Probation Department's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Panola County Juvenile Probation Department's internal control. Accordingly, I do not express an opinion on the effectiveness of Panola County Juvenile Probation Department's internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Rachael Payne

Rachael Payne, CPA, PLLC
Certified Public Accountant
Carthage, Texas

February 18, 2020

**PANOLA COUNTY JUVENILE PROBATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED AUGUST 31, 2019**

There were no findings or questioned costs in the current year.

**PANOLA COUNTY JUVENILE PROBATION DEPARTMENT
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED AUGUST 31, 2019**

There were no findings or questioned costs in the prior year.

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**PANOLA COUNTY
COMMUNITY SUPERVISION &
CORRECTIONS DEPARTMENT**

FINANCIAL STATEMENTS

AUGUST 31, 2019

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**PANOLA COUNTY
COMMUNITY SUPERVISION & CORRECTIONS DEPARTMENT
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2019**

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INDEPENDENT AUDITOR'S REPORT

To the Members of the
Panola County
Community Supervision & Corrections Department
Carthage, Texas 75633

Report on the Financial Statements

I have audited the accompanying financial statements of the Panola County Community Supervision & Corrections Department (CSCD), which comprise the combined statement of financial position as of August 31, 2019, and the related financial statements of activities for the year then ended, and the related notes to the financial statements, and have issued my report thereon dated February 17, 2020.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Texas Department of Criminal Justice – Community Justice Assistance Division (TDCJ-CJAD); this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinion

In my opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the respective financial position of the governmental activities of the Panola County Community Supervision & Corrections Department as of August 31, 2019, and the respective changes in financial position thereof for the year then ended, in accordance with the financial reporting provisions of the TDCJ-CJAD as described in Note 1.

Basis of Accounting

I draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the basis of the financial reporting provisions of the TDCJ-CJAD, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with the requirements of the TDCJ-CJAD. My opinion is not modified with respect to that matter.

Emphasis of Matter

As discussed in Note 1, the financial statements present the operations of the Panola County Community Supervision & Corrections Department only, and are not intended to present fairly the financial position of Panola County, Texas and the results of its operations in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting standards generally accepted in the United States require that the Schedule of Changes in Net Pension Liability and Related Ratios on page 16 and the Schedule of Contributions – Texas County & District Retirement Plan on page 17 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I 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 my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Information

My audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Panola County Community Supervision & Correction Department's basic financial statements. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. The schedules of differences between audit report and CSCD reports on pages 20 – 21, the special revenue funds and account groups – combined statement of financial position on page 22 – 23, the statement of financial position – Drug Court Grant on page 24, the statement of revenues, expenditures and changes in fund balance – Drug Court Grant on page 25 and the statement of revenues, expenditures and changes in fund balance – budget and actual – Drug Court Grant on page 26, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated February 17, 2020, on my consideration of the Panola County Community Supervision & Corrections Department's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering the Panola County Community Supervision & Corrections Department's internal control over financial reporting and compliance.

Restriction on Use

This report is intended solely for the information and use of management of Panola County Community Supervision & Corrections Department, others within the organization, and the Texas Department of Criminal Justice – Community Justice Assistance Division and is not intended to be and should not be used by anyone other than these specified parties.

Rachael Payne

Rachael Payne, CPA, PLLC
Certified Public Accountant
Carthage, Texas

February 17, 2020

**PANOLA COUNTY
COMMUNITY SUPERVISION & CORRECTIONS DEPARTMENT
COMBINED STATEMENT OF FINANCIAL POSITION
AUGUST 31, 2019**

ASSETS

	<u>Basic Supervision</u>	<u>Community Corrections</u>	<u>Total</u>
Cash and Investments			
Bank Balances	\$ 95,026	\$ 4,795	\$ 99,821
Time Deposits	100,000	-	100,000
Total Cash and Investments	<u>195,026</u>	<u>4,795</u>	<u>199,821</u>
Accounts Receivable			
Community Supervision			
Fees	20,223	-	20,223
Interest receivable	497	-	497
Total Accounts Receivable	<u>20,720</u>	<u>-</u>	<u>20,720</u>
Total Assets	<u>\$ 215,746</u>	<u>\$ 4,795</u>	<u>\$ 220,541</u>

LIABILITIES AND FUND BALANCE

Liabilities			
Accounts Payable	\$ 49,200	\$ 373	\$ 49,573
Payroll Liabilities Payable	7,690	1,556	9,246
Accrued Wages Payable	9,712	1,883	11,595
Due to TDCJ-CJAD	-	983	983
Total Liabilities	<u>66,602</u>	<u>4,795</u>	<u>71,397</u>
Fund Balance	<u>149,144</u>	<u>-</u>	<u>149,144</u>
Total Liabilities and Fund Balance	<u>\$ 215,746</u>	<u>\$ 4,795</u>	<u>\$ 220,541</u>

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

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PANOLA COUNTY
COMMUNITY SUPERVISION & CORRECTIONS DEPARTMENT
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED AUGUST 31, 2019

	Basic Supervision	Community Corrections	Total
REVENUE			
State Aid	\$ 99,299	\$ 49,784	\$ 149,083
Total State Aid	<u>99,299</u>	<u>49,784</u>	<u>149,083</u>
Community Supervision Fees	195,440	-	195,440
Payment by Program Participants	18,346	-	18,346
Interest Income	4,500	-	4,500
Other Revenue	65	-	65
Total Revenue	<u>317,650</u>	<u>49,784</u>	<u>367,434</u>
EXPENDITURES			
Salaries and Fringe Benefits	240,392	48,858	289,250
Travel and Furnished Transportation	37,650	-	37,650
Contract Services for Offenders	14,679	-	14,679
Professional Fees	14,812	373	15,185
Supplies and Operating Expenses	21,692	-	21,692
Utilities	3,394	-	3,394
Equipment	20,399	-	20,399
Total Expenditures	<u>353,018</u>	<u>49,231</u>	<u>402,249</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(35,368)	553	(34,815)
PRIOR YEAR ENDING FUND BALANCE	184,512	430	184,942
Prior Period Adjustment	-	-	-
Adjusted Beginning Fund Balance	<u>184,512</u>	<u>430</u>	<u>184,942</u>
Refund Due to TDCJ-CJAD	-	(983)	(983)
AUDITED YEAR ENDING FUND BALANCE	<u>\$ 149,144</u>	<u>\$ -</u>	<u>\$ 149,144</u>

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

**PANOLA COUNTY
COMMUNITY SUPERVISION & CORRECTIONS DEPARTMENT
INDIVIDUAL STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET, ACTUAL AND VARIANCE
FOR THE YEAR ENDED AUGUST 31, 2019
BASIC SUPERVISION PROGRAM**

	Budget	Actual	Variance Favorable (Unfavorable)
TYPE OF REVENUE			
Requested TDCJ-CJAD Funding (State Aid)	\$ 99,299	\$ 99,299	\$ -
State Aid – SAFPF	1,437	-	(1,437)
Community Supervision Fees Collected	184,000	195,440	11,440
Payment by Program Participants	17,250	18,346	1,096
Interest Income	200	4,500	4,300
Carry Over from Previous FY (Prior Year Ending Fund Balance)	-	184,512	184,512
Other Revenue	-	65	65
Total Revenue	<u>302,186</u>	<u>502,162</u>	<u>199,976</u>
TYPE OF EXPENDITURES			
Salaries and Fringe Benefits	249,005	240,392	8,613
Travel and Furnished Transportation	49,335	37,650	11,685
Contract Services for Offenders	14,700	14,679	21
Professional Fees	18,595	14,812	3,783
Supplies and Operating Expenses	124,123	21,692	102,431
Utilities	4,800	3,394	1,406
Equipment	26,140	20,399	5,741
Total Expenditures	<u>486,698</u>	<u>353,018</u>	<u>133,680</u>
EXCESS OF REVENUES OVER (UNDER)			
EXPENDITURES	<u>\$ (184,512)</u>	149,144	<u>\$ 333,656</u>
Prior Period Adjustment - Actual		-	
Prior Year Refund (BS only) – Actual		-	
Total Prior Period Adjustment & Refunds - Actual		-	
AUDITED YEAR ENDING FUND BALANCE - ACTUAL			
		<u>\$ 149,144</u>	

The accompanying notes are an integral part
of these financial statements

**PANOLA COUNTY
COMMUNITY SUPERVISION & CORRECTIONS DEPARTMENT
INDIVIDUAL STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET, ACTUAL AND VARIANCE
FOR THE YEAR ENDED AUGUST 31, 2019
COMMUNITY CORRECTIONS PROGRAM:
COMMUNITY CORRECTIONS SUPERVISION SERVICES**

	Budget	Actual	Variance Favorable (Unfavorable)
TYPE OF REVENUE			
Requested TDCJ-CJAD Funding (State Aid)	\$ 49,784	\$ 49,784	\$ -
Carry Over from Previous FY (Prior Year Ending Fund Balance)	-	430	430
Total Revenue	<u>49,784</u>	<u>50,214</u>	<u>430</u>
TYPE OF EXPENDITURES			
Salaries and Fringe Benefits	49,184	48,858	326
Professional Fees	374	373	1
Supplies and Operating Expenses	656	-	656
Total Expenditures	<u>50,214</u>	<u>49,231</u>	<u>983</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (430)</u>	983	<u>\$ 1,413</u>
Prior Period Adjustment - Actual		-	
Refund to CJAD (CC only) - Actual		983	
Total Prior Period Adjustment & Refunds - Actual		<u>-</u>	
AUDITED YEAR ENDING FUND BALANCE - ACTUAL		<u>\$ -</u>	

The accompanying notes are an integral part
of these financial statements

PANOLA COUNTY COMMUNITY SUPERVISION & CORRECTIONS DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The accompanying financial statements include the revenue of the Panola County Community Supervision and Corrections Department (CSCD) related to the receipt of funds administered by the Texas Department of Criminal Justice—Community Justice Assistance Division (TDCJ-CJAD) from state appropriations for the Basic Supervision fund, Community Corrections funds, local fees collected for the use of the CSCD, and the expenditure of those funds.

The Panola County Community Supervision and Corrections Department, a special purpose district of state government, was organized to provide certain adult probation services to judicial districts.

Basis of Accounting

Since the Department receives funding from State government, it must comply with requirements of the State. Therefore, the financial statements were prepared using the basis of accounting prescribed by the TDCJ-CJAD, a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Basis of accounting refers to the time at which revenues and expenditures are recognized in the accounts and reported in the financial statements. The accounts of Panola County CSCD are organized on the basis of fund accounting, 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 balance, revenues, and expenditures. Resources are allocated to and accounted for in a fund based upon the source of the funds and the purposes for which they may be spent and the means by which the spending activities are controlled for the specific activities in accordance with laws, regulations, or other restrictions. Revenues and expenditures are accounted for using either the cash basis of accounting or the modified accrual basis of accounting until the last quarter when the modified accrual basis of accounting must be used.

The modified accrual basis of accounting is followed in that revenues are recorded when susceptible to accrual; i.e., earned, measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenues received by October 31 for financial activity performed by August 31, are considered available. Also, purchases for which the commitment has been established by August 31, are considered liabilities regardless of whether possession of these goods has been received by August 31, provided that the liability purchase is received and is paid by October 31. Exception to this method of accounting is the recording of refunds to the State as reductions of Fund Balance.

Funds of the Panola County CSCD are grouped into the agency fund type for the purpose of operation on the Panola County, Texas accounting system. Agency funds are accounts established for deposit and disbursement of funds which are not controlled through the Panola County, Texas budget process and are held in a purely custodial capacity.

Budgets (Accounting and Legal Compliance)

The Board of Judges reviews the Community Supervision & Corrections Department's biennium budget in an open meeting and adopts the budget. The CSCD prepares and files the biennium budget in accordance with the *Financial Management Manual for TDCJ-CJAD Funding*. The Board of Judges authorizes the Director of the CSCD to submit routine budget amendments in accordance with the *Financial Management Manual for TDCJ-CJAD Funding*. Budget adjustments are brought to the Board of Judges for approval for line item changes that exceed \$15,000 or 15%, whichever is greater, of the approved line item amount (including interfund transfers to other programs or for cash-matching grants from other agencies).

Pursuant to Government Code, Section 76.004 and 76.002, the budgets governing the funding to the programs are prepared biennially, then approved by the district judge and the criminal court-at-law judge with jurisdiction over the department and by the TDCJ-CJAD.

Only budget adjustment requests, at year end, received by September 30 will be reviewed and approved/disapproved by TDCJ-CJAD. TDCJ-CJAD will not accept budget adjustments after September 30 for the previous fiscal year. Only budget adjustments approved by TDCJ-CJAD should be referred to in performing the financial audit.

**PANOLA COUNTY COMMUNITY SUPERVISION & CORRECTIONS DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2019**

NOTE 2 – ONE-TIME/SUPPLEMENTAL PAYMENTS

There were one-time/supplemental payments in the current fiscal year ended August 31, 2019.

NOTE 3 – DEOBLIGATIONS

There were no deobligations during the current fiscal year ended August 31, 2019.

NOTE 4 – INTERFUND TRANSFERS

There were no interfund transfers during the fiscal year ended August 31, 2019.

NOTE 5 – PRIOR PERIOD ADJUSTMENTS

There were no prior period adjustments made in the current fiscal year ended August 31, 2019.

NOTE 6 – REFUNDS

There were no refunds during the current fiscal year ended August 31, 2019.

NOTE 7 – CASH, COLLECTIONS, CHANGE FUND, PETTY CASH AND INVESTMENTS

Collection or clearing accounts are trust funds and must be covered by pledged collateral to cover the estimated highest daily balance of funds operated in conjunction with or through the County depository by the CSCD.

During the fiscal year ended August 31, 2019, the CSCD's state aid and net funds (revenues) received were deposited and held, and collection accounts' remaining net funds (revenues) were transferred into a special fund of the county treasury, on or before the next regular business day, or on or before the fifth business day after the day on which the money was received. All the CSCD's state aid and net funds (revenues) received were held, deposited, disbursed, invested, and otherwise cared for by the County on behalf of the CSCD as the CSCD directed (Government Code 509.011(c) and Local Government Code 113.022 and 140.003(f)).

All CSCD employees who have access to public funds are covered by a surety bond.

The Panola County CSCD did not have a change fund during the year ended August 31, 2019.

Then Panola County CSCD did not maintain petty cash during the year ended August 31, 2019.

The Department's cash and cash equivalents are considered to be cash on hand, demand deposits, and certificates of deposit with an original maturity of less than 90 days. The Department invested its idle funds during the year into demand deposit checking accounts and certificates of deposit. All funds were invested with the First State Bank & Trust of Carthage, Texas. First State Bank & Trust is the depository bank of Panola County. Accounts of Panola County (including the CSCD accounts) are covered aggregately by the Federal Deposit Insurance Corporation up to \$250,000 by type of account. In addition, First State Bank & Trust has pledged securities totaling approximately \$92,879,493 toward the County's deposits. The amount pledged is greater than the average amount on deposit during the year.

NOTE 8 - EXCESS OF EXPENDITURES OVER BUDGETS IN INDIVIDUAL PROGRAMS

There were no instances of expenditures exceeding budgets in individual programs in fiscal year 2019.

**PANOLA COUNTY COMMUNITY SUPERVISION & CORRECTIONS DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2019**

NOTE 9 – FUNDS COLLECTED BY THE CSCD FROM SOURCES OTHER THAN TDCJ-CJAD WHICH ARE REQUIRED TO BE REPORTED ON THE TDCJ-CJAD QUARTERLY FINANCIAL REPORTS

During the year ended August 31, 2019, the Panola County Community Supervision & Corrections Department received the following funding from sources other than TDCJ-CJAD which ARE required to be reported on the TDCJ-CJAD quarterly financial reports:

Source	Amount Received	Restrictions for Use	Expended in Accordance With Restriction
Community Supervision Fees	\$ 195,440	Texas Code of Criminal Procedure Article 42A.652 (a); FMM for TDCJ-CJAD Funding restrictions	Yes
<u>Payments by Program Participants:</u>		Government Code, Section 76.015; Section 19, Article 42.12 Code of Criminal Procedures; FMM for TDCJ-CJAD Funding restrictions	
Probation Payments (UA and SASSI)	\$ 18,346		Yes
Total Payments by Program Participants:	\$ 18,346		
Interest Income	\$ 4,500	FMM for TDCJ-CJAD Funding restrictions	Yes
<u>Other Revenue:</u>			
ARTS Restitution	\$ 59	FMM for TDCJ-CJAD Funding restrictions	Yes
Unclaimed Funds	\$ 6	FMM for TDCJ-CJAD Funding restrictions	Yes
Total Other Revenue:	\$ 65		

NOTE 10 – COMMITMENTS AND CONTINGENCIES

The Panola County Community Supervision & Corrections Department had no known commitments and contingencies as of August 31, 2019.

NOTE 11 – SUBSEQUENT EVENTS

As of the date of the audit report, there were no known subsequent events which require disclosure in these financial statements.

PANOLA COUNTY COMMUNITY SUPERVISION & CORRECTIONS DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2019

NOTE 12 - PENSION PLAN

Employees of the Department are treated as employees of Panola County and as such, are participants in the pension plan provided by the County.

Payroll and Contribution Information

The Department's total payroll for the year ended August 31, 2019 was \$221,090 and the Department's contributions were based on a covered payroll of \$221,090. Employer and employee contributions for the year were made as required and are detailed below. Employee contributions may include the purchase of credits for military or legislative service or the buyback of previously forfeited service credit. There were no related-party transactions.

Employee Contributions	\$ 15,476
Employer Contributions	\$ 53,227

Plan Description

Panola County provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional defined benefit pension plan in the statewide, agent multiple-employer, Texas County and District Retirement System (TCDRS). Each employer has its own defined benefit plan that functions similarly to a cash balance plan. The assets of the plans are pooled for investment purposes, but each employer's plan assets may be used only for the payment of benefits to the members of that employer's plan. In accordance with Texas law, it is intended that the pension plan be construed and administered in a manner that the retirement system will be considered qualified under Section 401(a) of the Internal Revenue Code. All employees (except temporary staff) of a participating employer must be enrolled in the plan. The TCDRS issues a comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034. The CAFR is also available at www.tcdrs.org.

The plan provisions are adopted by the governing body of the 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 30 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 their employer.

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

As of January 1, 2018, there were 151 inactive employees receiving benefits, 85 inactive employees entitled to but not yet receiving benefits, and 184 active employees.

Funding Policy

The County has elected the annually determined contribution rate (variable-rate) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the County is actuarially determined annually. It was 23.50% for calendar year 2017 and 2018. The contribution rate payable by the employee members is the rate of 7.00% as adopted by the Commissioners' Court of the County. The employee contribution rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act.

PANOLA COUNTY COMMUNITY SUPERVISION & CORRECTIONS DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2019

NOTE 12 - PENSION PLAN (cont.)

Discount Rate

The discount rate used to measure the total pension liability was 8.1%. There was no change in the discount rate since the previous year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term rate of return on pension plan investments is 8.0%. The long-term expected rate of return 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 below are based on January 2018 information for a 10 year time horizon.

Note that the valuation assumption for long-term expected return is re-assessed at a minimum of every four years, and is set based on a 30-year time horizon; the most recent analysis was performed in 2017.

Asset Class	Benchmark	Target Allocation (1)	Geometric Real Rate of Return (Expected minus Inflation) (2)
US Equities	Dow Jones U.S. Total Stock Market Index	11.50%	4.55%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index (3)	16.00%	7.55%
Global Equities	MSCI World (net) Index	1.50%	4.85%
International Equities-Developed	MSCI World Ex USA (net)	10.00%	4.70%
International Equities-Emerging	MSCI World EM Standard (net) Index	8.00%	5.50%
Investment-Grade Bonds	Bloomberg Barclays US Aggregate Bond Index	3.00%	75.00%
Strategic Credit	FTSE High-Yield Cash-Pay Capped Index	8.00%	4.12%
Direct Lending	S&P/LSTA Leveraged Loan Index	10.00%	8.06%
Distressed Debt	Cambridge Associates Distressed Securities Index (4)	2.00%	6.30%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% S&P Global REIT (net) Index	2.00%	4.05%
Master Limited Partnerships (MLPs)	Alerian MLP Index	3.00%	6.00%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index (5)	6.00%	6.25%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	18.00%	4.10%
Total		<u>100.00%</u>	

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

(2) Geometric real rates of return equals the expected return minus the assumed inflation rate of 1.95% per Cliffwater 2018 capital market assumptions.

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

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

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

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

PANOLA COUNTY COMMUNITY SUPERVISION & CORRECTIONS DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2019

NOTE 12 - PENSION PLAN (cont.)

Changes in the Net Pension Liability

At December 31, 2017, the County reported a net pension liability of \$4,416,448. The changes in net pension liability were as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balance at 12/31/16	\$ 62,420,682	\$ 51,492,723	\$ 10,927,959
Changes for the year:			
Service cost	1,528,882		1,528,882
Interest	5,073,643		5,073,643
Change in benefit terms	-		-
Diff between expected/actual experience	(1,674,570)		(1,674,570)
Changes of assumptions	(999,472)		(999,472)
Contributions - employer		2,438,959	(2,438,959)
Contributions - employee		516,439	(516,439)
Net investment income		7,520,633	(7,520,633)
Benefit payments, including refunds of employee contributions	(2,676,104)	(2,676,104)	-
Administrative expenses		(39,408)	39,408
Other charges		3,372	(3,372)
Net changes	1,252,379	7,763,891	(6,511,512)
Balance at 12/31/17	\$ 63,673,062	\$ 59,256,614	\$ 4,416,447

The net pension liability was measured as of December 31, 2017 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date and for the year then ended.

There were no changes of assumptions or other inputs that affected measurement of the total pension liability during the measurement period.

There were no changes of benefit terms that affected measurement of the total pension liability during the measurement period.

Discount Rate Sensitivity Analysis

The following shows the net pension liability calculated using the discount rate of 8.1%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (7.10%) or 1 percentage point higher (9.10%) than the current rate.

	1% Decrease in Discount Rate (7.1%)	Discount Rate (8.1%)	1% Increase in Discount Rate (9.1%)
County's net pension liability	\$ 13,175,705	\$ 4,416,447	\$ (2,668,619)

PANOLA COUNTY COMMUNITY SUPERVISION & CORRECTIONS DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2019

NOTE 12 - PENSION PLAN (cont.)

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

For the year ended December 31, 2018, the County recognized pension expense of \$1,753,955.

At December 31, 2018, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience (net of current year amortization)	\$ -	\$ 2,005,920
Changes in actuarial assumptions	(387,975)	-
Differences between projected and actual earnings (net of current year amortization)	-	336,245
Contributions made subsequent to the measurement date	1,666,774	-
Total	<u>\$ 1,278,799</u>	<u>\$ 2,342,165</u>

\$1,666,774 reported as deferred outflows of resources related to pension resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended December 31, 2019. Other amounts reported as deferred outflows and inflows of resources related to pension will be recognized in pension expense as follows.

Year ended December 31,	
2019	\$ (187,597)
2020	(209,167)
2021	(1,130,552)
2022	(1,202,824)
2023	-
Thereafter	-

**PANOLA COUNTY COMMUNITY SUPERVISION & CORRECTIONS DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2019**

NOTE 13 - FUND BALANCE

The fund balance shown in the Regular Supervision Fund consists of earnings retained. The fund balance is not designated toward a specific expenditure category, but is intended for general objectives of the program.

NOTE 14 – ACCRUED ANNUAL LEAVE

Upon termination of employment, the Panola County Community Supervision & Corrections Department pays any accumulated unused annual/vacation leave in an amount not to exceed that accrued at the time of termination and only in an amount that does not exceed that employee's maximum allowable accrual for one year. Upon termination of employment, unused sick leave is cancelled without compensation. As of August 31, 2019, the Panola County Community Supervision & Corrections Department's liability for accrued annual/vacation leave amounted to \$16,776.

PANOLA COUNTY COMMUNITY SUPERVISION & CORRECTIONS DEPARTMENT
REQUIRED SUPPLEMENTARY INFORMATION
AUGUST 31, 2019

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED DECEMBER 31, 2018

	2017	2016	2015	2014
Total Pension Liability				
Service cost	\$ 1,528,882	\$ 1,627,854	\$ 1,457,414	\$ 1,429,368
Interest (on the total pension liability)	5,073,643	4,744,127	4,457,975	4,184,774
Changes of benefit terms	-	-	(206,371)	-
Difference between expected and actual experience	(1,674,570)	(562,543)	(661,728)	(601,515)
Change of assumptions	(999,472)	-	1,029,006	-
Benefit payments, including refunds of employee contributions	(2,676,104)	(2,275,968)	(2,173,650)	(1,944,467)
Net Change in Total Pension Liability	1,252,379	3,533,470	3,902,646	3,068,160
Total Pension Liability - Beginning	62,420,682	58,887,212	54,984,566	51,916,406
Total Pension Liability - Ending (a)	\$ 63,673,061	\$ 62,420,682	\$ 58,887,212	\$ 54,984,566
Plan Fiduciary Net Position				
Contributions - employer	\$ 2,438,959	\$ 2,531,576	\$ 2,489,599	\$ 3,353,570
Contributions - employee	516,439	544,034	531,525	505,905
Net investment income	7,520,633	3,493,015	(1,037,364)	2,863,212
Benefit payments, including refunds of employee contributions	(2,676,104)	(2,275,968)	(2,173,649)	(1,944,467)
Administrative expense	(39,408)	(38,018)	(34,088)	(34,814)
Other	3,372	52,769	26,592	(226,419)
Net Change in Plan Fiduciary Net Position	7,763,891	4,307,408	(197,385)	4,516,987
Plan Fiduciary Net Position - Beginning	51,492,725	47,185,317	47,382,702	42,865,715
Plan Fiduciary Net Position - Ending (b)	\$ 59,256,616	\$ 51,492,725	\$ 47,185,317	\$ 47,382,702
Net Pension Liability - Ending (a) - (b)	\$ 4,416,445	\$ 10,927,957	\$ 11,701,895	\$ 7,601,864
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	93.06%	82.49%	80.13%	86.17%
Covered Payroll	\$ 7,377,699	\$ 7,771,911	\$ 7,593,216	\$ 7,227,213
Net Pension Liability as a Percentage of Covered Payroll	59.86%	140.61%	154.11%	105.18%

**PANOLA COUNTY COMMUNITY SUPERVISION & CORRECTIONS DEPARTMENT
REQUIRED SUPPLEMENTARY INFORMATION
AUGUST 31, 2019**

**SCHEDULE OF CONTRIBUTIONS
FOR THE YEAR ENDED DECEMBER 31, 2018**

	2018	2017	2016	2015
Actuarially determined contribution	\$ 1,666,774	\$ 2,438,949	\$ 2,531,576	\$ 2,489,599
Contributions in relation to actuarially determined contribution	(1,666,774)	(2,438,949)	(2,531,576)	(2,489,599)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 7,092,592	\$ 7,377,699	\$ 7,771,911	\$ 7,593,216
Contributions as a percentage of covered payroll	23.50%	33.06%	32.57%	32.79%

**PANOLA COUNTY, TEXAS
NOTES TO SCHEDULE OF CONTRIBUTIONS
FOR THE YEAR ENDED DECEMBER 31, 2018**

Valuation Date: Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of the fiscal year in which 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	0.0 years (based on contribution rate calculated in 12/31/2016 valuation)
Asset Valuation Method	5-yr smoothed market
Inflation	2.75%
Salary Increases	Varies by age and service. 4.9% average over career including inflation.
Investment Rate of Return	8.00%, net investment expenses, including inflation
Retirement Age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.
Changes in Assumptions and Methods Reflected in the Schedule of Employer Contributions*	2015: New inflation, mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected.
Changes in Plan Provisions Reflected in the Schedule of Employer Contributions*	2015: Employer contributions reflect that a 100% CPI COLA was adopted. 2016: Employer contributions reflect that a 100% CPE COLA was adopted. 2017: Employer contributions reflect that a 100% CPI COLA was adopted. Also, new Annuity Purchase Rates were reflected for benefits earned after

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SUPPLEMENTAL SCHEDULES

PANOLA COUNTY
COMMUNITY SUPERVISION & CORRECTIONS DEPARTMENT
SCHEDULE OF DIFFERENCES BETWEEN
AUDIT REPORT AND CSCD REPORTS AS SUBMITTED TO TDCJ-CJAD
BASIC SUPERVISION PROGRAM
FOR THE YEAR ENDED AUGUST 31, 2019

	Audit	Per CSCD Quarterly Report	Difference
REVENUE			
State Aid	\$ 99,299	\$ 99,299	\$ -
Total State Aid	<u>99,299</u>	<u>99,299</u>	<u>-</u>
Community Supervision Fees	195,440	195,440	-
Payment by Program Participants	18,346	18,346	-
Interest Income	4,500	4,500	-
Other Revenue	65	65	-
Total Revenue	<u>317,650</u>	<u>317,650</u>	<u>-</u>
EXPENDITURES			
Salaries and Fringe Benefits	240,392	240,392	-
Travel and Furnished Transportation	37,650	37,650	-
Contract Services for Offenders	14,679	14,679	-
Professional Fees	14,812	14,812	-
Supplies and Operating Expenses	21,692	21,692	-
Utilities	3,394	3,394	-
Equipment	20,399	20,399	-
Total Expenditures	<u>353,018</u>	<u>353,018</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER)			
EXPENDITURES	(35,368)	(35,368)	-
PRIOR YEAR ENDING			
FUND BALANCE	184,512	184,512	-
Prior Period Adjustment	-	-	-
Prior Year Refund	-	-	-
Adjusted Beginning Fund Balance	<u>184,512</u>	<u>184,512</u>	<u>-</u>
AUDITED YEAR ENDING			
FUND BALANCE	<u>\$ 149,144</u>	<u>\$ 149,144</u>	<u>\$ -</u>

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

PANOLA COUNTY
COMMUNITY SUPERVISION & CORRECTIONS DEPARTMENT
SCHEDULE OF DIFFERENCES BETWEEN
AUDIT REPORT AND CSCD REPORTS AS SUBMITTED TO TDCJ-CJAD
COMMUNITY CORRECTIONS PROGRAM:
COMMUNITY CORRECTIONS SUPERVISION SERVICES
FOR THE YEAR ENDED AUGUST 31, 2019

	Audit	Per CSCD Quarterly Report	Difference
REVENUE			
State Aid	\$ 49,784	\$ 49,784	\$ -
Total State Aid	49,784	49,784	-
Total Revenue	49,784	49,784	-
EXPENDITURES			
Salaries and Fringe Benefits	48,858	48,858	-
Professional Fees	373	373	-
Total Expenditures	49,231	49,231	-
EXCESS OF REVENUES OVER (UNDER)			
EXPENDITURES	553	553	-
PRIOR YEAR ENDING			
FUND BALANCE	430	430	-
Prior Period Adjustment	-	-	-
Adjusted Beginning Fund Balance	430	430	-
Refund Due to TDCJ-CJAD	(983)	(983)	-
AUDITED YEAR ENDING			
FUND BALANCE	\$ -	\$ -	\$ -

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

**PANOLA COUNTY
COMMUNITY SUPERVISION & CORRECTIONS DEPARTMENT
SPECIAL REVENUE FUNDS AND ACCOUNT GROUPS
COMBINED STATEMENT OF FINANCIAL POSITION
AUGUST 31, 2019**

	Special Revenue Fund Type	
	Basic Supervision Program Fund	Community Correction Program Fund
<u>ASSETS</u>		
Cash and Investments		
Cash – demand deposits	\$ 95,026	\$ 4,795
Cash – time deposits	100,000	-
Total Cash and Investments	195,026	4,795
Accounts Receivable		
Community Supervision fees receivable	20,223	-
Interest receivable	497	-
Total Accounts Receivable	20,720	-
Capital assets	-	-
Resources to be provided for retirement of long-term debt	-	-
Total Assets	\$ 215,746	\$ 4,795
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities		
Accounts payable	\$ 49,200	\$ 373
Payroll liabilities payable	7,690	1,556
Accrued wages payable	9,712	1,883
Accrued annual leave payable	-	-
Due to TDCJ-CJAD	-	983
Total Liabilities	66,602	4,795
Fund Balance		
Investment in General Fixed Assets	-	-
Fund balance:		
Unreserved:		
Undesignated	149,144	-
Total Liabilities and Fund Balance	\$ 215,746	\$ 4,795

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

EXHIBIT "G"

General Fixed Assets	Long- Term Debt	Totals (Memorandum Only)
\$ -	\$ -	\$ 99,821
		100,000
-	-	199,821
-	-	20,223
-	-	497
-	-	20,720
135,333	-	135,333
-	16,776	16,776
<u>\$ 135,333</u>	<u>\$ 16,776</u>	<u>\$ 372,650</u>
\$ -	\$ -	\$ 49,573
-	-	9,246
-	-	11,595
-	16,776	16,776
-	-	983
-	16,776	88,173
135,333	-	135,333
-	-	149,144
<u>\$ 135,333</u>	<u>\$ 16,776</u>	<u>\$ 372,650</u>

PANOLA COUNTY
COMMUNITY SUPERVISION & CORRECTIONS DEPARTMENT
STATEMENT OF FINANCIAL POSITION
DRUG COURT GRANT
AUGUST 31, 2019

ASSETS

Cash and Investments	
Cash – demand deposits	\$ 24,475
Total Cash and Investments	<u>24,475</u>
 Total Assets	 <u>\$ 24,475</u>

LIABILITIES AND FUND BALANCE

Liabilities	
Total Liabilities	\$ -
 Fund Balance	 <u>24,475</u>
 Total Liabilities and Fund Balance	 <u>\$ 24,475</u>

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

PANOLA COUNTY
COMMUNITY SUPERVISION & CORRECTIONS DEPARTMENT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
DRUG COURT GRANT
FOR THE YEAR ENDED AUGUST 31, 2019

REVENUE	
Drug Court Fees	\$ 2,727
Interest Income	401
Total Revenue	<u>3,128</u>
EXPENDITURES	
Salaries and Fringe Benefits	18,142
Contract Services	<u>5,075</u>
Total Expenditures	<u>23,217</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(20,089)
FUND BALANCE, SEPTEMBER 1, 2018	<u>44,564</u>
FUND BALANCE AUGUST 31, 2019	<u>\$ 24,475</u>

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

PANOLA COUNTY
COMMUNITY SUPERVISION & CORRECTIONS DEPARTMENT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET, ACTUAL AND VARIANCE
DRUG COURT GRANT
FOR THE YEAR ENDED AUGUST 31, 2019

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUE			
Drug Court Fees	\$ -	\$ 2,727	\$ 2,727
Interest Income	-	401	401
Total Revenue	-	3,128	3,128
EXPENDITURES			
Salaries and Fringe Benefits	20,230	18,142	2,088
Contract Services	17,625	5,075	12,550
Supplies and Operating Expenses	6,145	-	6,145
Total Expenditures	44,000	23,217	20,783
EXCESS OF REVENUES OVER (UNDER)			
EXPENDITURES	(44,000)	(20,089)	23,911
FUND BALANCE, SEPTEMBER 1, 2018	44,564	44,564	-
FUND BALANCE AUGUST 31, 2019	\$ 564	\$ 24,475	\$ 23,911

The accompanying notes are an integral part
of these financial statements

Rachael Payne, CPA, PLLC

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Texas Society of Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS FOR PANOLA COUNTY COMMUNITY SUPERVISION AND CORRECTIONS DEPARTMENT, CARTHAGE, TEXAS

To the Members of the Panola County
Community Supervision & Corrections Department
Carthage, Texas

I have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the Panola County Community Supervision and Corrections Department as of and for the year ended August 31, 2019, and the related notes to the financial statements, which collectively comprise Panola County Community Supervision and Corrections Department's basic financial statements, and have issued my report thereon dated February 17, 2020.

Internal Control over Financial Reporting

In planning and performing my audit of the financial statements, I considered Panola County Community Supervision and Corrections Department's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Panola County Community Supervision and Corrections Department's internal control. Accordingly, I do not express an opinion on the effectiveness of Panola County Community Supervision and Corrections Department's internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

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

This report is intended solely for the information and use of the Panola County Community Supervision and Corrections Department, others within the organization, and the Texas Department of Criminal Justice-Community Justice Assistance Division and is not intended to be and should not be used by anyone other than these specified parties.

Rachael Payne

Rachael Payne, CPA, PLLC
Certified Public Accountant
Carthage, Texas

February 17, 2020

**PANOLA COUNTY
COMMUNITY SUPERVISION & CORRECTIONS DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED AUGUST 31, 2019**

Reportable Conditions

None noted.

Statement of Corrective Action Taken

None.

**PANOLA COUNTY
COMMUNITY SUPERVISION & CORRECTIONS DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE PRIOR YEAR ENDED AUGUST 31, 2018**

There were no findings or questioned costs reported for the prior year ended August 31, 2018.

VIII. TDCJ-CJAD INDEPENDENT AUDIT COMPLIANCE CHECKLIST

The Compliance Checklist FORMAT AND CONTENT are NOT TO BE ALTERED.

Indicate whether these compliance requirements have been met by answering "YES," "NO," or "N/A" (Not Applicable). If "N/A" is blocked out, then answers must be either "YES" or "NO". Please contact your Fiscal Auditor if you have any questions.

YES NO N/A

FINANCIAL POLICIES AND PROCEDURES (Questions 1-2)

An explanation is required to be reported in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs if questions 1 and 2 are answered NO.

Duties of the Fiscal Officer, FMM Fiscal Officer, Texas Government Code, Section 76.004 (Question 1)

Texas Government Code, Section 76.004, effective September 1, 2001 allows the judge(s) as described by Government Code section 76.002 the option to appoint a fiscal officer, other than the county auditor, to be responsible for the following: Managing and protecting funds, fees, state aid, and receipts to the same extent that a county auditor manages county funds and funds of other local entities; Ensuring that financial transactions of the department are lawful and allowable; and Prescribing accounting procedures for the department.

1. ☒ ☐ ☐

Did the fiscal officer follow the applicable laws, guidelines, and duties as specified on Fiscal Officer section of the Financial Management Manual for TDCJ-CJAD Funding?

Cash Matching for Grants; FMM Grants, Donations, Fees... (Question 2)

With prior TDCJ-CJAD approval, CSCDs may use Basic Supervision, CC, DP, or TAIP funds as required cash matching for grants from other governmental agencies, non-profit organizations, or private foundations, etc., for the purpose of expanding an existing program (CC, DP, or TAIP cash matching) or for funding an accepted Strategic Plan program (Basic Supervision or CC cash matching). All expenditures from the CSCD's matching funds shall be in accordance with the Financial Management Manual for TDCJ-CJAD Funding (see the Allowable and Unallowable Expenditures section of this manual).

2. ☒ ☐ ☐

Was cash matching properly: authorized, budgeted, and expended?

FINANCIAL STATEMENTS (Questions 3-14)

An explanation is required in the corresponding note of the Notes to the Financial Statements and in the Schedule of Findings and Questioned Costs if questions 3, 5, 7, 10, and 11 are answered NO. All sources identified in questions 4, 6, 8-9 & 11 are required to be reported on their designated line item of the audited financial statements and in their corresponding note. See note for further instructions.

3. ☒ ☐ ☐

Were expenditures and revenues supported by adequate documentation?

Interfund Transfers; FMM Financial Reports, Additional Reporting Requirements (Questions 4-5)

CSCDs cannot end a fiscal year with a negative fund balance in any program. Any negative fund balances in CC, DP, or TAIP must be covered by an interfund transfer from Basic Supervision. Basic Supervision can transfer funds to CC, DP, and TAIP. CC can transfer funds to DP and TAIP. Basic Supervision cannot receive funds from any programs unless those programs are returning funds they received from Basic earlier in the fiscal year. Transfers from DP and TAIP can only go to CC if they are returning funds they received from CC earlier in the fiscal year. Transfers between CCs are not allowed; they should be done by increasing/decreasing state aid. With the exception of returning unused funds, transfers cannot come from DP (even to/from another DP) unless approved by the TDCJ-CJAD Division Director.

4. ___ X

Did the CSCD have any interfund transfers and/or DP fund transfers in the fiscal year audited?

5. ___ ___ X

If any, were all interfund transfers and/or DP fund transfers noted during the audit allowable?

Deobligation, Government Code, Chapter 509, Section 509.011 (h), FMM Deobligations (Questions 6-7)

Government Code, Chapter 509, Section 509.011 (h), allows CSCDs to deobligate any unencumbered state funds held by the department during a fiscal year (Basic Supervision, CC, DP, and TAIP). Deobligations are a reduction to state aid for funds that are in excess of the amount needed to operate the programs for the remainder of the year and are not to be reported as a refund.

6. ___ X

In the fiscal year audited, did any deobligation of funds occur as a result of an excess of funds allocated to programs?

7. ___ ___ X

Were the appropriate budget adjustments made for any reallocated funds?

One-Time/Supplemental Payments, FMM Fund Balances/Refund Policy (Questions 8)

One-time funding is awarded on a competitive basis. The priorities for distribution are determined biennially. One-time funding consists of: additional basic supplemental payment and additional one-time payments. Examples include, but are not limited to: longevity increases, one-time grant-TRAS training, research, fund movement, closed and deobligated carryover fund reobligated, insurance reduction, etc.

8. ___ X

Did the CSCD receive any One-Time Additional Grant Awards and/or Basic Supervision Supplemental Payments in of the fiscal year audited?

Unauthorized Expenditures, FMM Budgets (Questions 9-10)

All unauthorized expenditures identified in the budget variance statements are to be reported in the related Excess of Expenditures Over Budgets note of the notes to the financial statements, see note for further instructions. If any unauthorized expenditure that is in excess of the 15% rule, they are required to be reported in the Schedule of Findings and Questioned Costs.

Budget total line item differences either over 15% that resulted in unauthorized expenditures (expenditures that did not receive prior approval from TDCJ-CJAD) for the fiscal year under audit in the CSCD's independent audit report shall be refunded to TDCJ-CJAD from the then-current Basic Supervision funding for the CSCD.

9. ___ X

Were any unfavorable budget variances identified in the Individual Statement of Revenues, Budget, Actual, and Variance in the fiscal year audited, including those that were not in excess of the 15% rule?

10. ___ ___ X

If so, were there any unfavorable budget variances in excess of the 15% rule from the fiscal year audited that resulted in unauthorized expenditure(s) that the CSCD will be required to refund to the TDCJ-CJAD?

Prior Period Adjustments, FMM Financial Reports, Additional Reporting Requirements (Question 11)

Adjustment to beginning fund balance as a result of corrections and/or audit findings of prior fiscal years, **not prior quarters of the current fiscal year**. This amount does not include prior-year refunds.

- If the CSCD had any unauthorized expenditure refunds resulting from the audit conducted in the **prior fiscal year**, were these refunds properly reported as prior period adjustments on the quarterly financial report in the period that the funds were paid and returned to TDCJ-CJAD?
11. ☐ ☒ ☐

BASIS OF ACCOUNTING (Questions 12-14)

An explanation is required in the Basis of Accounting portion of the Notes to the Financial Statements and in the Schedule of Findings and Questioned Costs if questions 12-14 are answered NO.

Basis of Accounting Requirements, FMM Fiscal Officer, Duties of the Fiscal Officer and Financial Reports (Questions 12-14)

FMM, Fiscal Officer, Duties of the Fiscal Officers: Managing and protecting funds, fees, state aid, and other receipts of money. Each program is to be maintained utilizing a separate self-balancing set of financial books and accounting records in accordance with proper fund accounting.

FMM Financial Reports, Basis of Accounting: Although funding recipients are encouraged to use the modified accrual basis of accounting for each quarter, the first, second, and third quarter reports may be prepared on the cash basis method of accounting. The fourth quarter report, which closes out the fiscal year, must be prepared on the modified accrual basis of accounting.

In order for the funding recipient to report an accrual, as of August 31, on the fourth quarter report, TDCJ-CJAD requires that the expenditures be paid and the item received by October 31.

12. ☒ ☐ ☐ Was separate accountability maintained for TDCJ-CJAD funds; i.e., fund accounting of self-balancing funds?
13. ☒ ☐ ☐ Was the modified accrual basis of accounting used in preparing the fourth quarter reports for submission to TDCJ-CJAD?
14. ☒ ☐ ☐ Were proper cutoff procedures observed at the end of each fiscal period? *The cutoff date for revenues recognition and expenditures payments of the fiscal year audited is October 31, of the fiscal year audited.*

FUNDS COLLECTED FROM SOURCES OTHER THAN TDCJ-CJAD REQUIRED TO BE REPORTED ON THE TDCJ-CJAD QUARTERLY FINANCIAL REPORTS (Questions 15-24)

An explanation is required in the Funds Collected from Sources Other Than TDCJ-CJAD Which are Required to be Reported on the TDCJ-CJAD Quarterly Financial Reports note of the Notes to Financial Statements and in the Schedule of Findings and Questioned Costs, if questions 15-16, or 24, are answered NO or 18-19, or 22-23 answered YES.

If any of the fees identified in questions 17, 20, and 21 were collected, they are required to be reported in the Funds Collected from Sources Other Than TDCJ-CJAD Which are Required to be Reported on the TDCJ-CJAD Quarterly Financial Reports note of the Notes to Financial Statements.

15. ☒ ☐ ☐ Were TDCJ-CJAD funds and locally generated revenues expended in accordance with the Financial Management Manual for TDCJ-CJAD funding (FMM), TDCJ-CJAD Standards, TDCJ-CJAD field correspondence, TDCJ-CJAD Policy Statements, Special

Grant Conditions, and applicable laws?

Were locally generated funds, and other collections, documented with a proper receipt system, and can they be traced to probationers' accounts, bank deposits, and statements?

16. ☒ ☐

Administrative Fees, Texas Government Code Section 76.015c, FMM Statutory Requirements (Questions 17-19)

Government Code Chapter 76 Community Supervision and Corrections Departments Section 76.015c states: A department may assess a reasonable administrative fee of not less than \$25 and not more than \$60 per month on an individual who participates in a program operated by the department or receives services from the department and who is not paying a monthly fee under Article 42A.652, Code of Criminal Procedure (i.e. Community Supervision Fees).

Did the CSCD collect any **administrative fees of \$25-\$60 from offender and/or non-offender individuals** who either participate in a TDCJ-CJAD funded program or receive services from the department and who are not paying a monthly fee under Articles 42A Code of Criminal Procedure (i.e. Community Supervision Fees)?

17. ☐ ☒

If collected, when the CSCD assessed the administrative fee, did the CSCD assess less than \$25 or more than \$60 for the fee?

18. ☐ ☐ ☒

If collected, did the CSCD assess administrative fees of \$25-\$60 for those individuals who also pay a monthly supervision fee under Articles 42A.652 Code of Criminal Procedure?

19. ☐ ☐ ☒

Fees for Pretrial Intervention Programs; Texas Code of Criminal Procedure Chapter 102.012, FMM Statutory Requirements (Questions 20)

Code of Criminal Procedure Chapter 102 Subchapter A General Costs Article 102.012, Fees for Pretrial Intervention Program states: (a) A court that authorizes a defendant to participate in a pretrial intervention program established under Section 76.011, Government Code, may order the defendant to pay to the court a supervision fee in an amount not more than \$60 per month as a condition of participating in the program. (b) In addition to or in lieu of the supervision fee authorized by Subsection (a), the court may order the defendant to pay or reimburse a community supervision and corrections department for any other expense that is: (1) incurred as a result of the defendant's participation in the pretrial intervention program, other than an expense described by Article 102.0121; or (2) necessary to the defendant's successful completion of the program.

Did the CSCD collect fees for **pretrial intervention programs** in the fiscal year audited?

20. ☐ ☒

Administrative Fee (i.e. Transaction Administrative Fee); Texas Code of Criminal Procedure, Article 102.072, FMM Statutory Requirements (Questions 21-24)

Texas Code of Criminal Procedure, Article 102.072; Administrative Fee states: An officer listed in Article 103.003 or a community supervision and corrections department may assess an administrative fee for each transaction made by the officer or department relating to the collection of fines, fees, restitution, or other costs imposed by a court. The fee may not exceed \$2 for each transaction. This article does not apply to a transaction relating to the collection of child support. A "transaction" is defined as an event that involves the collection of money for one or more purposes that results in a preparation of a single receipt. CSCDs shall not prepare separate receipts for money received during a single event for multiple purposes (i.e. in order to collect multiple \$2 administrative fees).

The "transaction" administrative \$2 fee is required to be budgeted and reported as Other Revenue in Basic Supervision.

21. ☐ ☒ Did the CSCD collect **administrative fees** (i.e. **transaction administrative fees**) for each transaction made by the department relating to the collection of fines, fees, restitutions, or other costs imposed by a court during the fiscal year audited?
22. ☐ ☐ ☒ If collected, did any single **transaction administrative fee** exceed the allowable \$2?
23. ☐ ☐ ☒ If collected, during each transaction, does the CSCD issue separate receipts for each fine, fee, restitution, or other cost paid while charging the \$2 **transaction administrative fee** for each receipt?
24. ☐ ☐ ☒ If collected, was the **transaction administrative fee** budgeted and recorded as Other Revenue in Basic Supervision and accounted for on a consistent basis (FMM Statutory Requirements)?

CASH, COLLECTIONS, CHANGE FUND, PETTY CASH (Questions 25-28)

An explanation is required to be reported in the Cash, Collections, Change Fund, Petty Cash & Investments note of the Notes to the Financial Statements and included in the Schedule of Findings and Questioned Costs if questions 25-28, 30, 34-35, and 36 are answered NO. All change fund and petty cash funds are required to be reported in the Cash, Collections, Change Fund, and Petty Cash & Investments note of the Notes to the Financial Statements.

Deposits and Disbursement Requirements, (Questions 25-28)

Government Code, Section 509.011 (c) Each department, county, or municipality shall deposit all state aid received from the division in a special fund of the county treasury or municipal treasury, as appropriate, to be used solely for the provision of services, programs, and facilities under this chapter or Subchapter H, Chapter 351, Local Government Code.

Local Government Code, Section 140.003 (f) Each specialized local entity (CSCD) shall deposit in the county treasury of the county in which the entity has jurisdiction the funds the entity receives. The county shall hold, deposit, disburse, invest, and otherwise care for the funds on behalf of the specialized local entity (CSCD) as the entity (CSCD) directs. If a specialized local entity has jurisdiction in more than one county, the district judges having jurisdiction in those counties, by a majority vote, shall designate from among those counties the county responsible for managing the entity's funds.

Local Government Code, Section 113.022 (a) A county officer or other person who receives money shall deposit the money with the county treasurer on or before the next regular business day after the date on which the money is received. If this deadline cannot be met, the officer or person must deposit the money, without exception, on or before the fifth business day after the day on which the money is received. However, in a county with fewer than 50,000 inhabitants, the commissioners court may extend the period during which funds must be deposited with the county treasurer, but the period may not exceed 15 days after the date the funds are received. (b) A county treasurer shall deposit the money received under Subsection (a) in the county depository in accordance with Section 116.113(a). In all cases, the treasurer shall deposit the money on or before the seventh business day after the date the treasurer receives the money.

Local Government Code, Section 113.001. COUNTY TREASURER AS CHIEF CUSTODIAN OF MONEY. The county treasurer, as chief custodian of county funds, shall keep in a designated depository and shall account for all money belonging to the county.

Local Government Code, Section 116.113. DEPOSIT OF FUNDS. (a) Immediately after the commissioners court designates

a county depository, the county treasurer shall transfer to the depository all of the county's funds and the funds of any district or municipal subdivision of the county that does not select its own depository. The treasurer shall also immediately deposit with the depository to the credit of the county, district, or municipality any money received after the depository is designated.

Local Government Code Section 116.115. CLEARINGHOUSE FOR MULTIPLE DEPOSITORIES. If the funds of a county are deposited with more than one depository, the commissioners court shall by order name one of the depositories to act as a clearinghouse for the others. All county orders for payment are finally payable at the depository named as the clearinghouse.

25. ☒ ☐ Were all the CSCD's state aid and net funds (revenues) received, deposited, and held in a special fund of the county treasury (county's bank account) during the fiscal year audited?
26. ☒ ☐ Were all the CSCD's state aid and net funds (revenues) received: held, deposited, disbursed, invested, and otherwise cared for by the county on behalf of the CSCD, as the CSCD directed during the fiscal year audited?
27. ☒ ☐ Were all the CSCD's state aid and net funds' (revenues) received deposited in the county treasury (county's bank account) within the time period required by Local Government Code 113.022 during the fiscal year audited?
28. ☒ ☐ Were all the CSCD's collection accounts' remaining net funds (revenues) transferred to the county treasury (county's bank account) within the time period required by Local Government Code 113.022 during the fiscal year audited?

Change Fund, Local Government Code, Chapter 130, Section 130.902 (a), FMM Fiscal Change Fund (Questions 29-30)

Local Government Code, Chapter 130, Section 130.902 (a) The commissioners court of a county may set aside from the general fund of the county an amount approved by the county auditor for use as a change fund by any county or district official who collects public funds. The fund may be used only to make change in connection with collections that are due and payable to the county, the state, or another political subdivision of the state that are often made by the official. (b) The bond of that official who receives such a change fund must cover the official's responsibility for the correct accounting and disposition of the change fund.

29. ☐ ☒ Did the CSCD maintain a **change fund** authorized by the fiscal officer in the fiscal year audited? Change Funds are not to be confused with petty cash funds (*FMM Fiscal Officer*).
30. ☐ ☐ ☒ Was the **change fund** only used to make change in connection with collections that are due and payable to the CSCD?

Petty Cash Utilizing CSCD Funds, Local Government Code, Section 130.909, FMM Petty Cash (Questions 31-35)

Local Government Code, Section 130.909. (a) The commissioners court of a county may set aside from the general fund of the county, for the establishment of a petty cash fund for any county or district official or department head approved by the commissioners court, an amount approved by: (1) the county auditor, for a county with a population of 3.3 million or more; or (2) the commissioners court, for a county with a population of less than 3.3 million. (FMM, State Payments, Financial Reports, Community Corrections Facility and Fiscal Officer)

31. ☐ ☒ Did the CSCD maintain **petty cash** in the fiscal year audited?

32. ☐ ☐ ☒ Was the petty cash fund maintained by **utilizing the CSCD's funds** authorized by the county auditor?
33. ☐ ☐ ☒ Was the petty cash fund maintained by **utilizing NON-CSCD revenues** (i.e. vending machine revenues)?
34. ☐ ☐ ☒ Were **petty cash funds utilizing CSCD's funds** used only for specific purposes for allowable items as listed in the Financial Management Manual for TDCJ-CJAD Funding?
35. ☐ ☐ ☒ Were **petty cash funds utilizing CSCD's funds** expended only for emergency situations authorized by a written policy and approved by the CSCD director?

Employee Surety Bond Coverage, FMM Employee Surety Bond Coverage (Question 36)

CSCD directors shall ensure that all public funds are protected by requiring that all employees with access to funds are covered by Employee Surety Bond coverage and that all funds maintained on CSCD premises are protected by appropriate insurance or bonding. Funds on CSCD premises shall not exceed insurance/bond limits of coverage. CSCDs that have been authorized to have a change fund shall have Employee Surety Bond coverage on the employee who maintains and administers the change fund or petty cash fund, and the coverage shall include the employee's responsibility for the correct accounting and disposition of the change fund or petty cash fund.

36. ☒ ☐ Were all employees who had access to public funds and/or maintained and administered public funds, change funds and petty cash, which cover the employees' responsibility for the correct accounting and disposition of the change fund and petty cash, covered by an employee surety bond?

SCHEDULE OF DIFFERENCES (Questions 37)


An explanation is required to be reported in the Schedule of Differences, Notes to the Financial Statements and in the Schedule of Findings and Questioned Costs if questions 37 is answered NO.

37. ☒ ☐ Were revenues and expenditures as reported to TDCJ-CJAD on the quarterly financial reports in agreement with the funding recipient's accounting records (CSCD's actuals), the last approved budget, and with audited financial statements?

COMPLIANCE AND OTHER MATTERS: Standards for Financial Audits; Chapter 4, Item 4.25 Government Auditing Standards (Questions 38-42)

An explanation is required to be reported in the Report on Compliance and Internal Control and in the Schedule of Findings and Questioned Costs If questions 38-42 are answered YES.

38. ☐ ☒ Were there any instances of deficiencies in internal control noted by the auditor?
39. ☐ ☒ Were there any instances of non-compliance noted by the auditor?
40. ☐ ☒ Were there any instances of fraud noted by the auditor?
41. ☐ ☒ Were there any instances of waste noted by the auditor?

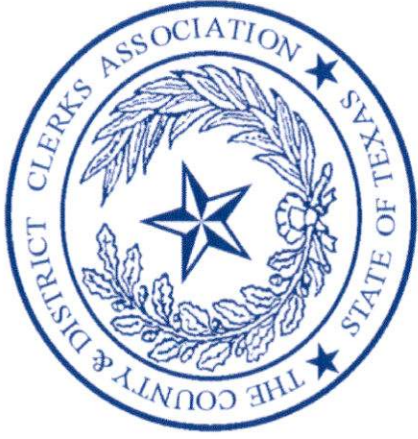
42. X  Were there any instances of abuse noted by the auditor?

SCHEDULE OF FINDINGS AND QUESTIONED COSTS Standards for Financial Audits; Chapter 4, Item 4.05, Government Auditing Standards (*Questions 43-44*)

An explanation is required to be reported in Schedule of Findings and Questioned Costs for Prior Year if questions 43-44 are answered NO.

43. X Do any action plans exist for significant findings from prior year audits?

44. X If action plans exist from prior year audit findings, are they current?



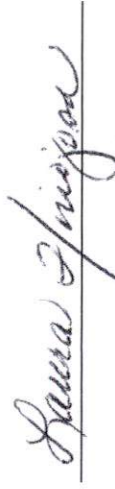
COUNTY & DISTRICT CLERKS'
ASSOCIATION OF TEXAS

Certificate of Completion Awarded to

Lindsey Smith
Panola County, District Clerk

*For completing the required 20 Hours of Continuing Education for 2019 as
prescribed in Section 51.605 of the Texas Government Code.*

In Witness therefore, recognition is hereby made this January 2020.



Laura Hinojosa, President



Stacey Kemp, Vice President



Emmett & Miriam
McCoy
College of Business Administration

Texas Association of Counties
Certificate of Attendance

This certifies that

Joni Reed

MEMBER, COUNTY INVESTMENT ACADEMY

Successfully completed 10 hours of investment education that satisfies Section 2256.008 of the Texas Public Funds Investment Act.

This and the ongoing commitment to continuing education provide maximum benefit to

Panola County

Texas Public Funds Investment Conference

November 7-8, 2019 • The Westin Houston Hotel • Houston

The County Investment Academy is a partnership between the Texas Association of Counties and the McCoy College of Business Administration at Texas State University.

Larry Gallardo

Hon. Larry Gallardo, President

Susan M. Redford

Susan M. Redford, Executive Director

County Treasurers' Association of Texas



Certificate of Attendance

presented to

Joni Reed

Panola County

for completion of 14 hours of educational instruction during the

71st Annual County Treasurers' Association of Texas Conference

September 9-12, 2019 • Holiday Inn Tyler • Tyler, Texas

A handwritten signature in cursive script that reads "Tracy Soldan".

Honorable Tracy Soldan, President
County Treasurers' Association of Texas

A handwritten signature in cursive script that reads "Alan Dierschke".

Honorable Alan Dierschke, Chair
Certification and Validation Committee

County Treasurers' Association of Texas



Certificate of Attendance

presented to

Joni Reed

Panola County

for completion of 3 hours of instruction specific to the statutory requirements of the Texas

Government Code Chapter 2256.008 of the Public Funds Investment Act

71st Annual County Treasurers' Association of Texas Conference

September 9-12, 2019 • Holiday Inn Tyler • Tyler, Texas

Honorable Tracy Soldan, President
County Treasurers' Association of Texas

Honorable Alan Dierschke, Chair
Certification and Validation Committee



Liberty Mutual Surety

National Bond Ctr
310 E. 96th Street
Indianapolis, IN 46240
888-844-2663 Fax: 866-547-4883

Richard H. Thomas Inc.
PO Box 430
Carthage, Texas 75633-0430

Agent Telephone: 903-693-3831

Bond Number: 32S401920

Cross Reference:

MICHAEL KEVIN LAKE
Attn: PANOLA COUNTY
PANOLA COUNTY COURTHOUSE
COUNTY AUDITORS OFFICE RM 213A
CARTHAGE, Texas 75633

FILED FOR RECORD
IN MY OFFICE

AT 4:00 O'CLOCK P M

APR 15 2020

BOBBIE DAVIS
COUNTY CLERK, PANOLA COUNTY, TEXAS
BY B. Davis DEPUTY

We appreciate having you as a Liberty Mutual customer and we would like to thank you for allowing us to serve your bonding needs. This letter is to confirm Liberty Mutual Surety has received payment for your renewing bond.

The effective date of your renewing bond begins: December 31, 2019

Please review the enclosed documents for accuracy. You must remit the original of the

New Bond and any supporting documents

required to your obligee.

If you have any questions regarding this bond or would like to discuss your future bond needs, please contact your Liberty Mutual agent.

Again, thank you for entrusting us with your bonding needs.

Sincerely,
National Bond Center

For additional information regarding Liberty Mutual insurance products, please visit www.libertymutual.com



OFFICIAL BOND AND OATH

Liberty Mutual Surety
Attention: LMS Claims
P.O. Box 34526
Seattle, WA 98124
Phone: 206-473-6210
Fax: 866-548-6837
Email: HOSCL@libertymutual.com
www.LibertyMutualSuretyClaims.com

KNOW ALL PERSONS BY THESE PRESENTS:

Bond Number: **32S401920**

That we, MICHAEL KEVIN LAKE
of 260 CR 116, CARTHAGE, TX 75633 as Principal, and, The
Ohio Casualty Insurance Company a corporation duly licensed to do business in the State of Texas, as Surety, are held and firmly bound unto
the Governor of State of Texas and/or his/her
successors in the penal sum of Thirty Thousand Dollars And Zero Cents
(\$30,000.00), for the payment of which we hereby bind ourselves, our heirs, executors, administrators,
successors and assigns, jointly and severally, firmly by these presents.

SIGNED, SEALED and DATED this 31st day of January, 2020.

THE CONDITION OF THE ABOVE OBLIGATION IS SUCH,
That whereas, the above bounden Principal was on the _____, duly _____
(elected/appointed) to the office of Sheriff or Sheriff Subordinate in and for
_____ County in the State of Texas, for a term commencing on the 31st day of December, 2019
and ending December 31, 2020.

NOW, THEREFORE, If the said Principal shall faithfully perform and discharge all the duties required of him/her by law as the aforesaid officer, and shall (conditions) faithfully perform the duties of office established by law; account for and pay to the person authorized by law to receive them the fines, forfeitures, and penalties the sheriff collects for the use of the state or a county; execute and return when due the process and precepts lawfully directed to the sheriff, and pay to the person to whom they are due or to the person's attorney the funds collected by virtue of the process or precept; and pay to the county any funds illegally paid, voluntarily or otherwise, to the sheriff from county funds, then this obligation shall be void; otherwise to remain in full force and effect.

PROVIDED, HOWEVER, that regardless of the number of years this bond may remain in force and the number of claims which may be made against this bond, the liability of the Surety shall not be cumulative and the aggregate liability of the Surety for any and all claims, suits, or actions under this bond shall not exceed the amount stated above. Any revision of the bond amount shall not be cumulative.

PROVIDED, FURTHER, that this bond may be canceled by the Surety by sending written notice to the party to whom this bond is payable stating that, not less than thirty (30) days thereafter, the Surety's liability hereunder shall terminate as to subsequent acts of the Principal.

MICHAEL KEVIN LAKE

BY: Michael K Lake
Principal

The Ohio Casualty Insurance Company
Surety

Countersigned

BY: _____
Texas Resident Agent

BY: Shannon Adams
Attorney-in-Fact
SHANNON ADAMS



ACKNOWLEDGEMENT OF PRINCIPAL

THE STATE OF TEXAS
County of _____ } ss

Before me, _____, on this day, personally appeared, MICHAEL KEVIN LAKE
_____, known to me to be the person whose name is subscribed to the foregoing
instrument and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed. Given under my hand and seal
of office, at _____, Texas, this the _____ day of _____,

SEAL

Notary Public

OFFICIAL	AMOUNT	TO WHOM PAYABLE	CONDITIONS
District Attorney	\$5,000.	Governor	"in the manner prescribed by law, faithfully pay over all money that he collects or that comes into his hands for the state or a county."
County Attorney	\$2,500.	Governor	"faithfully paying over in the manner prescribed by law all money that he collects or receives for any county or the state."
County Judge	*\$1,000.- 10,000.	County Treasurer	"pay all money that comes into his hands as county judge to the person or officer entitled to it; pay to the county all money illegally paid to the judge out of county funds; and not vote or consent to pay out county funds for other than lawful purposes."
County Clerk	Equal to at least 20% of the maximum amount of fees collected in any year during the term of office preceding the term for which the bond is to be given - \$5,000 minimum \$500,000 maximum	County	"faithfully perform the duties of office"
Auditor	\$5,000 or more	County Judge	"faithful performance of the duties of county auditor"
County Treasurer	Established by the Commissioner's Court	County Judge	"faithfully execute the duties of office; remit according to law all funds received as county treasurer; and render an account of all funds received to the commissioners court at each regular term of the court."
District Clerk	Not less than 20% of the maximum amount of fees collected in any year during the term of office immediately preceding the term of office for which the bond is given, except that the bond may not be in an amount less than \$5,000 nor more than \$100,000.	Governor	"faithfully perform the duties of the office."
County Surveyor	Fixed by the Commissioners Court - \$500 minimum \$10,000 maximum	Not Stated (Suggested to County Judge)	"faithful performance of the duties of the office."
Hide and Animal Inspector	Set by the Commissioners Court - \$1,000 minimum \$10,000 maximum	County Judge	"well and truly perform the duties of the office."
Sheriff	Established by the commissioners court, but - \$5,000 minimum, \$30,000 maximum	Governor	"faithfully perform the duties of office established by law; account for and pay to the person authorized by law to receive them the fines, forfeitures, and penalties the sheriff collects for the use of the state or a county; execute and return when due the process and precepts lawfully directed to the sheriff, and pay to the person to whom they are due or to the person's attorney the funds collected by virtue of the process or precept; and pay to the county any funds illegally paid, voluntarily or otherwise, to the sheriff from county funds."
Assessor and Collector of Taxes (State Bond)	*Equal to 5% of the net state collections from motor vehicle sales and use taxes and motor vehicle registration fees in the county during the year ending August 31 preceding the date bond is given - \$2,500 minimum \$100,000 maximum"	Governor	"faithful performance of the person's duties as assessor-collector."
Assessor and Collector of Taxes (County Bond)	Equal to 10% of the total amount of county taxes imposed in the preceding tax year - \$100,000 maximum	County Judge	"faithful performance of the person's duties as assessor-collector."
County Commissioners	\$3,000.	County Treasurer	"faithfully perform the commissioner's official duties; will reimburse the county for all county funds illegally paid to the commissioner; and will not vote or consent to make a payment of county funds except for a lawful purpose."
Justice of the Peace	\$5,000 maximum	County Judge	"faithfully and impartially discharge the duties required by law; and promptly pay to the entitled party all money that comes into the justice's hands during the term of office."
Constable	Set by the Commissioners Court - \$500 minimum \$1,500 maximum	Governor	"faithfully perform the duties imposed by law."

* Sum to be fixed by the Commissioners Court within the limits prescribed by law.

** In counties where Sheriff performs the duties of the Assessor and Collector of Taxes he shall make the bond required of the Assessor and Collector of Taxes.

OATH OF OFFICE
(COUNTY COMMISSIONERS and COUNTY JUDGE)

I, _____, do solemnly swear (or affirm), that I will faithfully execute the duties of the office of _____ of the State of Texas, and will to the best of my ability preserve, protect, and defend the Constitution and laws of the United States and of this State; and I furthermore solemnly swear (or affirm), that I have not directly nor indirectly paid, offered, or promised to pay, contributed nor promised to contribute any money, or valuable thing, or promised any public office or employment, as a reward for the giving or withholding a vote at the election at which I was elected; and I furthermore solemnly swear (or affirm) that I will not be, directly or indirectly, interested in any contract with or claim against the County, except such contracts or claims as are expressly authorized by law and except such warrant as may issue to me as fees of office. So help me God.

Signed _____

Sworn to and subscribed before me, at, _____ Texas, this _____ day of _____, _____.

SEAL

Notary Public

County, Texas

OATH OF OFFICE
(GENERAL)

I, _____, do solemnly swear (or affirm), that I will faithfully execute the duties of the office of _____ of the State of Texas, and will to the best of my ability preserve, protect, and defend the Constitution and laws of the United States and of this State; and I furthermore solemnly swear (or affirm), that I have not directly nor indirectly paid, offered, or promised to pay, contributed nor promised to contribute any money, or valuable thing, or promised any public office or employment, as a reward for the giving or withholding a vote at the election at which I was elected. So help me God.

Signed _____

Sworn to and subscribed before me, at, _____ Texas, this _____ day of _____, _____.

SEAL

Notary Public

County, Texas

THE STATE OF TEXAS

County of _____ } ss

The foregoing bond of _____ as _____ in and for _____ County and State of Texas, this day approved in open Commissioner's Court.

ATTEST:

Date: _____

Clerk

County Judge,

County Court _____ County

County, Texas

THE STATE OF TEXAS

County of _____ } ss

I, _____, County Clerk, in and for said County, do hereby certify that the foregoing Bond dated the _____ day of _____, _____, with its certificates of authentication, was filed for record in my office the _____ day of _____, _____, at _____ -o'clock _____ M., and duly recorded the _____ day of _____, _____, at _____ -o'clock _____ M., in the Records of Official Bonds of said County in Volume _____, on page _____.

WITNESS my hand and the seal of the County Court of said County, at office in _____, Texas, the day and year last above written.

By _____ Deputy

Clerk
County Court _____ County



This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

The Ohio Casualty Insurance Company

POWER OF ATTORNEY

Principal: MICHAEL KEVIN LAKE

Agency Name: Richard H. Thomas Inc.

Bond Number: 32S401920

Obligee: Governor of State of Texas

Bond Amount: (\$30,000.00) Thirty Thousand Dollars And Zero Cents

KNOW ALL PERSONS BY THESE PRESENTS: that The Ohio Casualty Insurance Company, a corporation duly organized under the laws of the State of New Hampshire (herein collectively called the "Company"), pursuant to and by authority herein set forth, does hereby name, constitute and appoint SHANNON ADAMS in the city and state of Carthage, TX, each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents and shall be as binding upon the Companies as if they have been duly signed by the president and attested by the secretary of the Company in their own proper persons.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Company and the corporate seal of the Company has been affixed thereto this 26th day of September, 2016.



The Ohio Casualty Insurance Company

By:

David M. Carey, Assistant Secretary

STATE OF PENNSYLVANIA SS
COUNTY OF MONTGOMERY

On this 26th day of September, 2016, before me personally appeared David M. Carey, who acknowledged himself to be the Assistant Secretary of The Ohio Casualty Insurance Company and that he, as such, being authorized so to do, execute the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as duly authorized officer.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at King of Prussia, Pennsylvania, on the day and year first above written.



COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Teresa Pastella, Notary Public
Upper Merion Twp., Montgomery County
My Commission Expires March 28, 2021
Member, Pennsylvania Association of Notaries

By:

Teresa Pastella, Notary Public

This Power of Attorney is made and executed pursuant to and by authority of the following By-law and Authorizations of The Ohio Casualty Insurance Company, which is now in full force and effect reading as follows:

ARTICLE IV - OFFICERS: Section 12. Power of Attorney.

Any officer or other official of the Corporation authorized for that purpose in writing by the Chairman or the President, and subject to such limitation as the Chairman or the President may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Corporation to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Corporation by their signature and executed, such instruments shall be as binding as if signed by the President and attested to by the Secretary. Any power or authority granted to any representative or attorney-in-fact under the provisions of this article may be revoked at any time by the Board, the Chairman, the President or by the officer or officers granting such power or authority.

Certificate of Designation - The President of the Company, acting pursuant to the Bylaws of the Company, authorizes David M. Carey, Assistant Secretary to appoint such attorneys-in-fact as may be necessary to act on behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

Authorization - By unanimous consent of the Company's Board of Directors, the Company consents that facsimile or mechanically reproduced signature or electronic signatures of any assistant secretary of the Company or facsimile or mechanically reproduced or electronic seal of the Company, wherever appearing upon a certified copy of any power of attorney or bond issued by the Company in connection with surety bonds, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

I, Renee C. Llewellyn, the undersigned, Assistant Secretary, of The Ohio Casualty Insurance Company do hereby certify that this power of attorney executed by said Company is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Company this 31st day of January, 2020.



By:

Renee C. Llewellyn, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, currency rate, interest rate or residual value guarantees.

To confirm the validity of this Power of Attorney call 1-610-832-8240 between 9:00 am and 4:30 pm EST on any business day.

Donation Acceptance

I/we, being desirous to contribute a donation to Panola County for the Panola County Sheriff's Department and/or General Fund hereby donate the following:

\$20,000.00

This donation is to be used by the Panola County Sheriff's Department to purchase safety equipment or if no purpose is indicated, the purpose shall be determined by the Commissioners' Court. All purposes must be in accordance with current laws governing such funds. The Panola County Commissioners' Court according to Local Gov't. Code, Section 81.032, must accept this donation.

I/we acknowledge that this is given as a donation and that I/we have not been promised any other benefit because of the donation, nor have I/we been induced or coerced in any way by any official or employee of Panola County. I/we further certify that this donation is given freely and voluntarily.

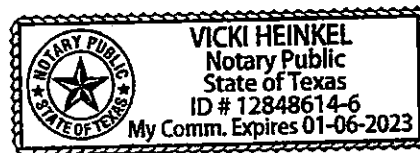
Date: March 3, 2020

Carthage Service League

(Signed) Betty Kasper

Sworn to and subscribed before me this 27th of February, 2020

Vicki Heinkel
Notary Public, State of Texas
My Commission Expires: 1-6-2023



[Panola County Use Only]

This item was accepted ~~disapproved~~ (strike one) at a meeting of the Panola County

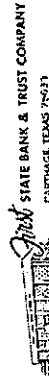
Commissioners' Court on this 3rd day of March, 2020.

County Judge Lee Ann Jones
Lee Ann Jones

5197

CARTHAGE SERVICE LEAGUE

319 S. MARKET ST.
CARTHAGE, TX 75633
(903) 693-6741



88-415/1119

2/18/2020

First State Bank & Trust Company
Carthage Texas 75631

PAY TO THE ORDER OF Panola County

\$ **20,000.00

Twenty Thousand and 00/100***** DOLLARS

Panola County
110 South Sycamore Street
Carthage, Texas 75633

MEMO

Donation to the Panola County Sheriff's Office for Safety Equip.

Harriet Shupe
AUTHORIZED SIGNATURE
David Howard

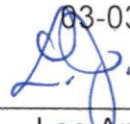
⑈005197⑈ ⑈111904150⑈ ⑈03468⑈

Security features. Details on back.

PANOLA COUNTY OFFICIAL/EMPLOYEE
REQUEST FOR ATTENDANCE
AT A CONFERENCE

APPROVED

03-03-2020



Lee Ann Jones,
County Judge

NAME:

Bryan Murff

POSITION:

Constable 14

DEPARTMENT:

DATE:

1-14-19

CONFERENCE:

Marshall TX JPCA Training

LOCATION:

Marshall

DATES:

1-4-19

to

1-14-19

NUMBER OF DAYS OUT OF OFFICE FOR THIS CONFERENCE: 1

Does the conference meet your educational requirements for the year? _____

If not, how much of your requirements will be met by this conference? _____

How much of your requirements have been met already, not counting this conference? _____

How many days have you been away from your job this year for conferences, not counting this conference? _____

Do you have sufficient funds in your budget for this conference? _____

Write a short statement explaining the public purpose that will be met by your attendance at this conference: (continue on the back if necessary.)

PANOLA COUNTY OFFICIAL/EMPLOYEE
REQUEST FOR ATTENDANCE
AT A CONFERENCE

APPROVED

03-03-2020

Lee Ann Jones,
County Judge

NAME:

POSITION:

DEPARTMENT:

DATE:

CONFERENCE:

LOCATION:

DATES:

NUMBER OF DAYS OUT OF OFFICE FOR THIS CONFERENCE:

Does the conference meet your educational requirements for the year?

If not, how much of your requirements will be met by this conference?

How much of your requirements have been met already, not counting this conference?

How many days have you been away from your job this year for conferences, not counting this conference?

Do you have sufficient funds in your budget for this conference?

Write a short statement explaining the public purpose that will be met by your attendance at this conference: (continue on the back if necessary.)

PANOLA COUNTY OFFICIAL/EMPLOYEE
REQUEST FOR ATTENDANCE
AT A CONFERENCE

APPROVED

03-03-2020



Lee Ann Jones,
County Judge

NAME: Bobbie Davis

POSITION: County Clerk

DEPARTMENT: County Clerk

DATE: Feb 21, 2020

CONFERENCE: Region VI Spring Meeting

LOCATION: Terrell, Texas

DATES: April 16, 2020 to April 16, 2020

NUMBER OF DAYS OUT OF OFFICE FOR THIS CONFERENCE: 1

Does the conference meet your educational requirements for the year? yes

If not, how much of your requirements will be met by this conference? _____

How much of your requirements have been met already, not counting this conference? 14 / 20 hours

How many days have you been away from your job this year for conferences, not counting this conference? 4.5 days

Do you have sufficient funds in your budget for this conference? yes

Write a short statement explaining the public purpose that will be met by your attendance at this conference: (continue on the back if necessary.)

This regional meeting will offer classes on
management, cybersecurity and active shooter
scenarios.

**PANOLA COUNTY OFFICIAL/EMPLOYEE
REQUEST FOR ATTENDANCE AT A CONFERENCE**

APPROVED

03-03-2020

Lee Ann Jones
Lee Ann Jones,
County Judge

NAME:

James Ferris

POSITION:

Criminal Investigator

DEPARTMENT:

Panola Co. Sheriff's Office

DATE:

February 26, 2020

CONFERENCE:

Homicide Investigators Conference

LOCATION:

San Antonio, Texas

DATES:

March 22, 2020 to March 27, 2020

NUMBER OF DAYS OUT OF OFFICE FOR THIS CONFERENCE:

6

Does the conference meet your educational requirements for the year? _____

If not, how much of your requirements will be met by this conference? _____

How much of your requirements have been met already, not counting this conference?

How many days have you been away from your job this year for conferences, not counting this conference? _____

Do you have sufficient funds in your budget for this conference? yes

Write a short statement explaining the public purpose that will be met by your attendance at this conference: (continue on the back if necessary.)

Relatable training

APPROVED

03-03-2020



Lee Ann Jones,
County Judge

**PANOLA COUNTY OFFICIAL/EMPLOYEE
REQUEST FOR ATTENDANCE AT A CONFERENCE**

NAME: Robert DelCaste

POSITION: Deputy

DEPARTMENT: Panola County Sheriff's Office

DATE: 2-13-20

CONFERENCE: Interacting w/ Deaf/Hard hearing Driver

LOCATION: P.C.S.O.

DATES: 2-20-20 to 2-20-20

NUMBER OF DAYS OUT OF OFFICE FOR THIS CONFERENCE: 1/2

Does the conference meet your educational requirements for the year? NO

If not, how much of your requirements will be met by this conference? 0

How much of your requirements have been met already, not counting this conference?

8

How many days have you been away from your job this year for conferences, not counting this conference? 0

Do you have sufficient funds in your budget for this conference? Yes

Write a short statement explaining the public purpose that will be met by your attendance at this conference: (continue on the back if necessary.)

Required training