CAMERON COUNTY, TEXAS

PARK SYSTEM

FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT FOR THE YEAR ENDED SEPTEMBER 30, 2020

Cameron County Auditor
1100 E. Monroe St.
Brownsville, Texas 78520

CAMERON COUNTY, TEXAS

PARK SYSTEM

FINANCIAL STATEMENTS AND

INDEPENDENT AUDITORS' REPORT

FOR THE YEAR ENDED

SEPTEMBER 30, 2020

THE COUNTY OF CAMERON
BROWNSVILLE, TEXAS

CAMERON COUNTY, TEXAS
PARK SYSTEM
SEPTEMBER 30, 2020

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THE COUNTY OF CAMERON
BROWNSVILLE, TEXAS

CAMERON COUNTY PARK SYSTEM

33174 State Park Road 100
SOUTH PADRE ISLAND, TEXAS 78597

March 29, 2021

Hon. County Judge, Eddie Treviño, Jr.
Hon. Commissioner Pct. 1, Sofia C. Benavides
Hon. Commissioner Pct. 2, Joey Lopez
Hon. Commissioner Pct. 3, David A. Garza
Hon. Commissioner Pct. 4, Gus Ruiz
Cameron County Courthouse
Brownsville, Texas

Honorable County Judge and Commissioners:

The Cameron County Park and Recreation Department maintains and operates approximately sixteen facilities that encompass approximately 812 acres throughout the County. The Cameron County Park and Recreation Department's mission is to provide safe, quality outdoor recreation opportunities to the citizens and visitors of Cameron County at an affordable price. The Cameron County Park and Recreation Department also seeks to develop and protect Cameron County Coastal resources and natural habitats.

Isla Blanca, Andy Bowie and Edwin K. Atwood County Parks provide beach access for day-use, as well as overnight camping, restroom and shower facilities, picnic pavilions, public parking, and food and beach rental concession areas. Other amenities such as fishing, surfing, bird watching and strolling along the edge of the shoreline are some of the nature activities enjoyed at these parks. Isla Blanca Park located on the south end of South Padre Island also provides retail stores, restaurants, beach equipment rentals, a full service marina, access to a water park and a boat launching facility. The Park accommodates over six hundred full-service recreational transient vehicle rental sites, and eight cabanas. The cabanas are equipped with bunk beds (sleep six persons comfortably), restrooms, showers and small kitchenettes. Andy Bowie Park also known as County Beach Access No. 2 is located just north of the City of South Padre Island city limits. This park also offers a flagship Hotel on the beach of the Gulf of Mexico. Edwin K. Atwood County Parks also known as County Beach Access No. 5 is located approximately five miles north of the South Padre Island city limits. This beautiful coastal park provides five pavilions, dune walkovers, rinse stations, restrooms and showers, an environmental friendly permeable pavement parking lot, food truck parking, two toll booth stations and other associated site improvements.

Cameron County also maintains and operates the following three public beach access areas on South Padre Island:

County Beach Access No. 3 is located 0.3 miles north of Andy Bowie park Beach Access 2. This is not a vehicular accessible point, but allows public accessibility to the beach. This access area provides 143 public parking spaces, a dune walkover that allows you to access the beach and provides seasonal lifeguards/beach patrol.

County Beach Access No. 4 is located 1 mile north of Andy Bowie Park. This is not a vehicular accessible point, but allows public accessibility to the beach. This access area provides 55 public gulf side parking spaces and 66 spaces on the west side of Park Road 100. This area provides a dune walkover that allows you to access the beach and provides seasonal lifeguards/beach patrol.

County Beach No. 6 is located approximately 4.6 miles north of Andy Bowie Park. This area allows for vehicular traffic to access the beach. Many visitors use this area for day camping, surf fishing and nature activities.

Adolph Thomae, Jr. County Park is Located on the mainland and situated within the U.S. Fish & Wildlife Service-Laguna Atascosa Wildlife Refuge. The park is adjacent to the bank of the Arroyo Colorado and offers a number of outdoor recreational opportunities such as; Lighted fishing piers, picnic areas, playground, a boat ramp with fish cleaning stations and courtesy docks, nature trail, wildlife observation tower, tent camping area, and 35 full-hookup RV sites. This area provides a newly constructed boat ramp which include two new additional boat ramps for boaters to launch and load their boats, courtesy docks, fish cleaning stations, shoreline restoration and approximately 50 additional truck/trailer parking spaces to alleviate some of the overcrowding experienced on busy weekends. The parking lot is constructed using a pervious paving system that is environmentally friendly.

The Cameron County Parks and Recreation Department also maintains and operates a combined of twelve recreational and community park facilities that are nestled throughout the County within small underserved communities. The park facilities consist of the following:

La Esperanza Community Park is located in the colonia of Cameron Park. The amenities at the park include a walking trail, picnic pavilion, lighted soccer field, basketball court pavilion and an outdoor basketball court. Recently, with funding assistance in the amount of $500,000 from the Valley Baptist Legacy Foundation an All-Inclusive Playground was constructed that provide maximum ADA accessibility and is universally designed to create a myriad of play opportunities for special needs children and children with non-disabilities. This playground will be the first in both the County Park System and in Brownsville

Santa Maria Community Park is located in the community of Santa Maria on Highway 281, the park offers a swimming pool, picnic shelters, playground area, multi-use athletic field and a community center that can be rented for assemblies. In addition to the amenities, a historic building, built in 1884 and known as 'The Our Lady of Visitation Church', is situated on the site.

Santa Rosa Community Park is located in the city of Santa Rosa, the amenities at the park include two lighted baseball fields, playground facility, four picnic areas, swimming pool and a Boys and Girls Club unit operated and maintained by the City of Santa Rosa.

Esparza-Domanski Community Park is located in the colonia of El Ranchito on the intersection of FM 1577 and US Highway 281. The amenities at the park include a basketball court, playground, picnic pavilion and a swimming pool.

El Ranchito Recreational Park is located in the community of El Ranchito on 24103 US Hwy 28, the amenities at the park include a baseball field, one soccer field, a basketball court, and age appropriate playgrounds, walking trails, two picnic shelters and a concession/restroom facility.

Bejarano-McFarland Memorial Park is located in the colonia of Laguna Heights, within the city limits of Port Isabel. The park is approximately 2.0 acres in size and borders the Laguna Madre bay. The amenities offered at the park consist of a bird Watch Overlook with interpretative signs that extend 110 feet into the Laguna Madre, outdoor basketball court, playground, multi-purpose trail, a large picnic pavilion with BBQ pits and a butterfly garden.

La Paloma Recreational Park is located south of San Benito, Texas, in the rural community of La Paloma. The park offers a number of recreational opportunities for the public to enjoy. Amenities include a walking trail, picnic pavilion, lighted soccer field, lighted baseball field, playground, basketball court, restrooms, concession stand and a splash pad.

Cameron County Park System
March 29, 2021

Laureles Recreational Park is located just north of Los Fresnos, Texas, in the rurual community of Laureles. The Park was completed in 2010 and serves as a major recreational attraction for many of the surrounding communities. Organized little league games for baseball and soccer are commonly played during the respective seasons. The park offers three baseball fields; two of which are lighted, restrooms, a concession stand, two soccer fields, a walking trail, splash pad, playground, picnic pavilion and a butterfly garden.

Pedro "Pete" Benavides Recreational Park is located at the corner of Browne Road and California, in the southmost area of Brownsville, Texas. The Park is constructed on 64 acres of land adjacent to Resaca de la Guerra. Amenities at the park include; a lighted adult softball field, lighted little league baseball field, two lighted full sized soccer fields, lighted basketball court, lighted volleyball court, playground and splash pad area, four small picnic pavilions, one large picnic pavilion, BBQ areas, a one mile Resaca frontage nature trail with two nature observation stations, and approximately 1 mile walking trail with 5 integrated workout stations. The walking trail at Pedro "Pete" Benavides Park is constructed with a new permeable system called TRUEGRID. TRUEGRID is a permeable paving system using green technology to create long term sustainable paving. The product aides in storm water management, erosion control and is even capable of removing pollutants from runoff because of its high infiltration rates. Many of the characteristics of TRUEGRID are highly beneficial for the environment by helping create cleaner storm water runoff, especially for hardscape which create Non-Point Source Pollution areas such as parking lot, streets, gutters, sidewalks, etc. The multi-purpose walking trail, including extension, measures 3,704 LF, or approximately one tenths of a mile, and receives a substantial amount of traffic on a daily basis. The trail is completely ADA accessible and is extremely user friendly. Runners, Joggers and walkers alike had nothing but positive things to say about the new surface. This project was funded through bonds and Parks Capital Improvement Funds.

Jaime J. Zapata Memorial Boat Ramp is located adjacent to the Brownsville Ship Channel, on Highway 48 between Port Isabel and the Port of Brownsville, the Jaime J. Zapata Memorial Boat Ramp offers more than just a public boat launching facility. Other amenities include; a lighted fishing pier, two picnic pavilions and a kayak launch ramp. This unique site offers fisherman, boaters, bird watchers, nature enthusiast and kayaker's quick access to San Martin Lake and the Brownsville Ship Channel.

The Parks Department also maintains and operates two social service centers. The Bob Clark Social Service Center and El Centro Cultural.

The Bob Clark Social Service Center is located in the hub of 21 colonias, at the corner of Browne Road and California Road, and serves the surrounding community of the southmost area. The Center houses a Head Start Program and a WIC Clinic. It also offers a wide variety of social services and educational programs to the community such as the GED, ESL, home economics, Zumba, sewing, family counseling, assistance with CHIP, Medicaid, Medicare, and employment placement assistance. Recently, Cameron County entered into a partnership with University of Texas Health-Rio Grande Valley on developing an Area Health Care Center at the Bob Clark Social Service Center which included examination rooms, triage rooms, conference room and lab. Due to COVID-19 and the Emergency Orders in place, the majority of these programs are temporarily not operating until further notice.

El Centro Cultural is located in the colonia of Cameron Park. The Center is equipped with a technology center and offers a variety of social service and educational programs such as a GED, ESL, home economics, Zumba, baking classes, family counseling, assistance with Chip, Medicaid, Medicare, and employment placement assistance. Due to COVID-19 and the Emergency Orders in place, the majority of these programs are temporarily not operating until further notice.

OTHER EVENTS

Cameron County Parks Administration Office: The Cameron County Commissioners Court approved entering into an Interlocal Agreement with the Cameron County Regional Mobility Authority for the development of the Cameron County Parks Administration Office at Isla Blanca Park. The Court has approved the 100% Construction Drawings. The total construction cost is approximately $2,200,000. Funding for this project will come from the 2019 Bond Proceeds $1,200,000, 2019 Bond Proceeds $500,000, 2016 Bond Proceeds $356,000 and 2020 – 2021 Capital Improvements $144,000.

Cameron County Parks Toll Collection System: The Cameron County Commissioners Court Approved entering into an Interlocal Agreement with the Cameron County Regional Mobility Authority for the development of the Cameron County Parks Toll Collection System. CCRMA will provide the design, engineering, installation and construction management services for an interoperable tolling system at Isla Blanca Park, Andy Bowie Park, E.K. Atwood Park, Adolph Thomae, Jr. County Park and Beach Access Number.3, Number.5. The total construction cost is approximately $1,199,950.00

Isla Blanca Park Parking Lot 10 Expansion: The Cameron County Commissioners Court approved entering into an Interlocal Agreement with the Cameron County Regional Mobility Authority for the development of a 220-space parking lot adjacent to parking lot 10 of the Sandpiper pavilion at Isla Blanca. The total construction cost is approximately $500,000.

Mountain Bike Trail at Pedro "Pete" Benavides Park: Cameron County recently received funding from the Texas Parks and Wildlife Department for the construction of a Mountain Bike Trail at Pedro "Pete" Benavides Park. The trail will be approximately 2.79 miles and will be designed to accommodate mountain bikers, trail runners and hikers. Currently, the project is on the designed phase and hoping to start construction in early to mid-2021.

Santa Rosa Community Park Improvements: Cameron County recently received funding from the Texas Parks and Wildlife Department for improvements to the Santa Rosa Community Park. Improvements include construction of a swimming pool, covered basketball pavilion, picnic pavilion and other amenities. Currently, an archeological survey is being conducted on this project. TPWD Grant $750,000 Cameron County Match $750,000.

Olmito Park: Cameron County recently acquired 39 acres through a donation for the development of a park in Olmito. Cameron County Parks will be seeking grant funding opportunities to develop this park. The park will consist on nature trails, recreational engagements, public access to Olmito Lake, and other opportunities.

Cameron County Parks is in the process of completing renovations to Isla Blanca Park Jetties Parking Area, and Restrooms. The total improvement cost for both of these projects is approximately $320,000.

Adolph Thomae Park, Jr. Boat Ramp Improvements: Cameron County received funding from the Texas Parks and Wildlife Department (TPWD) for Phase II of the Adolph Thoame Park, Jr. Boat Ramp Improvements. Recently, TPWD increased the funding on this project for proposed improvements that include restrooms, parking lot lights, for the new boat ramp located on the west side, and entrance road improvements. TPWD Grant: $500,000, County: $166,245.

Cameron County Park System
March 29, 2021

Cameron County recently received official notice from the Texas General Land Office awarding several grants from the Coastal Erosion Planning Response Act (CEPRA) and Coastal Management Program totaling $1,566,250 Dollars for the following coastal county projects: Adolph Thomae, Jr. Park Shoreline Restoration Phase 3: This project is being funded through the CEPRA Cycle 10 Grant Program which will stabilize approximately 620 linear feet of shoreline from ongoing erosion and degradation at Adolph Thomae, Jr. Park. Phase III will include the construction of Articulated Concrete Block Mat (ACBM) and a retaining gravity wall. CEPRA Grant Funds Awarded: $420,000.

Adolph Thoame, Jr. Park Living Shoreline Restoration Project Phase 4: This project is being funded through the CEPRA Cycle 11 Grant Program which will stabilize an additional 1,020 L.F. of eroding shoreline through the construction of a living shoreline and gravity wall that has been designed and permitted at Adolph Thomae, Jr. County Park. CEPRA Grant Funds Awarded: $780,000.

The North Cameron County Beach Nourishment Phase I: This Project is being funded through the CEPRA Cycle 11 Grant Program for engineering and permitting to amend the existing permit to nourish an additional 12 miles of beach north of the currently authorized placement limits. Phase I will include data collection, regulatory coordination and permitting, cost estimates, bathymetric surveys, coastal boundary survey, geotechnical investigation, cultural resource identification, and environmental permitting. CEPRA Grant Funds Awarded: $131,250.

The Children's Beach Shoreline Restoration Project Phase I: This project is to protect a section of the children beach shoreline located on the west side of Isla Blanca Park owned by Cameron County and the Brownsville Navigation District. CEPRA Cycle II funds will assist Phase I of the restoration project which includes engineering services for a future construction project to stabilize the shoreline. Engineering services will consist of collecting topographic, hydrographic and geotechnical data, performing an alternative analysis, submitting an application to the US Army Corps of Engineers, and preliminary engineering design of the preferred alternative. CEPRA Grant Funds Awarded: $135,000.

Cameron County Beach Access No. 3 Parking Improvements and Educational Pavilion: This project is being funded through the CMP Cycle 24 Grant Program to acquire engineering services, develop architectural design and initiate permitting to enhance amenities at Cameron County Beach Access No. 3 which includes parking improvements, a new pavilion, restrooms, community rinse stations and a new dune walkover. This project is currently in the designed phase. CMP Grant Funds Awarded: $100,000.

Sincerely,

Joe Vega, Director
Cameron County Parks and Recreation Department

Cameron County Auditor
Martha Galarza, CPA

INDEPENDENT AUDITORS' REPORT

To the Honorable County Judge
and Commissioners' Court
Cameron County, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of the Cameron County, Texas Park System, an enterprise fund of Cameron County, as of and for the year ended September 30, 2020, and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Cameron County, Texas Park System, as of September 30, 2020, and the respective changes in net position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information on pages x - xiv be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Cameron County, Texas Park System's basic financial statements. The Letter of Transmittal and Statistical Information is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Letter of Transmittal and Statistical Information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly we do not express an opinion or provide any assurance on it.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Cameron County, Texas Park System and do not purport to, and do not present fairly the financial position of Cameron County, Texas, as of September 30, 2020, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated March 29, 2021, on our consideration of the Cameron County Park System's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Cameron County Park System's internal control over financial reporting and compliance.

Burton, McCumber & Longoria L.L.P.

Brownsville, Texas
March 29, 2021

CAMERON COUNTY PARK SYSTEM
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2020

This discussion and analysis of the Cameron County Park System (Park) financial performance provides an overview of the Park's financial activities for the fiscal year ended September 30, 2020. The Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities and resulting changes. The MD&A should be considered in conjunction with the letter of transmittal, the accompanying basic financial statements and the accompanying notes to those financial statements.

FINANCIAL HIGHLIGHTS

The Park's total assets exceeded its total liabilities at September 30, 2020 by $17,835,134.

Total assets decreased from Fiscal Year 2019 to Fiscal Year 2020 by $1,843,270.

Total liabilities decreased from Fiscal Year 2019 to Fiscal Year 2020 by $2,026,706.

Total net position increased by $183,436.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis is intended to serve as an introduction to the Park's basic financial statement. The Park's basic financial statements are comprised of: 1) Statement of Net Position, 2) Statement of Revenues, Expenses, and Changes in Net Position, 3) Statement of Cash Flows, and 4) Notes to the Financial Statements. This report also contains other supplementary information in addition to the basic financial statements.

Park's Basic Financial Statements

The *Basic Financial Statements* are designed to provide readers with a broad overview of the Park's finances in a manner similar to private sector business. They present the financial picture of the Park from an economic resources measurement focus using the accrual basis of accounting. These statements include all assets of the Park as well as all liabilities.

The *Statement of Net Position* presents information on all Park's assets and liabilities, with the difference between the two reported as *net position.* Increases or decreases in net position, contrasted with budgetary decisions, should serve as a useful indicator of whether the financial position of the Park is improving or deteriorating.

The *Statement of Revenues, Expenses and Changes in Net Position* presents information showing how net position changed during the most recent fiscal year using full accrual basis of accounting. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows.* Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

The *Statement of Cash Flows* presents information on all Park's sources of cash and cash equivalents and the uses of cash and cash equivalents. Specific information about *Operating* cash flows, *Investing* cash flows, and *Financing* cash flows are presented along with information about material non-cash events.

The *Notes to the Basic Financial Statements* present additional information that is essential to a full understanding of the data provided in the Basic Financial Statements.

PARK'S FINANCIAL ANALYSIS

Net position serves as a useful indicator of the Park's financial position. As of September 30, 2020, the Park's assets exceeded liabilities by $17,835,134

The Parks have a net position of $8,446,466 invested in capital assets (e.g. land, building, improvements, construction in progress, automotive machinery, and other structures) less any outstanding debt used to acquire those assets.

A portion of the Park's net position, $7,308,900, represents resources that are subject to external restrictions on how they may be used. This restricted net position includes net position for debt service and amounts restricted for construction.

The Park has $2,079,768 of unrestricted net position at the end of this year.

The Park's net position for fiscal years ended September 30, 2020, and 2019, is summarized as follows:

Condensed Schedule of Net Position
September 30

	2020	2019
Current and other assets	$14,577,528	$15,322,240
Capital assets	35,134,250	35,838,127
Other Assets	631,542	1,026,223
Total assets	50,343,320	52,186,590
Current and other liabilities	3,544,084	3,993,668
Long-term liabilities	28,265,337	30,314,400
Other Liabilities	698,765	226,824
Total liabilities	32,508,186	34,534,892
Net Position:		
Net investment in capital assets	8,446,466	8,371,186
Restricted	7,308,900	6,499,743
Unrestricted	2,079,768	2,780,769
Total net position	$17,835,134	$17,651,698

The following table provides a summary of the Park's revenues, expenses and changes in net position for the year ended September 30, 2020, and 2019. The Park experienced an overall increase of $183,436 in net position for the year ending September 30, 2020

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Condensed Schedule of Changes in Net Position
For the Year ended September 30

	2020	2019
Operating revenues	$7,990,556	$9,085,174
Operating expenses	(7,673,017)	(7,364,361)
Operating income (loss)	317,539	1,720,813
Non-operating revenue (expenses)	310,318	(57,228)
Transfer to other funds	(444,421)	(255,995)
Increase (decrease) in net position	183,436	1,407,590
Net position – Beginning of year	17,651,698	16,244,107
Net position – End of year	$17,835,134	$17,651,698

GENERAL FUND BUDGETARY HIGHLIGHTS

The County Auditor is required by policy to present the Commissioners' Court with a balanced budget that contains a no- increase assumption as a starting point for budget discussions. The budget is prepared in accordance with accounting principles generally accepted in the United States of America, and with financial policies by the County Auditor and approved by the Commissioners' Court following a public hearing. Appropriated budgets are approved and employed as a management control device during the year. The Park maintains strict budgetary controls and sets its appropriations at a line item level for each department. Appropriation transfers are allowable between line items or departments only with the approval of the Commissioners' Court. Reserves are established as a budget line item and may be transferred to other budget line items with approval of the Commissioners' Court.

The FY 2020 budget was adopted on September 15, 2019 with total operating expenditures of $9,629,112, a 6% increase from Fiscal Year 2019 budgeted operating expenses.

CAPITAL ASSETS

The Parks has $35,134,250 (net of accumulated depreciation) invested in capital assets. General capital assets include land, buildings, improvements, construction in progress, equipment, furniture and fixtures, other structures, automotive machinery and equipment.

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Capital assets consisted of the following at September 30, 2020:

Assets being depreciated:	Beginning	Increases	Decreases	Ending
Buildings	10,869,402	-	-	10,869,402
Improvements other than buildings	12,455,359	-	-	12,455,359
Equipment	1,264,968	17,848	-	1,282,816
Automotive machinery and equipment	2,919,933	228,703	-	3,148,636
Furniture and fixtures	1,020,173	-	-	1,020,173
Other structures	5,994,695	19,330,338	-	25,325,033
Assets not being depreciated:				
Construction in progress	20,615,775	277,680	(19,330,338)	1,563,117
Land	1,718,384	63,748	-	1,782,132
Less: Accumulated depreciation	(21,020,562)	(1,291,856)	-	(22,312,418)
TOTAL CAPITAL ASSETS	35,838,127	18,626,461	(19,330,338)	35,134,250

DEBT ADMINISTRATION

During the period in which the bonds are outstanding, the Park System Bond Order requires the County to create and maintain a Debt Service Reserve Fund to be funded (i) out of proceeds of Park System obligations which are secured by a parity pledge on the net revenues, as defined in the Bond Order of the Park System, (ii) from periodic deposits of net revenues, or (iii) from other funds of the County which are lawfully available for such purpose. The County is obligated by the Bond Order to maintain an amount on deposit in the Debt Service Fund equal to the average annual debt service for all Park System obligations, as defined in the Bond Order.

At September 30, 2020, the Park has certificates of obligation payable of $24,718,102 of which $1,443,022 is payable in fiscal year 2021.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET RATES

The annual budget is developed to provide efficient, effective, and economic uses of the Park's resources as well as a means to accomplish the highest priority objectives. Through the budget, the Cameron County Commissioners set the direction of the Parks, allocates its resources, and establishes its priorities.

In developing the Park's budget for FY 2021, the Commissioners' Court and management considered the following factors:

- Recreational vehicle site rental rates.
- Capital park improvements
- Additional lease income.
- Debt service commitments and capital lease obligations.

REQUEST FOR INFORMATION

The financial report is designed to provide our citizens, taxpayers and investors with a general overview of the Park's finances and to show the Park's accountability for the money it receives. If you have questions about this report or need any additional financial information, contact the appropriate financial officer at 1100 E. Monroe, Brownsville, Texas 78502.

CAMERON COUNTY, TEXAS
PARK SYSTEM
STATEMENT OF NET POSITION
Year Ended September 30, 2020

ASSETS

CURRENT ASSETS		
Cash on deposit and on hand	$	5,278,814
Accounts receivable		252
Inventory		956
Due from other funds		449,914
Prepaid insurance		97,090
TOTAL CURRENT ASSETS		5,827,026
RESTRICTED ASSETS		
Park Construction Fund:		
Cash on deposit 2016 Co's		1,441,602
Parking Lot Dirty Al's		19,202
Capital Improvements		81,638
Santa Rosa Improvements		9,501
Gomesa Funds		2,381,451
Financing Proceeds		71,524
Park Donation Fund:		
Donations		10,027
Community Parks Donations		44,698
Debt Reserve Fund:		
Cash on deposit		2,455,859
Operating Reserve Fund:		
Repairs & Replacement		600,000
Cash on deposit		1,635,000
TOTAL RESTRICTED ASSETS		8,750,502
CAPITAL ASSETS		
Depreciable assets:		
Buildings		10,869,402
Improvements other than buildings		12,455,359
Equipment		1,282,816
Automotive machinery and equipment		3,148,636
Furniture and fixtures		1,020,173
Other structures		25,325,033
		54,101,419
Less: Accumulated depreciation		(22,312,418)
Net depreciable assets		31,789,001
Construction work in progress		1,563,117
Land		1,782,132
TOTAL CAPITAL ASSETS		35,134,250
DEFERRED OUTFLOW OF RESOURCES		
Deferred charges on refunding		169,654
Differences between projected and actual earnings OPEB		186,085
Differences between projected and actual earnings Pension		275,803
TOTAL DEFERRED OUTFLOW OF RESOURCES		631,542
TOTAL ASSETS	$	50,343,320

(Continued)

CAMERON COUNTY, TEXAS
PARK SYSTEM
STATEMENT OF NET POSITION-continued
Year Ended September 30, 2020

LIABILITIES AND NET POSITION

LIABILITIES		
Current Liabilities (payable from Current Assets):		
Accounts payable	$	706,195
Due to other funds		69,622
Capital lease payable-current		226,646
Wages and fringe payable		43,512
Compensated absences payable		24,049
Accrued interest payable		137,876
Tax note payable-current		52,436
Education reserve		3,326
Rental deposits		837,400
Total Current Liabilities (payable from Current Assets)		2,101,062
Current Liabilities (payable from Restricted Assets):		
Current maturities of certificates of obligation		1,443,022
Total Current Liabilities (payable from Restricted Assets)		1,443,022
Noncurrent Liabilities:		
Certificates of obligation		23,275,080
Tax Note Payable		238,177
Plus: Unamortized premium		2,731,101
Capital lease payable		145,889
Unfunded actuarial liability		1,397,180
Pension Liability		477,910
Total Noncurrent Liabilities		28,265,337
DEFERRED INFLOW OF RESOURCES		
Differences between expected and actual experience OPEB		273,136
Differences between expected and actual experience Pension		425,629
TOTAL DEFERRED INFLOW OF RESOURCES		698,765
TOTAL LIABILITIES	$	32,508,186
NET POSITION		
Net investment in capital assets	$	8,446,466
Restricted for:		
Debt service		2,455,859
Operating reserve		2,235,000
Construction		155,039
Fiancing Proceeds		71,524
Donations		10,027
Gomesa Funds		2,381,451
Unrestricted		2,079,768
TOTAL NET POSITION	$	17,835,134

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

CAMERON COUNTY, TEXAS
PARK SYSTEM
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Year Ended September 30, 2020

OPERATING REVENUES		
Trash bag program	$	76,101
Others		194,341
Entrance fees		2,808,107
Rental income		4,912,008
TOTAL OPERATING REVENUES		7,990,557
OPERATING EXPENSES		
Pension Expense		64,103
Travel		2,693
Audit and legal		6,653
Advertising		1,151
Taxes		16,615
Rental		24,459
Miscellaneous		14,644
Insurance		103,717
Post employee benefits expense		360,440
Repairs and maintenance		164,651
Supplies		241,167
Contractual		451,592
Depreciation		1,291,856
Utilities		1,142,159
Salaries and employee benefits		3,787,117
TOTAL OPERATING EXPENSES		7,673,017
OPERATING INCOME (LOSS)		317,540
NON-OPERATING REVENUES (EXPENSES)		
Interest expense		(934,081)
Capital grants - expenses		-
Fiscal agent fees		(750)
Finacing Proceeds		-
Insurance proceeds - net of related losses		-
Gain on sale of capital assets		-
Interest on cash investments		133,232
Capital grants & contribution		1,111,917
TOTAL NON-OPERATING REVENUES (EXPENSES)		310,318
INCOME BEFORE TRANSFERS		627,858
Transfer out		(444,421)
CHANGE IN NET POSITION		183,437
Total Net Position - Beginning of year		17,651,697
Total Net Position - End of year	$	17,835,134

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

CAMERON COUNTY, TEXAS
PARK SYSTEM
STATEMENT OF CASH FLOWS
Year Ended September 30, 2020

INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		
Cash Flows From Operating Activities:		
Cash received from customers	$	7,680,765
Cash payments for goods and services		(2,768,261)
Cash payments to employees		(3,892,424)
Net Cash Provided by Operating Activities		1,020,080
Cash Flows From Non-Capital Financing Activities:		
Transfer to other funds		(444,421)
Insurance Proceeds		-
Net Cash Used by Non-Capital Financing Activities:		(444,421)
Cash Flows From Capital and Related Financing Activities:		
Acquisition and construction of capital assets		(587,980)
Financing Proceeds		318,075
Principal payments		(1,340,461)
Net capital lease payments		(308,057)
Interest paid		(934,081)
Bond issuance cost		(202,952)
Proceeds from sale of capital assets		-
Capital grants - expenses		-
Capital grants & contribution		1,111,917
Fiscal agent fees paid		(750)
Net Cash Used for Capital and Related Financing Activities		(1,944,289)
Cash Flows From Investing Activities:		
Receipts of interest		133,232
Net Cash Provided by Investing Activities		133,232
Net increase (decrease) in cash and cash equivalents		(1,235,398)
Cash and cash equivalents at beginning of year		15,264,714
CASH AND CASH EQUIVALENTS AT END OF YEAR	$	14,029,316
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating Income	$	317,540
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation		1,291,856
Post-employment benefits expense		360,440
Pension Expense		64,103
Changes in Current Assets and Liabilities:		
Decrease (Increase) in accounts receivable		5,362
Decrease (Increase) in prepaids		(45,652)
Decrease (Increase) in due from other funds		(449,914)
Decrease (Increase) in inventory		(483)
Increase (Decrease) in accounts payable		(483,750)
Increase (Decrease) in due to other funds		(62,611)
Increase (Decrease) in deposit payable		134,760
Increase (Decrease) in accrued interest payable		(2,309)
Increase (Decrease) in reserve payable		(3,955)
Increase (Decrease) in compensated absences		(13,053)
Increase (Decrease) in wages and fringe payable		(92,254)
NET CASH PROVIDED BY OPERATING ACTIVITIES	$	1,020,080

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

Note 1 – SUMMARY OF ACCOUNTING POLICIES

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

A. Operations

Cameron County, Texas, (County) through its Park System, owns and operates 1) Isla Blanca Park located in the southernmost tip of South Padre Island, 2) Andy Bowie Park on the north end of South Padre Island, 3) Public Beach access road further north of Andy Bowie Park, 4) E. K. Atwood Park further north of Andy Bowie Park and Public Beaches on South Padre Island, 5) Adolph Thomae Park located in Arroyo City on the Arroyo Colorado, and eleven community parks located throughout Cameron County. The island parks provide transient and long-term rentals of trailer spaces and long-term leases of boat slips at the County's marina facilities. Additionally, the County has several concession leases with various food and entertainment establishments. Such concession leases generally require payment of a monthly lease amount and/or a fixed percentage of gross revenues.

B. Basis of Accounting

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America, as prescribed by the Government Accounting Standards Board (GASB). For the year ended September 30, 2003, the Parks System of Cameron County, Texas adopted GASB Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis – for State and Local Governments (GASB 34) as amended by GASB Statement No. 37 and applied those standards on a retroactive basis. GASB Statement No. 34 establishes standards for external financial reporting for state and local governments and requires that resources be classified for accounting and reporting purposes into the following four net position categories:

- Net investment in capital assets: Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets.

- Restricted:
  Nonexpendable – Net position subject to externally imposed stipulations that the Park System maintains them permanently. For the fiscal year end 2020 and the Park System does not have nonexpendable net position.

  Expendable – Net position whose use by the Park System is subject to externally imposed stipulations that can be fulfilled by actions of the Park System pursuant to those stipulations or that expire by the passage of time.

- Unrestricted: Net position that is not subject to externally imposed stipulations.

Note 1 – SUMMARY OF ACCOUNTING POLICIES (continued)

B. Basis of Accounting (continued)

The accompanying financial statements have been prepared on the accrual basis. The Park System reports as a Business Type Activity, as defined by GASB Statement No. 34. Business Type Activities are those that are financed in whole or in part by fees charged to external parties for goods and services.

The provisions of GASB Statement No. 75 have been applied as of fiscal year ended September 30, 2020. GASB 75 created accounting standards for Other Post Employment Benefits (OPEB) provided by governmental entities separately from a pension plan. This Statement establishes standards for measurement, recognition and display of OPEB expenditures and related liabilities/assets disclosure.

C. Capital Assets and Depreciation

Purchased assets are recorded at historical cost. Depreciation is provided over the estimated useful lives on a straight-line basis over the following estimated useful lives:

ASSETS	YEARS
Buildings	40
Furniture and Fixtures	5
General Equipment	5
Vehicles	5
Computer hardware	3
Infrastructure	30

Depreciation expense for all activities totaled $1,291,856.

D. Retirement Plan

All employees who work in excess of 900 hours per year are members of the Texas County and District Retirement System under which the employees contribute 7% and the Park System contributes 8.76% of the qualified employees' earnings. Retirement plan expense is funded as accrued, and includes amortization of prior service cost over a 20-year period. Information concerning the actuarially computed value of vested benefits is not available. Retirement plan expense for the year ended September 30, 2020 totaled $360,440.

E. Use of Estimates

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

F. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Park System considers cash on hand and deposits at banks as well as all highly liquid investments purchased with a maturity of three (3) months or less or with no stated maturity to be cash equivalents.

Note 1 – SUMMARY OF ACCOUNTING POLICIES (continued)

G. Net Position

Net Position represents the residual interest in the Park System's assets after liabilities are deducted and consist of three sections: Invested in capital assets, net of related debt, Restricted and Unrestricted. Net investment in capital assets includes capital assets, restricted and unrestricted, net of accumulated depreciation, reduced by outstanding debt. Net position is reported as restricted when constraints are imposed by third parties or enabling legislation. The Park System's restricted assets are expendable. All other net position is unrestricted.

H. Comparative Data/Reclassifications

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of the changes in the system's financial position and operations. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

I. Subsequent Events

Management has evaluated subsequent events through March 20, 2021 the date the financial statements were available to be issued.

Note 2 - BOND INDENTURE REQUIREMENTS

During the period in which the bonds are outstanding, the Park System Bond Order requires the County to create and maintain a Debt Service Reserve Fund to be funded (i) out of proceeds of Park System obligations which are secured by a parity pledge on the net revenues, as defined in the Bond Order of the Park System, (ii) from periodic deposits of net revenues, or (iii) from other funds of the County which are lawfully available for such purpose. The County is obligated by the Bond Order to maintain an amount on deposit in the Debt Service Fund equal to the average annual debt service for all Park System obligations, as defined in the Bond Order.

The Bond Order also obligates the County to fund an Operating Reserve Fund in the amount of $1,635,000. The Operating Reserve will be used to pay items of extraordinary maintenance or extraordinary repairs and replacements of the Park System and minor capital improvements to the Park System. Amounts on deposit in the Operating Reserve may be used to pay debt service on Park Obligations in the event that amounts on deposit in the respective interest and sinking fund and the Debt Service Reserve are insufficient for such purpose.

Monies held as restricted assets in the fund established by the revenue bond indenture are invested in securities guaranteed by the U. S. Government. At September 30, 2020, the County's depository had pledged sufficient U.S. Government obligations to meet this requirement.

Note 3 – LONG-TERM DEBT

A. Certificates of Obligation

The County issued Certificates of Obligation, Series 2007 in the amount of $8,000,000 on February 15, 2007. The purpose of the Certificates of Obligation are to provide for the payment of contractual obligations to be incurred in connection with the design, planning, acquisition, construction, equipping, expansion, and/or renovation of certain public property, specifically being improvements and additions to, and/or acquisition of, various public parks and other public recreation facilities located throughout the County; and to pay costs of issuance of the Certificates. The Park System raised the R.V. rental space rates and will use the funds formally designated for payment of the Refunding Bonds, Series 1996C, which final payment will be December 1, 2028, to pay the General Funds I & S Fund to make payments on these bonds.

Certificates of Obligation, Series 2007 in the amount of $5,572,648 were refinanced with Refunding Series 2015 on March 31, 2015.

The annual requirements to amortize the Park System's portion of this Note outstanding as of September 30, 2020 including interest payments of $749,591 are as follows:

YEAR ENDING SEPTEMBER 30,	PRINCIPAL	INTEREST	TOTAL
2021	497,228	188,169	685,397
2022	523,398	162,654	686,052
2023	549,568	135,829	685,397
2024	577,277	107,658	684,935
2025	606,526	78,063	684,589
2026-2028	1,690,267	77,218	1,767,485
TOTAL	$ 4,444,264	$749,591	$5,193,855

The County issued Certificates of Obligation, Series 2016B in the amount of $21,160,000 on September 1, 2016. The purpose of the Certificates of Obligation are to provide for the payment of contractual obligations to be incurred in connection with the design, planning, acquisition, equipping, expansion, repair, and/or renovation of County Parks, including Isla Blanca Park, Andy Bowie Park, EK Atwood Park, and Olmito Community Park, and to pay costs of issuance of the 2016B Certificates.

The annual requirements to amortize the entire Note outstanding as of September 30, 2020 including interest payments of $7,580,900 are as follows:

YEAR ENDING SEPTEMBER 30,	PRINCIPAL	INTEREST	TOTAL
2021	835,000	813,600	1,648,600
2022	870,000	779,500	1,649,500
2023	905,000	744,000	1,649.000
2024	940,000	707,100	1,647,100
2025	980,000	668,700	1,648,700
2026-2036	14,275,000	3,868,000	18,143,000
TOTAL	$ 18,805,000	$7,580,900	$26,385,900

Note 3 – LONG-TERM DEBT (continued)

The County issued Certificates of Obligation, Series 2011 in the amount of $23,570,000 at issuance June 1, 2011. The County Parks were liable for $1,897,600 of the Certificate of Obligation, Series 2011. The purposes of the Certificates of Obligation are to provide for the payment of contractual obligations to be incurred in connection with the construction of a community center in Olmito and for improvements to Benavides County Park and Browne Road Social Service Center.

Certificates of Obligation, Series 2011 were refinanced in fiscal year 2020 with Refunding Series 2019, leaving a principal balance of $93,793 on series 2011 that will be paid in fiscal year 2021 and $1,375,045 on Series 2019.

The annual requirements to amortize the amounts attributable to Parks System outstanding as of September 30, 2020 including estimated interest payments of $201,484 are as follows:

YEAR ENDING SEPTEMBER 30,	PRINCIPAL	INTEREST	TOTAL
2021	17,001	30,596	47,597
2022	222,462	28,093	250,555
2023	114,726	27,452	142,178
2024	116,738	24,928	141,666
2025	119,556	22,233	141,789
2026-2031	784,562	66,306	850,868
TOTAL	$ 1,375,045	$ 199,608	$ 1,574,653

YEAR ENDING SEPTEMBER 30,	PRINCIPAL	INTEREST	TOTAL
2021	93,793	1,876	95,669
TOTAL	$ 93,793	$ 1,876	$ 95,669

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B. Tax Notes

Cameron County issued $5,570,000 Cameron County, Texas Tax Notes, Series 2020 dated February 1, 2020 for the purpose of providing for the payment of contractual obligations to be incurred in connection with the purchase of equipment, technology upgrades for County departments, vehicles, HVAC and cooling system improvements to County building, costs of issuing the Notes and payment of contractual obligations for professional services rendered in connection therewith. Payments are due semiannually on February 15th and August 15th, maturing on February 15, 2025 with interest rates of 5.00%. Proceeds received were $6,096,346 with premium costs of $646,858 and bond issuance cost of $120,512. Cameron County Park System received proceeds of $318,075 from this issuance.
The Notes are issued pursuant to the general laws of the state of Texas, Chapters 1371 and 1431, Texas Government Code and an order adopted by County Commissioners Court on January 7, 2020 and are direct obligations of the County, payable from the levy and collection of an ad valorem tax, within limits prescribed by law, on all taxable property in the County

Tax Note Payable	
$290,613 Tax Notes Series 2020; due in annual principal installments of $52,436 to $64,175 through February 2025; plus interest at rates of 5.00%	$ 290,613
Unamortized Premium Costs	30,308
TOTAL TAX NOTE PAYABLE	320,921
Less Current Portion	(54,436)
TOTAL LONG TERM TAX NOTE PAYABLE	$ 266,485

Note 4 - COMPENSATED ABSENCES

The Cameron County Personnel Policy provides employees with vacation leave and non-vesting accumulating rights to sick pay benefits. The policy requires all employees to take vacation time prior to the end of each fiscal year; however, it allows vacation carryover for three months. Vacation pay is recognized as a part of salary compensation. Salary and wages earned, yet unpaid is recognized as accrued compensation time. Although sick leave does not vest and unused balances are not paid at the time of employee termination, current employees can accrue up to sixty days of paid sick leave. The System is reserving $24,049 to recognize the earned, yet uncompensated leave accumulated as of fiscal year-end.

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Note 5 – CASH AND INVESTMENT

Custodial Credit Risk-Deposits:
Park System deposits at year-end were covered either by Federal depository insurance or collateral held by the Cameron County Treasurer in the Park System's name. Cameron County adopted an investment policy in January 1997, which reinforces the County's investment practices of remaining in compliance with V.T.C.A, Title 10, Government Code, Section 2256.

Concentration Risk:
Cameron County has investments with Lone Star, an investment pool sponsored by the Texas Association of School Boards. It is policy that the County may not invest more than 65% of available cash with no more than 35% of available cash balances invested in any one investment pool. Due to interest rates these pools were not used other than minimum amounts to hold open the accounts.

As of September 30, 2020, the Park System's carrying amount of deposits and investments was $14,029,316 and the bank balance was $14,012,208.

Current Assets:	Fair Value
Cash and equivalents	$ 5,278,814
Restricted Assets:	
Park Construction Fund	
Cash and cash equivalents	4,004,918
Revenue Bond Debt Reserve Fund	
Cash and cash equivalents	2,455,859
Park Donations	
Cash and cash equivalents	54,725
Operating Reserve Fund	
Cash and cash equivalents	2,235,000
TOTAL	$14,029,316

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Note 6 – CAPITAL ASSETS

Assets being depreciated:	Beginning	Increases	Decreases	Ending
Buildings	10,869,402	-	-	10,869,402
Improvements other than buildings	12,455,359	-	-	12,455,359
Equipment	1,264,968	17,848	-	1,282,816
Automotive machinery and equipment	2,919,933	228,703	-	3,148,636
Furniture and fixtures	1,020,173	-		1,020,173
Other structures	5,994,695	19,330,338	-	25,325,033
Assets not being depreciated:				
Construction in progress	20,615,775	277,680	(19,330,338)	1,563,117
Land	1,718,384	63,748	-	1,782,132
Less: Accumulated depreciation	(21,020,562)	(1,291,856)	-	(22,312,418)
TOTAL CAPITAL ASSETS	35,838,127	18,626,461	(19,330,338)	35,134,250

Capital Lease and Installment Purchases

The Park System entered into an agreement with Bank of America, N.A. dated October 1, 2016 to provide $141,835 in financing for equipment and, Five (5) vehicles through Cameron County's master lease agreement with Bank of America, N.A. at an interest rate of 2.63% with three payments of 47,278 due on June 2019 through June 2021. Interest to be paid during the term of the lease totals 7,146.

The Park System entered into an agreement with Bank of America, N.A. dated October 1, 2016 to provide $118,807 in financing for equipment, two (2) automobiles through Cameron County's master lease agreement with Bank of America, N.A. at an interest rate of 2.82% with three payments of 39,602 due on September 2019 through September 2021. Interest to be paid during the term of the lease totals 6,399.

The Park System entered into an agreement with Bank of America, N.A. dated October 1, 2016 to provide $251,550 in financing for equipment, one (1) trash truck and a tractor through Cameron County's master lease agreement with Bank of America, N.A. at an interest rate of 2.87% with three payments of 83,850 due on May 2020 through May 2022. Interest to be paid during the term of the lease totals 13,777.

The Park System entered into an agreement with Bank of America, N.A. dated October 1, 2016 to provide $197,905 in financing for computers and equipment, three (3) automobiles and a tractor through Cameron County's master lease agreement with Bank of America, N.A. at an interest rate of 2.47% with three payments of 65,969 due on September 2020 through September 2022. Interest to be paid during the term of the lease totals 9,389.

Note 7 – NET PENSION LIABILITY

Governmental Accounting Standards Board issued Statement No. 68 which are new reporting standards for public pension plans and participating employers which address specifics of reporting public pension plan obligations for employers. Net pension liability (NPL) for Cameron County was determined on an actuarial valuation as of the valuation date. The Park System recognized pension expense costs of $64,103 as a result of this implementation.

Note 8 – Other Post Employment Benefits -Medical

Governmental Accounting Standards Board (GASB) issued Statement No. 74 & 75 in 2016 to improve accounting and financial reporting by state and local governments. These Statements substantially revised the accounting requirements previously mandated under GASB 43 and 45. In compliance with Statement 75, Cameron County has implemented these requirements during fiscal year 2018. GASB75 requires employers to recognize a liability for OPEB obligations, Net OPEB Liability, (Total OPEB Liability for unfunded plans) on the balance sheet financial statements. Changes in Net OPEB Liability are required to be recognized as OPEB Expense on the income statement or reported as deferred outflows/inflows of resources depending on the nature of the change. Benefits provided by Cameron County to retirees only includes medical benefits for which the retiree pays a monthly premium. This benefit is not available after retiree reaches the age of 65. Cameron County administers a single-employer defined benefit variety that covers employees, retirees and their spouses. The plan provisions allow members to retire upon attaining age 60 with 8 or more years of service or when the sum of their age and years of service equals 75 or more. Dependents of retirees who are not eligible for Medicare are also eligible for medical insurance coverage while retiree is alive. Effective 10/1/07, retirees are not eligible for medical benefits after age 65. Participants under disability are eligible for continued medical coverage under COBRA but must pay the full premium. Cameron County does not offer dental, vision, hearing or life insurance benefits to retirees. Cameron County does not pre-fund benefits. Benefits are paid directly from general assets on a pay-as-go basis and there is no trust for accumulating plan assets. Local Government Code Section 157.101 assigns the authority to establish and amend benefit provisions to Commissioner's Court.

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Note 8 – Other Post Employment Benefits –Medical (continued)

Monthly medical contributions required by retirees are as follows:

	Retiree	Retiree & Spouse	Retiree & 1 Child	Retiree & Children	Retiree & Family
Medical/Tx	$ 250.78	$575.98	$500.98	$532.23	$657.23

Membership in the plan at 10/1/19, the date of the latest actuarial valuation, consists of the following:

Active Members:	67 members
Retirees and beneficiaries receiving benefits:	3 members

The valuation date of GASB75 for Cameron County is October 1, 2019, the date as of which the actuarial valuation was performed. Measurement date is September 30, 2019, the entity's fiscal year end. The OPEB liability was determined as of September 30, 2020 which is the reporting date. There have been no significant changes between the valuation date and the fiscal year end.

Valuation Date	October 1, 2019	
Measurement Date	September 30, 2020	
Actuarial Cost Method	Entry Age Normal	
Inflation:	2.75%	
Discount Rate	September 30, 2019: 4.18%	September 30, 2020: 2.21%

The discount rate is based on the Bond Buyer's General Obligation 20-Bond Municipal Index.

OPEB LIABILITY	September 30, 2019	September 30, 2020
Park System OPEB Liability	$ 824,811	$ 1,176,057
Covered Payroll	1,919,324	2,197,746
OPEB Liability as a % of covered payroll	42.97%	53.51%
OPEB Liability as a % of Total OPEB Liability	3.11%	4.40%

Note 8 – Other Post Employment Benefits (continued)

Total OPEB liability was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below, and was then projected forward to the measurement date. Any significant changes during this period have been reflected as prescribed by GASB75.

Discount Rate	4.18%	2.21%
20 Year Tax-Exempt Municipal Bond Yield	4.18%	2.21%

Changes in Total OPEB Liability

Changes in Total OPEB Liability	Incr(Decrease) Total OPEB Liability
Balance as of September 30, 2019	$ 26,558,213
Changes for the year:	
Service Cost	1,579,672
Interest on total OPEB Liability	1,163,188
Effect on plan changes	0
Effect on economic/demographic gains or losses	(5,386,434)
Effect of assumptions changes or inputs	3,452,852
Benefit Payments	(627,242)
Balance as of September 30, 2020	$ 26,740,249

Information presented as CHANGES IN TOTAL OPEB LIABILITY is inclusive for the local government of Cameron County.

Note 8 – Other Post Employment Benefits (continued)

The following presents the total OPEB liability of CAMERON COUNTY, calculated using the 2.21%, as well as what County's total OPEB liability would be if it were calculated using a discount rate that is 1% point lower (1.21%) or 1 % point higher (3.21%) than the current rate.

	1% Decrease 1.21%	Discount Rate 2.21%	1% Increase 3.21%
Total OPEB liability	$ 29,061,996	$ 26,740,249	$ 24,520,242

The following represents the total OPEB liability of Cameron County, calculated using the current healthcare cost trend rates as well as what the County's total OPEB liability would be if it were calculated using trend rates that are 1% point lower or 1% point higher than the current trend rates.

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB liability	$ 22,911,154	$ 26,740,249	$ 31,404,231

OPEB - MULTIPLE EMPLOYER DEFINED BENEFIT GROUP TERM PLAN

GROUP TERM LIFE FUND

Cameron County participates in a cost-sharing multiple-employer defined-benefit group term life insurance plan operated by the Texas County & District Retirement System (TCDRS). This plan is referred to as the Group Term Life Fund (GTLF). The GTLF retiree death benefit paid from the Group Term Life (GTL) program is an OPEB benefit. This OPEB program is treated as an unfunded trust, because the GTL program covers both active and retirees and is not segregated. The TCDRS GTL program is an unfunded OPEB plan as the GTL fund does not meet the requirements of a trust fund under Paragraph 4b of GASB75, because the assets of GTL fund can be used to pay active GTL benefits which are not part of the OPEB plan. For GASB75 purposes the OPEB plan is not a cost sharing plan, so the annual benefit payments are treated as being equal to the employers actual retiree GTL contributions for the year.

Information listed for OPEB Liability-GTL is inclusive for Cameron County.

Note 8 – Other Post Employment Benefits (continued)

Changes in Total OPEB Liability-GTL

		Incr(Decrease) Total OPEB Liability
Balance as of December 31, 2018	$	2,569,964
Changes for the year:		
Service Cost		79,388
Interest on total OPEB Liability[1]		107,170
Effect on benefit terms		0
Effect on economic/demographic experience		22,295
Effect of assumptions changes or inputs		786,048
Benefit Payments		(71,612)
Other		0
Balance as of December 31, 2019	$	3,493,253

(1) *Reflects change in liability due to time value of money*
(2) *No plan changes valued*
(3) *Reflects change in discount rate.*

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Note 8 – Other Post Employment Benefits (continued)

Additional Disclosures

Texas Local Government Code, Chapter 175 requires counties make available continued health benefits coverage to retirees and their dependents beyond the end of an individual's employment with County. Texas Law does not require counties to fund all or any portion of such coverage. Effective October 1, 2007, Cameron County discontinued medical coverage after age 65. The County may incur a debt obligation to pay for OPEB for its retired employees so long as the County follows the constitutional requirement that it have sufficient taxing authority available at the time such debt is incurred to provide the payment of the debt and has levied a tax for such purpose. Inclusion of OPEB expense/expenditures, related liabilities (assets), note disclosures are intended to achieve compliance with the requirements of GASB75. Cameron County has not incurred a legal debt obligation for OPEB nor has it levied a tax for the same. Currently, the County funds costs associated with OPEB on a current "pay as you go" basis for each single year through annual appropriations authorized by Commissioners Court during the annual County Budget Adoption Process.

GASB 75 was implemented during fiscal year 2018. Information and amounts presented in the County's Comprehensive Annual Financial Report relative to OPEB expense/expenditures, related liabilities (assets), note disclosures, and supplementary information are only intended to achieve compliance with the requirements of generally accepted accounting principles (GASB 75) and does not constitute or imply that the County has made a commitment or is legally obligated to provide OPEB benefits.

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BML Burton McCumber & Longoria, LLP
Brownsville McAllen

INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

To the Honorable County Judge
and Commissioners' Court
Cameron County, Texas

Our audit was conducted for the purpose of forming opinions on the financial statements as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

Burton, McCumber & Longoria L.L.P.

Brownsville, Texas
March 29, 2021

BML y Fragoso, S.C.
Matamoros, MX

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CAMERON COUNTY, TEXAS
PARK SYSTEM
SCHEDULE OF INSURANCE COVERAGE
SEPTEMBER 30, 2020

INSURER	COVERAGE	AMOUNT OF COVERAGE	LATEST POLICY EXPIRATION DATE	ASSETS COVERED	PREMIUM	DEDUCTIBLE
Massachusetts Bay Insurance Company	Employee Crime Policy	$500,000	7/1/2021	Employee dishonesty - crime. Public Employee Theft	-	$7,500
Massachusetts Bay Insurance Company	Employee Crime Policy	$250,000	7/1/2021	Employee dishonesty - crime. Forgery Or Alteration	-	$5,000
Massachusetts Bay Insurance Company	Employee Crime Policy	$150,000	7/1/2021	Employee dishonesty - crime. Inside The Premises - Theft of	-	$1,500
Massachusetts Bay Insurance Company	Employee Crime Policy	$150,000	7/1/2021	Employee dishonesty - crime. Outside The Premises	-	$1,500
Massachusetts Bay Insurance Company	Employee Crime Policy	$500,000	7/1/2021	Employee dishonesty - crime. Computer Faud	-	$7,500
Massachusetts Bay Insurance Company	Employee Crime Policy	$500,000	7/1/2021	Employee dishonesty - crime. Money Orders & Counterfeit Money	-	$5,000
Massachusetts Bay Insurance Company	Employee Crime Policy	$500,000	7/1/2021	Employee dishonesty - Funds Transfer Fraud	-	7,500.00
Massachusetts Bay Insurance Company	Employee Crime Policy	$150,000	7/1/2021	Employee dishonesty - crime Inside The Premises Robbery Or	-	1,500.00
Lloyd's of London, Colony Ins. Co., Velocity Risk Underwriters	Parks Buildings Fire, extended coverage, malicious mischief, excess flood, named storm	$20,576,085	7/1/2021	Building	$109,129	$10.000
Lloyd's of London, Colony Ins. Co., Velocity Risk Underwriters	Parks Buildings Fire, extended coverage, malicious mischief, excess flood, named storm	$2,064,911	7/1/2021	Contents	-	$10,000

CAMERON COUNTY, TEXAS
PARK SYSTEM
SCHEDULE OF INSURANCE COVERAGE- Continued
SEPTEMBER 30, 2020

INSURER	COVERAGE	AMOUNT OF COVERAGE	LATEST POLICY EXPIRATION DATE	ASSETS COVERED	PREMIUM	DEDUCTIBLE
Lloyd's of London, Colony Ins. Co., Velocity Risk Underwriters	Parks Buildings Fire, extended coverage, malicious mischief, excess flood, named storm	$104,294	7/1/2021	EDP	-	$10,000
Texas Association of Counties	Auto Liability	$100,000/$300,000	7/1/2021	Bodily Injury per person/per occurrence	$195,686	$1,000
Texas Association of Counties	Auto Liability	$100,000	7/1/2021	Property Damage	-	$1,000
Texas Association of Counties	Auto Liability	Not Covered	7/1/2021	Hired and Non-Owned	-	-
Texas Association of Counties	Auto Liability	Not Covered	7/1/2021	Limited Mexico Coverage	-	-
Texas Association of Counties	Auto Liability	$5,000.00	7/1/2021	Personal Injury Protection	-	-
Texas Association of Counties	Auto Liability	Not Covered	7/1/2021	Supplementary Death Benefit	-	-
Texas Association of Counties	Auto physical damage comprehensive/collision	Cash value or cost of repair	7/1/2021	Vehicles	$78,220	$5,000
Texas Association of Counties	General Liability	$100,000/$300,000	7/1/2021	Bodily Injury per person/per occurrence	$62,559	$5,000
Texas Association of Counties	General Liability	$100,000	7/1/2021	Property damage per occurrence	-	$5,000
Texas Association of Counties	General Liability	$100,000/$300,000	7/1/2021	Personal & Advertising Injury per person/per offense/aggregate	-	$5,000
Texas Association of Counties	General Liability	$500,000	7/1/2021	Employee Benfefits Liability	-	$1,000
Texas Association of Counties	General Liability	$50,000	7/1/2021	Garage Keeper's Legal Liability	-	$1,000
Texas Association of Counties	Workers Compensation	$1,000,000/$1,000,000 /$2,000,000	1/1/2021	Per Accident/Per Claimant/Aggregate per coverage	-	-

CAMERON COUNTY, TEXAS
PARK SYSTEM
SCHEDULE OF OPERATING REVENUES
Year Ended September 30, 2020

ISLA BLANCA PARK		
Water	$	262
Over/(short)		728
Park tag fee		3,104
Tents		10,565
Miscellaneous income		33,683
Beach fee reimbursement		137,126
Electricity		209,391
Concession leases		1,072,511
Entrance fees		1,156,171
Rental Income		2,882,986
TOTAL ISLA BLANCA PARK		5,506,527
ADOLPH THOMAE PARK		
Park tag fees		704
Miscellaneous revenue		736
Over/(short)		931
Apartment rental		2,275
Electricity		7,102
Tents		7,650
Rental Income		160,358
Entrance fees		361,288
TOTAL ADOLPH THOMAE PARK		541,044
PUBLIC BEACHES		
Over/(short)		(18)
Trash Bag program		76,101
Entrance fees		990,270
TOTAL PUBLIC BEACHES		1,066,353
ANDY BOWIE PARK		
Park tag fee		8
Over/(short)		509
Tents		4,910
Electricity		5,235
Miscellaneous revenue		13,239
Entrance fees		86,383
RV full service rentals		119,669
Concession leases		424,793
TOTAL ANDY BOWIE PARK		654,746
PARK RANGERS		
Miscellaneous fines and fees		6,407
TOTAL PARK RANGERS		6,407

(Continued)

CAMERON COUNTY, TEXAS
PARK SYSTEM
SCHEDULE OF OPERATING REVENUES-continued
Year Ended September 30, 2020

BEACH CLEANUP	
Donations	0
TOTAL BEACH CLEANUP	-
COMMUNITY PARKS	
Swimming Pools	-
Donations Park summer program	1,000
Community Center Rentals	4,300
TOTAL COMMUNITY PARKS	5,300
BEACH SAFETY	
Concession leases	0
Entrance fees	210,180
TOTAL BEACH SAFETY	210,180
TOTAL OPERATING REVENUES	$ 7,990,557

CAMERON COUNTY, TEXAS
PARK SYSTEM
SCHEDULE OF OPERATING EXPENSES
Year Ended September 30, 2020

ISLA BLANCA PARK		
Advertising	$	120.00
Miscellaneous		1,896
Rental		4,444
Audit and legal		6,653
Taxes		16,615
Repairs and maintenance		35,114
Supplies		62,657
Insurance		64,877
Contractual		121,578
Depreciation		559,031
Utilities		786,484
Salaries and employee benefits		906,337
TOTAL ISLA BLANCA PARK		2,565,806
ADOLPH THOMAE PARK		
Advertising		-
Rental		482
Miscellaneous		2,903
Insurance		3,250
Repairs and maintenance		8,512
Supplies		17,877
Utilities		38,873
Contractual		53,121
Depreciation		62,082
Salaries and employee benefits		207,892
TOTAL ADOLPH THOMAE PARK		394,992
PUBLIC BEACHES		
Rental		3,834
Miscellaneous		4,426
Repairs and maintenance		5,016
Insurance		11,399
Depreciation		23,652
Supplies		27,857
Contractual		76,208
Utilities		175,299
Salaries and employee benefits		175,564
TOTAL PUBLIC BEACHES		503,255

(Continued)

CAMERON COUNTY, TEXAS
PARK SYSTEM
SCHEDULE OF OPERATING EXPENSES-continued
Year Ended September 30, 2020

ANDY BOWIE PARK	
Advertising	-
Insurance	-
Miscellaneous	857
Depreciation	3,727
Contractual	5,661
Repairs and maintenance	11,170
Supplies	27,803
Utilities	55,139
Salaries and employee benefits	180,396
TOTAL ANDY BOWIE PARK	284,753
COMMUNITY PARKS	
Rental	661
Contractual	4,425
Insurance	5,345
Repairs and maintenance	9,474
Supplies	18,331
Utilities	71,036
Depreciation	75,611
Salaries and employee benefits	199,825
TOTAL COMMUNITY PARKS	384,708
BROWNE PARK	
Rental	661
Contractual	2,700
Insurance	6,877
Supplies	7,606
Repairs and maintenance	8,376
Utilities	68,569
Depreciation	76,427
Salaries and employee benefits	108,736
TOTAL BROWNE PARK	279,952

(Continued)

CAMERON COUNTY, TEXAS
PARK SYSTEM
SCHEDULE OF OPERATING EXPENSES-continued
Year Ended September 30, 2020

FAMILY LEARNING CENTERS - LA PALOMA	
Insurance	504
Repairs and maintenance	869
Supplies	1,019
Salaries and employee benefits	11,231
Utilities	14,626
Depreciation	76,540
TOTAL FAMILY LEARNING CENTERS-LA PALOMA	104,789
FAMILY LEARNING CENTERS - SANTA ROSA	
Depreciation	11,218
TOTAL FAMILY LEARNING CENTERS- SANTA ROSA	11,218
LAURELES PARK	
Insurance	526
Repairs and maintenance	1,037
Supplies	1,133
Salaries and employee benefits	11,112
Utilities	17,343
Depreciation	114,210
TOTAL LAURELES PARK	145,361
FAMILY LEARNING CENTERS - LOS INDIOS	
Depreciation	3,193
TOTAL FAMILY LEARNING CENTERS-LOS INDIOS	3,193
CAMERON / LA ESPERANZA	
Contractual	-
Depreciation	23,089
TOTAL CAMERON / LA ESPERANZA	23,089
CODE ENFORCEMENT	
Repairs and maintenance	708
Utilities	2,562
Supplies	2,642
Salaries and employee benefits	31,174
TOTAL CODE ENFORCEMENT	37,086
GREENS DIVISION	
Utilities	-
Insurance	77
Repairs and maintenance	5,394
Supplies	7,624
Salaries and employee benefits	243,674
TOTAL GREENS DIVISION	256,769

(Continued)

CAMERON COUNTY, TEXAS
PARK SYSTEM
SCHEDULE OF OPERATING EXPENSES-continued
Year Ended September 30, 2020

ADMINISTRATION	
Post employment benefits	360,440
Advertising	1,031
Miscellaneous expense	2,509
Travel	2,693
Utilities	3,182
Rental	5.382
Insurance	7,047
Supplies	12,914
Repairs and maintenance	32,621
Depreciation	35,683
Pension expense	64,103
Contractual	226,650
Salaries and employee benefits	790,386
TOTAL ADMINISTRATION	1,544,641
BEACH SAFETY	
Travel	-
Utilities	454
Insurance	456
Miscellaneous	900
Rental	4,953
Repairs and maintenance	7,343
Contractual	9,600
Supplies	9,723
Depreciation	10,341
Salaries and employee benefits	259,699
TOTAL BEACH SAFETY	303,469
PARK RANGERS	
Travel	-
Utilities	-
Contractual	-
Miscellaneous	1,745
Rental	2,861
Insurance	3,237
Repairs and maintenance	39,607
Supplies	43,815
Salaries and employee benefits	657,300
TOTAL PARK RANGERS	748,565

(Continued)

CAMERON COUNTY, TEXAS
PARK SYSTEM
SCHEDULE OF OPERATING EXPENSES-continued
Year Ended September 30, 2020

RIO HONDO FAMILY	
Depreciation	65,140
TOTAL RIO HONDO FAMILY	65,140
SUMMER PROGRAM	
Supplies	-
Salaries and employee benefits	-
TOTAL SUMMER PROGRAM	-
EL RANCHITO PARK	
Contractual	-
Insurance	122
Salaries and employee benefits	4,056
Supplies	4,371
Utilities	7,682
TOTAL EL RANCHITO PARK	16,231
TOTAL OPERATING EXPENSES	$ 7,673,017

Cameron County, Texas
Park System
Schedule of Combined Debt Service Requirements

DUE	PRINCIPAL FEBRUARY 15	INTEREST FEBRUARY 15	INTEREST AUGUST 15	FISCAL YEAR REQUIREMENTS
2021	1,443,022	532,711	501,530	2,477,263
2022	1,615,860	501,530	468,717	2,586,107
2023	1,569,294	470,171	437,110	2,476,575
2024	1,634,015	437,110	402,576	2,473,701
2025	1,706,082	402,576	366,420	2,475,078
2026	1,751,979	366,420	329,294	2,447,693
2027	1,831,368	329,294	291,443	2,452,105
2028	1,688,703	291,443	260,798	2,240,944
2029	1,292,035	260,798	235,821	1,788,654
2030	1,351,061	235,821	203,546	1,790,428
2031	1,419,683	203,546	169,525	1,792,754
2032	1,345,000	169,525	135,900	1,650,425
2033	1,415,000	135,900	100,525	1,651,425
2034	1,485,000	100,525	63,400	1,648,925
2035	1,555,000	63,400	32,300	1,650,700
2036	1,615,000	32,300	-	1,647,300
TOTAL	$ 24,718,102	$ 4,533,070	$ 3,998,905	$ 33,250,077

Cameron County, Texas
$5,572,648 Limited Tax Refunding Bonds, Series 2015

DUE	PRINCIPAL FEBRUARY 15	INTEREST FEBRUARY 15	INTEREST AUGUST 15	FISCAL YEAR REQUIREMENTS
2021	497,228	100,300	87,869	685,397
2022	523,398	87,869	74,785	686,052
2023	549,568	74,784	61,045	685,397
2024	577,277	61,045	46,613	684,935
2025	606,526	46,613	31,450	684,589
2026	609,605	31,450	16,210	657,265
2027	635,774	16,210	6,674	658,658
2028	444,888	6,674		451,562
TOTAL	$ 4,444,264	$ 424,945	$ 324,646	$ 5,193,855

Cameron County, Texas
$21,160,000 Certificates of Obligation, Series 2016B

DUE	PRINCIPAL FEBRUARY 15	INTEREST FEBRUARY 15	INTEREST AUGUST 15	FISCAL YEAR REQUIREMENTS
2021	835,000	415,150	398,450	1,648,600
2022	870,000	398,450	381,050	1,649,500
2023	905,000	381,050	362,950	1,649,000
2024	940,000	362,950	344,150	1,647,100
2025	980,000	344,150	324,550	1,648,700
2026	1,020,000	324,550	304,150	1,648,700
2027	1,070,000	304,150	277,400	1,651,550
2028	1,115,000	277,400	255,100	1,647,500
2029	1,160,000	255,100	231,900	1,647,000
2030	1,215,000	231,900	201,525	1,648,425
2031	1,280,000	201,525	169,525	1,651,050
2032	1,345,000	169,525	135,900	1,650,425
2033	1,415,000	135,900	100,525	1,651,425
2034	1,485,000	100,525	63,400	1,648,925
2035	1,555,000	63,400	32,300	1,650,700
2036	1,615,000	32,300		1,647,300
TOTAL	$ 18,805,000	$ 3,998,025	$ 3,582,875	$ 26,385,900

Cameron County, Texas
$1,897,600 Certificates of Obligation, Series 2011

DUE	PRINCIPAL FEBRUARY 15	INTEREST FEBRUARY 15	INTEREST AUGUST 15	FISCAL YEAR REQUIREMENTS
2021	93,793	1,876	-	95,669
TOTAL	$ 93,793	$ 1,875	$ -	$ 95,669

Cameron County, Texas
$1,407,600 Certificates of Obligation, Series 2019

DUE	PRINCIPAL FEBRUARY 15	INTEREST FEBRUARY 15	INTEREST AUGUST 15	FISCAL YEAR REQUIREMENTS
2021	17,001	15,385	15,211	47,597
2022	222,462	15,211	12,882	250,555
2023	114,726	14,337	13,115	142,178
2024	116,738	13,115	11,813	141,666
2025	119,556	11,813	10,420	141,789
2026	122,374	10,420	8,934	141,728
2027	125,594	8,934	7,369	141,897
2028	128,815	7,369	5,698	141,882
2029	132,035	5,698	3,921	141,654
2030	136,061	3,921	2,021	142,003
2031	139,683	2,021	-	141,704
TOTAL	$ 1,375,045	$ 108,224	$ 91,384	$ 1,574,653

BML Barton McCumber & Longoria, LLP
Brownsville McAllen

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

To the Honorable County Judge and
Commissioners' Court
Cameron County, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the Cameron County Park System, as of and for the year ended September 30, 2020, and the related notes to the financial statements, and have issued our report thereon dated March 29, 2021.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Cameron County Park System's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions

of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

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

Burton, McCumber & Longoria L.L.P.

Brownsville, Texas
March 29, 2021