

DeWITT COUNTY, TEXAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the year ended September 30, 2016

Issued By
County Auditor's Office

Carrie Rea
County Auditor

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTORY SECTION	
County Auditor's Letter of Transmittal	i
Certificate of Achievement for Excellence in Financial Reporting	iv
Organizational Chart	v
Directory of Principal Officials	vi
FINANCIAL SECTION	
Independent Auditors' Report	1
Management's Discussion and Analysis	3
<u>Basic Financial Statements</u>	
Government-Wide Financial Statements	
Statement of Net Position	10
Statement of Activities	11
Fund Financial Statements	
Balance Sheet - Governmental Funds	12
Reconciliation of Total Governmental Fund Balance to Net Position of Governmental Activities	14
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	15
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	17
Statement of Fiduciary Net Position - Agency Funds	18
Notes to Financial Statements	19
<u>Required Supplementary Information</u>	
Major Governmental Funds	
General Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	38
Debt Service Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	39
Major Special Revenue Funds	
Road and Bridge Precinct No. 1 - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	40
Road and Bridge Precinct No. 3 - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	41
County Road and Flood - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	42
Schedule of Changes in Net Pension Liability and Related Ratios	43
Schedule of Employer Contributions	44
Notes to Required Supplementary Information	45

TABLE OF CONTENTS
(Continued)

FINANCIAL SECTION - (Continued)	<u>Page</u>
<u>Combining and Individual Fund Statements and Schedules</u>	
<i>Governmental Funds</i>	
Combining Statements	
Combining Balance Sheet - All Nonmajor Governmental Funds	46
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - All Nonmajor Governmental Funds	47
Nonmajor Special Revenue Funds	48
Combining Balance Sheet - All Nonmajor Special Revenue Funds	51
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - All Nonmajor Special Revenue Funds	52
Combining Balance Sheet - Road and Bridge Funds	53
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Road and Bridge Funds	55
Combining Balance Sheet - Other Special Revenue Funds	57
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Other Special Revenue Funds	63
Individual Statements and Schedules	
General Fund	69
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual	70
Nonmajor Governmental Funds	
Road and Bridge General - Special Revenue Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	76
Road and Bridge Precinct No. 2 - Special Revenue Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	77
Road and Bridge Precinct No. 4 - Special Revenue Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	78
Special Road and Bridge - Special Revenue Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	79
CETRZ Zone 1 - Special Revenue Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	80
CETRZ Zone 2 - Special Revenue Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	81
CETRZ Zone 3 - Special Revenue Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	82
Indigent Health Care - Special Revenue Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	83

TABLE OF CONTENTS
(Continued)

FINANCIAL SECTION - (Continued)	<u>Page</u>
<i>Fiduciary Funds</i>	
Agency Funds	84
Combining Statement of Changes in Assets and Liabilities	85
STATISTICAL SECTION (UNAUDITED)	87
<u>Financial Trends</u>	
Net Position by Component	88
Changes in Net Position	90
Fund Balances, Governmental Funds	92
Changes in Fund Balances, Governmental Funds	94
Tax Revenues by Source, Governmental Funds	96
<u>Revenue Capacity</u>	
Assessed and Estimated Actual Value of Taxable Property	97
Direct and Overlapping Tax Rates	98
Principal Taxpayers (Unaudited)	99
Property Tax Levies and Collections	100
<u>Debt Capacity</u>	
Ratios of Outstanding Debt by Type	101
Ratios of Net General Bonded Debt Outstanding	102
Direct and Overlapping Governmental Activities Debt (Unaudited)	103
Legal Debt Margin Information	104
<u>Demographic and Economic Information</u>	
Demographic Statistics (Unaudited)	105
Principal Employers (Unaudited)	106
<u>Operating Information</u>	
Full-Time-Equivalent County Government Employees by Function/Program	107
Operating Indicators by Function/Program (Unaudited)	108
Capital Asset Statistics by Function/Program (Unaudited)	109
OVERALL COMPLIANCE AND INTERNAL CONTROL SECTION	
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 <i>Government</i> Auditing Standards	110

INTRODUCTORY SECTION

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CUERO, TEXAS 77954

Carrie Rea
DeWITT COUNTY AUDITOR

January 10, 2017

Honorable District Judges
Honorable County Judge
Honorable County Commissioners
DeWitt County, Texas

The County Auditor's Office is pleased to present the Comprehensive Annual Financial Report (CAFR) of DeWitt County, Texas (the "County"), for the fiscal year ended September 30, 2016. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the County. We believe the data, as presented, is accurate in all material respects, that it is presented in a manner designed to fairly set forth the financial position and results of operations of the County as measured by the financial activity of its various funds, and that all disclosures necessary to enable the reader to gain the maximum understanding of the County's financial affairs have been included. This report was prepared in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

The County's financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information have been audited by Harrison, Waldrop and Uherek, L.L.P., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County, for the fiscal year ended September 30, 2016, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Based upon the audit, the independent auditors concluded that there was a reasonable basis for rendering an unmodified opinion that the County's financial statements for the fiscal year ended September 30, 2016, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the Independent Auditors' Report.

PROFILE OF DeWITT COUNTY

On March 24, 1846, the County of DeWitt was legally created from Gonzales, Goliad, and Victoria Counties and named for its colonizer, Green B. DeWitt. The County is centrally located on the low and rolling coastal plains of Texas and is within 100 miles of San Antonio, Austin, and Corpus Christi. Most of DeWitt County is divided into farms and ranches and is drained by the Guadalupe River and its tributaries. The County is located in southeastern Texas on the Coastal plain about midway between the southern and eastern extremities of the Texas Gulf Coast.

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

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

The County Auditor has responsibilities for prescribing the systems and procedures for handling the finances of the County and "examining, auditing, and approving" all disbursements from County funds prior to their submission to the Commissioner's Court for approval. In addition, the County's internal control structure is designed to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted government accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and that the valuation of costs and benefits requires estimates and judgments by management.

The County provides a full range of services. A primary service is the administration of justice, which includes the civil and criminal county and district courts, justices of the peace, constables, district attorney, clerks of the courts, sheriff, jail, security and emergency management, and court bailiffs. Other functions performed by the County include the construction and maintenance of roads and bridges, either independently or in cooperation with other entities, administration of public health services, assistance to indigents, and the provision of juvenile, health, education, and welfare services involving the care and correction of dependent or delinquent children as well as property tax collections for all taxing agencies within the County.

Various potential component units were evaluated to determine whether they should be included in the County's reporting entity because of the significance of their operational and financial relationship with the County. Based upon standards established by the Governmental Accounting Standards Board (see Note 1 to the financial statements), one component unit has been included in this year's report, the DeWitt County Drainage District No. 1. The DeWitt County Drainage District No. 1 is discretely presented (not considered part of the primary government of the County) for several reasons, but mainly because the entity does not have the same governing body as the County and does not provide services exclusively to the County. The District's officers are appointed by the DeWitt County Commissioner's Court.

FACTORS AFFECTING FINANCIAL CONDITION

Local Economy - The overall economic outlook for DeWitt County is stable. There has been a downturn in the oil and gas industry and anticipated tax receipts are expected to be lower, but additional drilling rigs are expected in 2017, which add value to the tax roll. The MD&A has a more detailed analysis of this activity and its effect on County's finances.

Accounting System and Internal Controls - In developing and evaluating the County's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition, and the reliability of financial records for preparing financial statements. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgments by management.

Budgetary Controls - The annual budget serves as the foundation for the County's financial planning and control. The County Judge posts budget hearings annually, with the final budget approved by the Commissioner's Court following the required hearings. Most appropriated budgets are prepared on a fund, department, and category basis. The County maintains budgetary controls to ensure compliance with legal provisions embodied in the annual budgets. The level of budgetary control includes expenditures that cannot legally exceed the appropriated amount within an individual governmental fund. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established at the line-item level within an individual fund.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to DeWitt County, Texas, for its comprehensive annual financial report for the fiscal year ended September 30, 2015. This was the 34th consecutive year that the County has received this prestigious award. In order to be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

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

The preparation of the CAFR could not have been accomplished without the efficient and dedicated efforts of the staff of the County Auditor's Office. We express our appreciation to all the members of the office who assisted in and contributed to its preparation. We would also like to thank the accounting firm of Harrison, Waldrop & Uherek, L.L.P. for sharing their knowledge and extending their cooperation and support to the County Auditor's Office.

Respectfully submitted,



Carrie Rea
DeWitt County Auditor



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

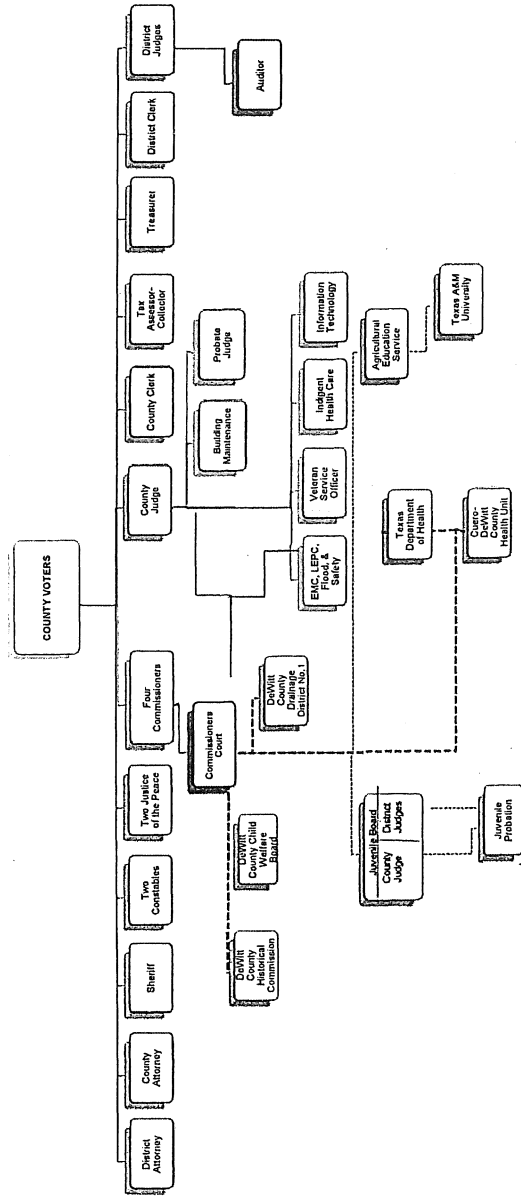
**DeWitt County
Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2015

Executive Director/CEO

DeWitt County Organization



ELECTED

Daryl L. Fowler	County Judge
Curtis G. Afflerbach	Commissioner, Precinct No. 1
James B. Pilchick, Sr.	Commissioner, Precinct No. 2
James Kaiser	Commissioner, Precinct No. 3
Richard Randle	Commissioner, Precinct No. 4
Raymond H. Reese	County Attorney
Natalie Carson	County Clerk
Susan C. Dreyer	County Tax Assessor-Collector
Carol Martin	County Treasurer
Jode C. Zavesky	Sheriff
Peggy Mayer	Justice of the Peace, Precinct No. 1
George W. Robinson	Justice of the Peace, Precinct No. 2
Kelly Phelps	Constable, Precinct No. 1
Steven A. Wehlmann	Constable, Precinct No. 2
Michael Sheppard	District Attorney
Tabeth M. Gardner	District Clerk
Jack Marr	24th Judicial District Judge
Kemper Stephen Williams	135th Judicial District Judge
Robert Bell	267th Judicial District Judge

APPOINTED

Carrie Rea	County Auditor
Terri Rogers	Chief Juvenile Probation Officer
J. C. Hull	IHC Coordinator / Veterans Service Officer
Cynthia Smith	Emergency Management Coordinator

FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of DeWitt County, Texas (the "County") as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County as of September 30, 2016, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, budgetary comparison information, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 10, 2017, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Harrison Waldrop & Ubeck, LLP

Victoria, Texas
January 10, 2017

The discussion and analysis of the financial performance of DeWitt County, Texas (the "County"), provides an overview of the County's financial activities for the year ended September 30, 2016. The discussion and analysis should be read in conjunction with the accompanying transmittal letter, the basic financial statements, and the accompanying notes to those financial statements.

FINANCIAL HIGHLIGHTS

- The assets of the County exceeded its liabilities at the close of the fiscal year by \$92,524,017. Of this amount \$13,054,591 is available to meet the County's ongoing obligations to citizens and creditors.
- At year-end, the County's governmental funds reported combined ending fund balances of \$36,625,603.
- At year-end, the unassigned fund balance for the General Fund was \$10,293,629 or 68% of total General Fund expenditures and planned transfers. The County continues to experience large tax revenues due to mineral value increases related to the Eagle Ford Shale activity. Please see the economic section of this report for a more detailed explanation regarding this activity.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial reporting model instituted by Governmental Accounting Standards Board Statement 34 (GASB 34) seeks to improve operational accountability by highlighting an overall picture that was lost in the detail of fund accounting. Instead of focusing on aggregations of similar individual funds, GASB 34 introduced government-wide financial statements, which present the government as a single unified entity.

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise four components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to financial statements, and 4) the overall compliance and internal control section. This report also contains other required supplementary information in addition to the basic financial statements.

Organization and Flow of Financial Section Information

<p>Independent Auditors' Report <i>Provides the opinion of the Independent Auditors' on the fair presentation of the basic financial statements.</i></p>	
<p>Management's Discussion and Analysis <i>This supplementary information is required for state and local government financial statements and is intended to provide a narrative introduction and analysis.</i> Pages 3 to 9</p>	
<p>Government-wide Financial Statements <i>Provides information on governmental and business-type activities of the primary government.</i> Pages 10 to 11</p>	<p>Fund Financial Statements <i>Provides information on the financial position of specific funds of the primary governments.</i> Pages 12 to 18</p>
<p>Notes to Financial Statements <i>Provides a summary of significant accounting policies and related disclosures.</i> Pages 19 to 37</p>	

OVERVIEW OF THE FINANCIAL STATEMENTS - (Continued)

Government-wide financial statements. The *government-wide financial statements*, which consist of the following two statements, are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

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

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

These financial statements present the functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the County include general government, judicial, public works (public safety, transportation, and buildings), and health and welfare.

The government-wide financial statements include not only the County itself (known as the *primary government*) but also the component unit of DeWitt County Drainage District No.1. See separately issued financial statements.

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

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

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

The County maintains several individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund and other major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining and individual statements and schedules following the required supplementary information.

The County adopts an annual appropriated budget for its General Fund, the Road and Bridge Special Revenue Funds, the Indigent Health Care Fund, and the Debt Service Fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with this budget and is located on page 38 of this report. Budget comparisons for the debt service fund and the major special revenue funds are located on pages 39 through 42 of the required supplementary information. Budget comparisons for the remaining non-major appropriated funds are located on pages 76 through 83.

OVERVIEW OF THE FINANCIAL STATEMENTS - (Continued)

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the County's own programs. The accounting used for fiduciary funds is similar to business-like activities. The basic fiduciary fund financial statement can be found on page 18 of this report.

Notes to financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 19 through 37 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the County's General Fund's budgetary comparison schedule. Required supplementary information can be found on pages 38 through 45 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds is presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 46 through 86 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$92,524,017 at the close of the fiscal year.

	<u>Governmental Activities</u>		
	<u>2016</u>	<u>2015</u>	<u>Change</u>
Current assets	\$ 39,242,584	\$ 44,025,954	-11%
Capital assets (net)	53,455,918	37,295,241	43%
Other non-current assets	-	483,529	-100%
Total Assets	<u>92,698,502</u>	<u>81,804,724</u>	13%
Deferred outflows of resources	<u>1,478,107</u>	<u>527,522</u>	180%
Total deferred outflows	<u>1,478,107</u>	<u>527,522</u>	180%
Current liabilities	1,117,034	1,501,925	-26%
Long-term liabilities	<u>254,958</u>	<u>8,306,484</u>	-97%
Total Liabilities	<u>1,371,992</u>	<u>9,808,409</u>	-86%
Deferred inflows of resources	<u>280,600</u>	-	-
Total deferred inflows	<u>280,600</u>	-	-
Net Position:			
Net investment in capital assets	53,455,918	29,415,561	82%
Restricted	26,013,508	31,051,842	-16%
Unrestricted	<u>13,054,591</u>	<u>12,056,434</u>	8%
Total Net Position	<u>\$ 92,524,017</u>	<u>\$ 72,523,837</u>	28%

GOVERNMENT-WIDE FINANCIAL ANALYSIS - (Continued)

The County's unrestricted net position represents 14% of the County's net position and may be used to meet the government's ongoing obligations to citizens and creditors.

The County's investment in capital assets (e.g., land, buildings, improvements, machinery, and equipment), less any related debt used to acquire those assets represents 58% of net position and has increased 82% from prior year. The County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending.

Changes in other non-current assets, deferred outflows of resources, long term liabilities, and deferred inflows of resources relate to the County's pension plan. Additional information can be found in Note 6 of this report. Long term liabilities also decreased because the County paid off the debt during fiscal year 2016.

At the end of the current fiscal year, the County is able to report a positive balance in net position for the government as a whole. Its overall net position has improved from the prior year.

	Governmental Activities		
	<u>2016</u>	<u>2015</u>	<u>Change</u>
REVENUES			
Program revenues:			
Charges for services	\$ 3,936,243	\$ 4,433,391	-11%
Operating grants and contributions	481,550	686,147	-30%
Capital grants and contributions	-	4,957,614	0%
General revenues:			
Property taxes	30,648,143	32,926,945	-7%
Other	468,332	632,167	-26%
Total Revenues	<u>35,534,268</u>	<u>43,636,264</u>	-19%
EXPENSES			
General governmental	3,349,802	2,571,157	30%
Judicial	1,805,372	1,685,815	7%
Public works	9,327,029	11,266,551	-17%
Health and welfare	845,744	777,582	9%
Interest	206,141	394,684	-48%
Total Expenses	<u>15,534,088</u>	<u>16,695,789</u>	-7%
Change in net position	20,000,180	26,940,475	-26%
Net Position - Beginning	<u>72,523,837</u>	<u>45,583,362</u>	59%
Net Position - Ending	<u>\$ 92,524,017</u>	<u>\$ 72,523,837</u>	28%

GOVERNMENT-WIDE FINANCIAL ANALYSIS - (Continued)

Governmental activities. The County's overall financial position has improved from prior year. Governmental activities account for 100% of the total growth in the net position of the County. Key elements of this change include the following:

- The County did not receive any capital grants during the fiscal year.
- General governmental capital outlay includes a large amount of small items that are not capitalized in the government-wide financial statements.
- Public works expenses decreased due to the County continuing to rebuild roads that are infrastructure and therefore not requiring as much in repairs and maintenance.
- Interest expense decreased due to paying off long-term debt.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets. The County's investment in capital assets includes land, buildings and improvements, equipment, and vehicles. Total additions for the current fiscal year were \$18,254,840 with the majority for public works' infrastructure related to new road construction. Additional information can be found in Note 5 of this report.

Capital Assets (Net of Depreciation)			
	Governmental Activities		
	<u>2016</u>	<u>2015</u>	<u>Change</u>
Land	\$ 637,771	\$ 637,771	0%
Buildings and improvements	16,589,465	17,115,224	-3%
Infrastructure	31,347,953	15,179,944	107%
Equipment	4,281,315	3,853,704	11%
Vehicles	<u>599,414</u>	<u>508,598</u>	18%
Total	<u>\$ 53,455,918</u>	<u>\$ 37,295,241</u>	43%

Long-term debt. The County used available funds to pay off debt in fiscal year 2016. Additional information can be found in Note 9 of this report.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

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

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$36,625,603, a decrease of \$5,206,897 from the prior year due mainly to road projects and paying off debt. Of the total fund balance, \$10,293,629 constitutes *unassigned fund balance* and is available for spending at the County's discretion, while \$318,466 has been assigned for building maintenance. The remainder of fund balance is *restricted* to indicate that it is not available for new spending because it has already been restricted for various construction projects (\$1,078,111) or special purposes (\$24,935,397).

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS - (Continued)

General Fund. The General Fund is the chief operating fund of the County.

The fund balance decreased only slightly by about 2% or \$168,563. The decrease results mainly from large transfers from the General Fund to Special Revenue funds set up to help with the cost of repairs, maintenance, and rebuilding roads and bridges that are deteriorated due to heavy oilfield related traffic.

Major Special Revenue Funds. The County has several Road and Bridge funds that are major funds this year partly due to large cash balances resulting from prior year tax revenue increases and partly due to current year tax revenues. The Road and Bridge General Fund and the County Road and Flood Fund receive the tax revenue and then make planned operating transfers to the precincts. There has been major road damage within Road and Bridge Precincts 1, 2, and 3. Road repair costs are expected to be high for the next several years.

BUDGETARY HIGHLIGHTS

General Fund. There were minimal changes between the original budget and the final amended budget. Total expenditures between the original and final budgets did not change. The largest increases were related to capital outlay for constables and other services for county courts.

Significant variances between the final amended budget and actual results were:

- The General Fund's revenues were 13% greater than budgeted mostly due to higher ad valorem taxes.
- All expenditures were within budgeted amounts.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Local Economy. The overall economic outlook for DeWitt County when taken in whole is stable. The downturn in the oil and gas industry has relieved pricing pressures on the residential rental market and the overnight (hotel/motel) rental market. Occupancy rates for the 500-plus hotel/motel rooms available in the County are in the 10-20 percent range. Although this occupancy rate is discouraging on the surface, it is more the result of a glut in the overnight rental market. Because most of the newly-built units are assets of multi-million-dollar unit investment trusts or corporate assets of publicly-traded companies, there is little impact on the local economy other than lower hotel/motel occupancy tax collections available to the local economic development corporations.

The City of Cuero lost a significant employer in 2016 when Brentex Mills closed its Cuero textile facility and laid off at least 300 employees. Although the Cuero Economic Development Corporation has been actively pursuing new owners, there has been no public announcement of a new owner of the facility as of the end of 2016. Local impact of the closed facility and the higher unemployment rate will likely manifest in lower sales tax collections while out of work employees readjust to unemployment compensation and retrain for other occupations.

The certified tax roll of the County fell for the second straight year and anticipated tax receipts will be lower in 2017. Mineral and industrial values are adjusting downward to reflect the slowdown in well completions and the production decline curve of the wells already in production. New applications for horizontal well bores approved by the Texas Railroad Commission totaled 178 in 2016 and were evenly divided between two of the County's largest taxpayers, BHP Billiton Petroleum Company and Burlington Resources Oil and Gas. Previously drilled wells, known as "Drilled, but Uncompleted", were a focus of operations for the few drilling rigs working in the Eagle Ford Shale region. There were fewer than five rigs working in DeWitt County for most of 2016, but oil company officials are suggesting that as many as five additional rigs can be expected in 2017 with oil prices firming up at \$50 to \$55 per barrel. This is very good news as it suggests that a bottom has been reached in the economic downturn. Each new well added to the tax roll adds between \$10 and \$20 million of value and as much as \$93,000 in tax revenue (at current rates) to replace existing wells that are rapidly declining in value.

Road Damage Funding Issues. The FY2017 budget continues to focus on public safety and the needs of the energy industry. This is reflected by another year of significant appropriation for road and bridge repair and

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES - (Continued)

construction. During 2013, the County began a concerted effort to rebuild County roads in the areas of high oilfield traffic using local property tax revenue.

This year's budget (FY2017) appropriates \$19.6 million to road construction efforts and represents more than 57 percent of the County's planned expenditures for the year. In relation to the overall budget, the percentage of spending is higher than the previous year's budget and indicates the County's continued commitment toward the road construction effort. If all of this year's appropriation is used, total spending will exceed \$100 million for road construction over six budget cycles. Feedback about the road construction effort is generally positive.

The County Commissioners share information with industry professionals through open meetings of the County Energy Transportation Reinvestment Zone advisory boards. The discussions focus on drilling and surface operations and contemplated road repair projects. The shared information allows the County road rehabilitation effort to continue according to budget, and benefits the industry when road and bridge efforts accommodate the needs of the industry. Additionally, Commissioners believe that tax dollars are more effective if road efforts are focused on armoring up a road in advance of a drilling campaign rather than waiting to rehabilitate the road after it is destroyed. TXDOT officials claim that tax dollars are five times more effective using the proactive approach.

The FY2017 Budget and Tax Rate. In 2012 the Commissioner's Court determined that lowering the tax rate created abatement for the oil companies and the beneficiaries of the newly found wealth. Rather than abate, the Commissioner's Court voted to hold the County tax rate at the prior year's rate. This policy has continued in effect for five successive years and has allowed the County to expand services to meet growing needs, tackle the road reconstruction issue and build balances in anticipation of a decline in drilling activity. Because of the tax policy, the County reserves are large. The County adopts budgets that utilize the reserves in such a way that the work force remains steady and services can continue without disruption. The FY2017 will draw down approximately \$10 million of reserve funds in order to continue road and bridge efforts even though asset values in the energy reinvestment zones has declined since they peaked in 2014.

Certificates of Obligation that were issued for courthouse restoration and construction of the law enforcement center were redeemed in 2016. The redemption of these bonds allows the Commissioner's Court to redirect the previous appropriation for debt service (estimated at \$1 million per year) into other public works projects this year.

The current budget also aggressively addresses the technology infrastructure needs mandated by the state with nearly \$1 million appropriated for such purpose. The significant upgrade began under the FY2016 budget and continues under this year's budget. Future needs are not expected to be as capital intensive.

The FY2016 budget addressed employee salaries to reflect the competitive wage environment of the oil boom. The FY2017 budget does not include any general increases in employee or elected official salaries. Other than planned wage increases based on longevity, there are only a couple of salary adjustments in the FY2017 budget and those are due to the hiring of highly-trained personnel who were recruited to fill vacancies due to death or severance. The Commissioner's Court believes that wage pressures caused by the hurried pace of the early Eagle Ford Shale development have been addressed adequately for the time being.

Other exceptional budget items include an appropriation for engineers, architects and courthouse security. Water seepage into the basement of the 1896 Courthouse threatens the integrity of official county records and engineers will assess the problem and propose solutions. Additionally, engineers have been contracted to perform an audit of county functions performed by offices located in the courthouse and will determine present and future needs in an office space and utilization study.

Request for Information. This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the County Auditor's Office, 307 N. Gonzales St., Cuero, Texas 77954.

Basic Financial Statements

DeWITT COUNTY, TEXAS
STATEMENT OF NET POSITION
September 30, 2016

	Primary Government	
	Governmental Activities	Component Unit
ASSETS		
Current assets		
Cash and cash equivalents	\$ 37,548,237	\$ 518,729
Receivables (net)	1,557,278	15,224
Due from others	137,069	-
Total current assets	<u>39,242,584</u>	<u>533,953</u>
Noncurrent assets		
Capital assets		
Land and other assets not being depreciated	637,771	1,353
Buildings, equipment, and vehicles (net)	52,818,147	843,219
Total noncurrent assets	<u>53,455,918</u>	<u>844,572</u>
Total assets	<u>92,698,502</u>	<u>1,378,525</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflow related to TCDRS	1,478,107	-
Total deferred outflows of resources	<u>1,478,107</u>	<u>-</u>
LIABILITIES		
Current liabilities		
Accounts payable	922,512	-
Accrued expenses	168,854	-
Current portion of long-term obligations	25,668	-
Total current liabilities	<u>1,117,034</u>	<u>-</u>
Noncurrent liabilities		
Net pension liability	177,956	-
Noncurrent portion of long-term obligations	77,002	-
Total noncurrent liabilities	<u>254,958</u>	<u>-</u>
Total liabilities	<u>1,371,992</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflow related to TCDRS	280,600	-
Total deferred inflows of resources	<u>280,600</u>	<u>-</u>
NET POSITION		
Net investment in capital assets	53,455,918	844,572
Restricted for:		
Courts	363,064	-
Health and welfare	1,125,638	-
Public safety	110,575	-
Public works	23,336,120	-
Capital projects	1,078,111	-
Unrestricted	13,054,591	533,953
Total net position	<u>\$ 92,524,017</u>	<u>\$ 1,378,525</u>

The accompanying notes are an integral part of this statement.

DeWITT COUNTY, TEXAS
STATEMENT OF ACTIVITIES
For the year ended September 30, 2016

Function/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Activities	Component Unit
Primary Government						
Governmental activities						
General government	\$ 3,349,802	\$ 1,600,249	\$ 169,284	\$ -	\$ (1,580,269)	\$ -
Judicial	1,805,372	531,238	-	-	(1,274,134)	-
Public works	9,327,029	1,677,437	274,397	-	(7,375,195)	-
Health and welfare	845,744	127,319	37,869	-	(680,556)	-
Interest and fiscal charges	206,141	-	-	-	(206,141)	-
Total governmental activities	<u>15,534,088</u>	<u>3,936,243</u>	<u>481,550</u>	<u>-</u>	<u>(11,116,295)</u>	<u>-</u>
Total primary government	<u>\$ 15,534,088</u>	<u>\$ 3,936,243</u>	<u>\$ 481,550</u>	<u>\$ -</u>	<u>(11,116,295)</u>	<u>-</u>
Component Unit	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>(149,821)</u>
General revenues:						
Taxes:						
Property taxes, levied for general purposes					29,372,216	171,451
Property taxes, levied for debt service					1,275,927	-
Miscellaneous					26,367	42
Unrestricted investment earnings					441,965	5,700
Total general revenues					<u>31,116,475</u>	<u>177,193</u>
Change in net position					20,000,180	27,372
Net position - beginning					<u>72,523,837</u>	<u>1,351,153</u>
Net position - ending					<u>\$ 92,524,017</u>	<u>\$ 1,378,525</u>

The accompanying notes are an integral part of this statement.

DeWITT COUNTY, TEXAS**BALANCE SHEET****GOVERNMENTAL FUNDS**

September 30, 2016

	General Fund	Road and Bridge Precinct 1	Road and Bridge Precinct 3
ASSETS			
Current assets			
Cash and cash equivalents	\$ 10,671,290	\$ 6,553,386	\$ 6,299,455
Receivables (net):			
Accounts receivable	-	-	-
Taxes receivable	495,902	-	-
Fines receivable	766,028	-	-
Due from other funds	3,819	-	-
Due from others	74,748	28,942	22,174
Total assets	\$ 12,011,787	\$ 6,582,328	\$ 6,321,629
LIABILITIES			
Accounts payable	\$ 25,816	\$ 477,668	\$ 225,554
Accrued expenditures	111,946	11,406	10,474
Due to other funds	-	-	-
Total liabilities	137,762	489,074	236,028
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	495,902	-	-
Unavailable revenue - assessed fines	766,028	-	-
Total deferred inflows of resources	1,261,930	-	-
FUND BALANCES			
Restricted:			
Courts	-	-	-
Health and welfare	-	-	-
Public safety	-	-	-
Public works	-	6,093,254	6,085,601
Various capital projects	-	-	-
Assigned - building maintenance	318,466	-	-
Unassigned	10,293,629	-	-
Total fund balances	10,612,095	6,093,254	6,085,601
Total liabilities, deferred inflows, and fund balances	\$ 12,011,787	\$ 6,582,328	\$ 6,321,629

The accompanying notes are an integral part of this statement.

County Road and Flood	Other Governmental Funds	Total Governmental Funds
\$ 5,549,066	\$ 8,475,040	\$ 37,548,237
-	31,663	31,663
172,704	90,981	759,587
-	-	766,028
-	-	3,819
-	11,205	137,069
<u>\$ 5,721,770</u>	<u>\$ 8,608,889</u>	<u>\$ 39,246,403</u>
\$ -	\$ 193,474	\$ 922,512
-	35,028	168,854
-	3,819	3,819
-	232,321	1,095,185
172,704	90,981	759,587
-	-	766,028
<u>172,704</u>	<u>90,981</u>	<u>1,525,615</u>
-	363,064	363,064
-	1,125,638	1,125,638
-	110,575	110,575
5,549,066	5,608,199	23,336,120
-	1,078,111	1,078,111
-	-	318,466
-	-	10,293,629
<u>5,549,066</u>	<u>8,285,587</u>	<u>36,625,603</u>
<u>\$ 5,721,770</u>	<u>\$ 8,608,889</u>	<u>\$ 39,246,403</u>

DeWITT COUNTY, TEXAS

**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE TO NET POSITION
OF GOVERNMENTAL ACTIVITIES**

September 30, 2016

Total governmental fund balances **\$ 36,625,603**

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

Property taxes receivable will be collected this year, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds. Similarly, fines receivable are not currently available at year-end and are not reported as revenue in the governmental funds.

Taxes receivable	\$ 759,587	
Fines receivable	<u>766,028</u>	1,525,615

Capital assets used in governmental activities are reported as expenditures in governmental funds when purchased or constructed.

Cost of assets	64,222,756	
Accumulated depreciation	<u>(10,766,838)</u>	53,455,918

Items required by GASB 68 and included in governmental activities in the statement of net position:

Net pension liability	(177,956)	
Deferred outflow of resources related to TCDRS	1,478,107	
Deferred inflow of resources related to TCDRS	<u>(280,600)</u>	1,019,551

Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:

Compensated absences		<u>(102,670)</u>
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Net position of governmental activities **\$ 92,524,017**

The accompanying notes are an integral part of this statement.

DeWITT COUNTY, TEXAS*STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES***GOVERNMENTAL FUNDS***For the year ended September 30, 2016*

	General Fund	Road and Bridge Precinct 1	Road and Bridge Precinct 3
REVENUES			
Taxes	\$ 12,190,655	\$ -	\$ -
Licenses and permits	6,455	255,406	273,879
Intergovernmental	1,085,235	11,322	10,257
Charges for services	1,052,636	54,250	34,028
Fines and forfeitures	360,303	-	-
Interest	149,406	69,218	79,002
Miscellaneous	198,789	27,400	7,374
Total revenues	<u>15,043,479</u>	<u>417,596</u>	<u>404,540</u>
EXPENDITURES			
Current			
General government	2,756,721	-	-
Judicial	1,290,043	-	-
Public works	4,673,812	5,158,132	5,415,416
Health and welfare	192,836	-	-
Debt service			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	<u>8,913,412</u>	<u>5,158,132</u>	<u>5,415,416</u>
Excess (deficiency) of revenues over expenditures	<u>6,130,067</u>	<u>(4,740,536)</u>	<u>(5,010,876)</u>
OTHER FINANCING SOURCES (USES)			
Sale of capital assets	-	2,447	-
Transfers in	-	3,813,360	3,932,338
Transfers out	(6,298,630)	-	(24,200)
Total other financing sources (uses)	<u>(6,298,630)</u>	<u>3,815,807</u>	<u>3,908,138</u>
Net change in fund balances	(168,563)	(924,729)	(1,102,738)
Fund balances, beginning of year	<u>10,780,658</u>	<u>7,017,983</u>	<u>7,188,339</u>
Fund balances, end of year	<u>\$ 10,612,095</u>	<u>\$ 6,093,254</u>	<u>\$ 6,085,601</u>

The accompanying notes are an integral part of this statement.

County Road and Flood	Debt Service	Other Governmental Funds	Total Governmental Funds
\$ 7,716,530	\$ 1,323,586	\$ 9,266,904	\$ 30,497,675
-	-	183,833	719,573
-	-	469,597	1,576,411
-	-	298,511	1,439,425
-	-	-	360,303
49,040	13,658	81,641	441,965
-	-	190,032	423,595
<u>7,765,570</u>	<u>1,337,244</u>	<u>10,490,518</u>	<u>35,458,947</u>
-	-	302,310	3,059,031
-	-	223,884	1,513,927
-	-	10,903,505	26,150,865
-	-	616,006	808,842
-	8,955,000	-	8,955,000
-	254,111	-	254,111
-	<u>9,209,111</u>	<u>12,045,705</u>	<u>40,741,776</u>
<u>7,765,570</u>	<u>(7,871,867)</u>	<u>(1,555,187)</u>	<u>(5,282,829)</u>
-	-	73,485	75,932
-	5,861,639	4,041,831	17,649,168
<u>(6,671,247)</u>	-	<u>(4,655,091)</u>	<u>(17,649,168)</u>
<u>(6,671,247)</u>	<u>5,861,639</u>	<u>(539,775)</u>	<u>75,932</u>
1,094,323	(2,010,228)	(2,094,962)	(5,206,897)
<u>4,454,743</u>	<u>2,010,228</u>	<u>10,380,549</u>	<u>41,832,500</u>
<u>\$ 5,549,066</u>	<u>\$ -</u>	<u>\$ 8,285,587</u>	<u>\$ 36,625,603</u>

DeWITT COUNTY, TEXAS**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES***For the year ended September 30, 2016*

Total net change in fund balances - governmental funds		\$ (5,206,897)
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Current year capital outlays are expenditures in the fund financial statements, but they should be shown as increases in capital assets in the government-wide financial statements.		18,254,840
Depreciation is not recognized as an expense on the governmental funds since it does not require the use of current financial resources.		(2,044,598)
Current year payments on long-term debt are expenditures in the fund financial statements, but they serve to reduce long-term liabilities in the government-wide financial statements. In the current year, these amounts consist of:		
Bond principal retirement		8,955,000
Because some property taxes and fines will not be collected for several months after the County's fiscal year ends, they are not considered "available" revenues and are deferred in the governmental funds.		
Property taxes	150,468	
Fines	<u>(101,514)</u>	48,954
Disposal of assets should be reported as gains or losses in the government-wide financial statements.		
Sale of capital assets	(75,932)	
Gain on disposal of assets	<u>26,367</u>	(49,565)
The implementation of GASB 68 required that certain expenditures be de-expended and recorded as deferred resource outflows and recognize pension expense during the measurement period ending 12/31/15 which includes the recognition of current year outflow (inflow) of resources due to assets and liabilities.		
Contributions made after the measurement date of 12/31/15	452,061	
Pension expense during the measurement period ending 12/31/15	<u>(443,561)</u>	8,500
Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of:		
Increase in compensated absences	(14,024)	
Decrease in accrued interest	<u>47,970</u>	<u>33,946</u>
Change in net position of governmental activities		<u>\$ 20,000,180</u>

The accompanying notes are an integral part of this statement.

DeWITT COUNTY, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
September 30, 2016

	<u>Agency Funds</u>
ASSETS	
Cash	\$ <u>674,902</u>
Total assets	\$ <u><u>674,902</u></u>
 LIABILITIES	
Due to others	\$ <u>674,902</u>
Total liabilities	\$ <u><u>674,902</u></u>

The accompanying notes are an integral part of this statement.

Notes to Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

DeWitt County, Texas (the "County") is a political subdivision of the State of Texas. The County was organized in 1846. The County is governed by the Commissioners' Court, which is composed of four (4) County Commissioners and the County Judge, all of whom are elected officials.

The accounting policies of the County conform to generally accepted accounting principles (GAAP) as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. In June of 1999, GASB unanimously approved GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. Certain of the significant reporting changes required under the provisions of GASB Statement No. 34 are:

- The financial statements issued by the County will include:
 - A Management's Discussion and Analysis (MD&A) section providing an analysis of the County's overall financial position and results of operations.
 - Financial statements prepared using full accrual accounting for all of the County's activities.
- A change in the fund financial statements to focus on the County's major funds.

The County has implemented the provisions of GASB Statement No. 34. As such, these and other changes provided for by GASB Statement No. 34 are reflected in the accompanying financial statements.

A. Reporting Entity

In evaluating how to define the government, for financial reporting purposes, the County's management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GASB Statement No. 14, *The Financial Reporting Entity*, and as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*. Under these guidelines, the reporting entity consists of the primary government (all funds of the County), organizations for which the primary government is financially accountable, organizations for which the primary government is not financially accountable, organizations that raise and hold economic resources for the direct benefit of the primary government, and any other organization for which the nature and significance of their relationship with the primary government is such that exclusion could cause the County's financial statements to be misleading or incomplete. Entities other than the primary government that are included in the primary government's financial statements are called component units. The component units discussed in this note are included in the County's financial statements because of the significance of their financial relationships with the County.

Discretely Presented Component Unit

DeWitt County Drainage District No. 1 (the "Drainage District") - The component unit column in the financial statements includes the financial data of the County's one discretely presented component unit. The Drainage District is reported in a separate column to emphasize that it is legally separate from the County. Each member of the Drainage District's board is appointed by the Commissioners' Court. Commissioners' Court receives the Drainage District's operating budget and any amendments thereto. Complete financial statements of the component unit can be obtained from the DeWitt County Auditor's office, 307 N. Gonzales St., Cuero, TX 77954.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all non-fiduciary activities of the County and its component unit. The primary government is reported separately from its legally separate component unit.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, the discretely presented component unit, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, fines, and interest associated with the current period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when received by the County.

The 2015 tax levy is dedicated to pay for expenditures of the 2016 budget.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation - (Continued)

The County reports the following major governmental funds:

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

Road and Bridge Precinct 1 and Precinct 3 are special revenue funds and account for those resources that are legally restricted or committed to expenditures for road and other maintenance items within each respective precinct. Allocated transfers of tax revenues from other special revenue funds represent the major revenue source in these funds.

County Road and Flood is a special revenue fund and accounts for those resources that are legally restricted or committed to expenditures for road and flood issues within the County. Tax revenues represent the major revenue source in this fund.

The Debt Service Fund accounts for financial resources that are restricted, committed, or assigned to expenditure for general government debt principal and interest.

Additionally, the County reports the following non-major governmental funds:

The Capital Project Fund accounts for the financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities.

The Special Revenue Funds account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects.

The County also reports Agency Funds to account for resources held for others in a custodial capacity. These resources include ad valorem taxes collected and to be distributed to other local governments, various fines and fees to be distributed to other governments, and trust funds held for minors, etc. The funds are excluded from the government-wide financial statements.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between various functions of the County. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes. When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, and then unrestricted resources as they are needed.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

D. Budgets and Budgetary Accounting

The County Judge is, by statute, the budget officer of the County. After being furnished budget guidelines by the County Judge and Commissioners' Court, the County Auditor prepares an estimate of revenues and a compilation of requested departmental expenditures. Department officials appear before the Commissioners' Court and the County Auditor for departmental budget review. A proposed budget is prepared by the County Auditor, and then submitted to the Commissioners' Court. Before determining the final budget, the Commissioners' Court may increase or decrease the amounts requested by the various departments. Amounts finally budgeted may not exceed the County Auditor's estimate of revenues and available cash.

Budgets are adopted for the General Fund, the Special Revenue Funds that collect tax revenue, and the Debt Service Fund. All budgets adopted by the County are on the cash basis of accounting rather than in conformity with GAAP. Under the budgetary basis, revenues are recognized as collected and expenditures when paid. Budgeted special revenue funds include all Road and Bridge funds and the Indigent Health Care Fund.

When the budget has been adopted by the Commissioners' Court, the County Auditor is responsible for monitoring expenditures to keep them from exceeding budgeted appropriations and for keeping the members of the Commissioners' Court advised of the condition of the various funds and accounts. The level of control (the level on which expenditures may not exceed appropriations) for each legally adopted annual operating budget is on a line-item basis. Any amendments above the line-item level must have the approval of the Commissioners' Court before implementation. The line-item level of control is defined by the basic categories of personnel services, supplies, other services and charges, capital outlay, and debt service.

Amendments made during the year to the General Fund budget netted no increase or decrease to budgeted revenue or expenditure amounts.

Unused appropriations lapse at the end of each year, and because the County is on a cash budgetary basis, encumbrances are not reported for either accounting or financial reporting purposes.

E. Deposits

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

The Commissioners' Court has adopted a written investment policy regarding the investment of its funds as defined by the Public Funds Investment Act of 1995. The investments of the County are in compliance with the Commissioners' Court's investment policies. The County may invest its excess funds in any instruments authorized by the Public Funds Investment Act of Texas. Investments authorized under this act include, but are not limited to, the following: Obligations of the United States; other obligations which are unconditionally guaranteed or backed by the full faith and credit of the State of Texas or the United States; certificates of deposit which are guaranteed or insured by the Federal Deposit Insurance Corporation (FDIC); and certain repurchase agreements.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

F. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds".

All trade, property tax, and fine receivables are shown net of an allowance for uncollectibles.

G. Inventory

Inventories of supplies on hand have not been recorded because such supplies are of an expendable nature and are expensed when purchased.

H. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the government-wide statement of net position. The County defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is not included as part of the capitalized value of the assets constructed.

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

<u>Assets</u>	<u>Years</u>
Buildings	10-50
Infrastructure	30-40
Improvements other than buildings	10-50
Machinery and equipment	5-15
Office equipment and fixtures	5-10

I. Compensated Absences

Vacation benefits are accrued by County employees according to guidelines set in the County's personnel policy. This policy states that after completion of one year of service, each employee will thereafter accrue vacation according to the number of years of continuous service. Upon termination, employees are paid for any unused granted vacation. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Full-time employees are credited with four hours of sick leave per pay period. Sick days may be accumulated up to a maximum of 30 working days (240 hours). County personnel policies state that unused sick leave benefits will not be paid to employees upon termination; therefore, no sick leave benefits are accrued.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

J. Long-term Obligations

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

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

K. Deferred Outflows/Inflows of Resources

The statement of net position reports a separate section for deferred outflows of resources which follows the asset section. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The County has one item qualifying in this category under the economic resources measurement focus only. Therefore, this item is only reported in the government-wide financial statements. It is the deferred amounts calculated in the actuarial pension study required by GASB 68 and the current year pension contributions made after the measurement date, but before year-end. The amount is deferred and amortized over a period of time.

In addition to liabilities, the statement of net position also reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The County has three items that qualify for reporting in this category. Two of the items arise only under a modified accrual basis of accounting. Accordingly, *unavailable revenue* is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and fines. The other item that qualifies for reporting as a deferred inflow of resources is calculated in the actuarial pension study required by GASB 68. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

L. Fund Equity

Fund balances of Governmental Funds classified as restricted are balances with constraints placed on the use of resources by creditors, grantors, contributors, or laws and regulations of other governments. Fund balances classified as committed can only be used for specific purposes pursuant to constraints imposed by the Commissioners' Court through a resolution or by other formal action. Assigned fund balances are constrained by intent to be used for specific purposes but are neither restricted nor committed. Assignments are made by the County Auditor based on Commissioners' Court direction.

For the classification of Governmental Fund balances, the County considers expenditures to be made from the most restrictive first when more than one classification is available.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

L. Fund Equity - (Continued)

It is the desire of the County to maintain an adequate General Fund fund balance to provide sufficient working capital and a margin of safety to address local and regional emergencies without borrowing. The County has adopted a financial standard to maintain an "unassigned" General Fund fund balance of 25% of the total operating expenditures.

M. Pensions

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

N. Use of Estimates

The preparation of the government-wide and fund financial statements in conformity with generally accepted accounting principles requires the County to make estimates and assessments that affect the reported amounts of assets and liabilities at the date of financial statements and the reported amounts of revenues and expenditures during the reporting period. Accordingly, actual results could differ from those estimates.

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Deficit Fund Equity

As of September 30, 2016, the following fund had a deficit fund equity balance:

<u>Fund</u>	<u>Deficit Fund Balance</u>
Nonmajor Funds	
Juvenile Probation	\$ 2,264

Steps will be taken to eliminate this deficit in the upcoming fiscal year.

B. Budgetary Compliance

Budgetary compliance is monitored at the line-item level in all budgeted governmental funds. For the current year all line item expenditures were within budgeted amounts.

NOTE 3: DEPOSITS AND INVESTMENTS

The County's cash deposits include amounts in demand deposits, money market accounts, and certificates of deposit and are held by several financial institutions.

Demand deposits	\$ 35,615,515
Money market funds	903,682
Certificate of deposit	1,025,240
Cash on hand	<u>3,800</u>
Total cash and cash equivalents	<u>\$ 37,548,237</u>

NOTE 3: DEPOSITS AND INVESTMENTS - (Continued)

A. Interest Rate Risk

In accordance with the County's investment policy, the County manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio for investments to less than five years from the time of purchase. Specifically, investments of operating funds must have stated final maturities of three years or less and investments in capital project funds must have stated final maturities that do not exceed the expected completion date of the project for which the bonds were sold. The money market funds are redeemable in full immediately and therefore do not have a stated weighted average maturity.

B. Credit Risk

It is the County's policy to limit its investments to those with ratings of not less than A or its equivalent. The County's money market funds with Deutsche Government Cash Institutional Shares were rated AAAM by Standard & Poor's.

C. Concentration of Credit Risk

The investment policy requires that the investment portfolio shall be diversified in terms of investment instruments, maturity scheduling, and financial institutions to reduce the risk of loss resulting from over concentration of assets in a specific class of investments, specific maturity, or specific user. At year-end, the County was not exposed to concentration of credit risk.

D. Custodial Credit Risk - Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County's investment policy requires that deposits at financial institutions be insured by the FDIC and/or collateralized by securities pledged to the County by the depository in an amount equal to at least 110% of the carrying value of deposits held. At year-end, the coverage ratio was 239% and none of the County's deposits were exposed to custodial credit risk by being uninsured and uncollateralized. Coverage consisted of:

Amount insured by the FDIC or collateralized with securities held by the County or its agent in the County's name.	\$ 500,000
Amount collateralized with securities held by the pledging financial institution's trust department or agent in the County's name.	<u>89,947,335</u>
Total coverage	<u>\$ 90,447,335</u>

E. Custodial Credit Risk - Investments

For an investment, this is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County's investment policy requires that securities be held in the name of the County or held on behalf of the County and that all securities are purchased using the delivery versus payment method. At year-end, and for the year then ended, the County was not exposed to any custodial credit risk.

Please see Note 12 for discussions relative to the investments of the County's component unit.

NOTE 4: RECEIVABLES

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

	<u>General</u>	<u>County Road and Flood</u>	<u>Nonmajor</u>	<u>Total</u>
Gross receivables				
Ad valorem taxes	\$ 495,902	\$ 172,704	\$ 90,981	\$ 759,587
Fines	5,106,851	-	-	5,106,851
Other	-	-	31,663	31,663
Total gross receivables	5,602,753	172,704	122,644	5,898,101
Less: allowances	4,340,823	-	-	4,340,823
Total net receivables	<u>\$ 1,261,930</u>	<u>\$ 172,704</u>	<u>\$ 122,644</u>	<u>\$ 1,557,278</u>

The County's governmental funds report unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. The governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At year-end, the various components of unavailable revenue and unearned revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>	<u>Total</u>
Major Funds			
Taxes receivable	\$ 668,606	\$ -	\$ 668,606
Fines receivable	766,028	-	766,028
	<u>1,434,634</u>	<u>-</u>	<u>1,434,634</u>
Nonmajor Funds			
Taxes receivable	90,981	-	90,981
	<u>90,981</u>	<u>-</u>	<u>90,981</u>
Total unavailable revenue	<u>\$ 1,525,615</u>	<u>\$ -</u>	<u>\$ 1,525,615</u>

Property taxes attach as an enforceable lien on property as of January 1st. Taxes are levied on October 1st and payable by the following January 31st. The DeWitt County Tax Assessor-Collector bills and collects its own property taxes.

The Texas Constitution (Art. VIII, Sec. 9) imposes a limit of \$0.80 per \$100 assessed valuation for Operating Fund purposes (Jury, General, Permanent Improvement, and Road and Bridge Funds), including debt service for Permanent Improvement Bonds and Certificates of Indebtedness issued against such DeWitt County Funds. In addition, a \$0.30 Farm-to-market Road tax as authorized by Art. 7048A, VACS, and a Special Road and Bridge tax of \$0.15 has been voted and levied by the County for many years; hence, a total tax rate of \$1.25 is authorized for the County. Of the total tax rate of \$1.25 authorized for the County, only \$0.46937 was levied for the 2015 tax roll. This tax rate resulted in a current year tax levy of \$31,787,663.

The DeWitt County Drainage District No. 1, a component unit of the County, levies property taxes separate and apart from the County. Please see Note 12 for discussions relative to property taxes of the County's component unit.

NOTE 5: CAPITAL ASSETS

The County's capital asset activity was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 637,771	\$ -	\$ -	\$ 637,771
Total capital assets not being depreciated	<u>637,771</u>	<u>-</u>	<u>-</u>	<u>637,771</u>
Capital assets, being depreciated				
Buildings and improvements	21,986,511	-	-	21,986,511
Infrastructure	15,414,772	16,589,431	-	32,004,203
Machinery and equipment	7,099,592	1,391,776	224,555	8,266,813
Vehicles	1,118,698	273,633	64,873	1,327,458
Total capital assets being depreciated	<u>45,619,573</u>	<u>18,254,840</u>	<u>289,428</u>	<u>63,584,985</u>
Less accumulated depreciation for				
Buildings and improvements	4,871,287	525,759	-	5,397,046
Infrastructure	234,828	421,422	-	656,250
Machinery and equipment	3,245,888	923,740	184,130	3,985,498
Vehicles	610,100	173,677	55,733	728,044
Total accumulated depreciation	<u>8,962,103</u>	<u>2,044,598</u>	<u>239,863</u>	<u>10,766,838</u>
Total capital assets being depreciated, net	<u>36,657,470</u>	<u>16,210,242</u>	<u>49,565</u>	<u>52,818,147</u>
Governmental activities capital assets, net	<u>\$ 37,295,241</u>	<u>\$ 16,210,242</u>	<u>\$ 49,565</u>	<u>\$ 53,455,918</u>

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

Governmental activities	
General government	\$ 514,421
Judicial	299,738
Public works	1,193,636
Health and welfare	<u>36,803</u>
Total depreciation expense - governmental activities	<u>\$ 2,044,598</u>

NOTE 6: EMPLOYEES' RETIREMENT PLAN

General Information about the Pension Plan

Plan description. The County's defined benefit pension plan provides pensions for all full-time employees of the County. The plan is a statewide agent multiple-employer defined benefit pension plan administered by Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the plan. TCDRS in the aggregate 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.

Benefits provided. The County provides retirement, disability, and death benefits. 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.

Employees covered by benefit terms. At September 30, 2016, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	76
Inactive employees entitled to but not yet receiving benefits	100
Active employees	<u>148</u>
	<u>324</u>

Contributions. The employer has elected the annually determined contribution 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 employer is actuarially determined annually by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The County is required to contribute the difference between the actuarially determined rate and the contribution rate of the employees. For the year ended September 30, 2016, the average active employee contribution rate was 7.00% of annual pay and the County's average contribution rate was 7.40% of annual payroll.

Net Pension Liability

The County's net pension liability was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

NOTE 6: EMPLOYEES' RETIREMENT PLAN - (Continued)

Actuarial assumptions. The total pension liability in the December 31, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation timing	Actuarially determined contribution rates are calculated each December 31, two years prior to the end of the fiscal year in which contributions are reported.
Actuarial cost method	Entry age
Amortization method	Level percentage of payroll, closed
Remaining amortization period	2.3 years (based on contribution rate calculated on 12/31/15 valuation)
Asset valuation method	5-year smoothed market
Inflation	3.0%
Salary increases	Varies by age and service. 4.9% average over career including inflation
Investment rate of return	8.00%, net of investment expenses, including inflation
Retirement age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	In the 2015 actuarial valuation, assumed life expectancies were adjusted as a result of adopting a new projection scale (110% of the MP-2014 Ultimate Scale) for 2014 and later. Previously Scale AA had been used. The base table is the RP-2000 table projected with Scale AA to 2014.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

NOTE 6: EMPLOYEES' RETIREMENT PLAN - (Continued)

Actuarial Assumptions - (Continued)

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	14.50%	5.45%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index ⁽³⁾	14.00%	8.45%
Global Equities	MSCI World (net) Index	1.50%	5.75%
International Equities - Developed	MSCI World Ex USA (net)	10.00%	5.45%
International Equities - Emerging	MSCI World Ex USA (net)	8.00%	6.45%
Investment-Grade Bonds	Barclays Capital Aggregate Bond Index	3.00%	1.00%
High-Yield Bonds	Citigroup High-Yield Cash-Pay Capped Index	3.00%	5.10%
Opportunistic Credit	Citigroup High-Yield Cash-Pay Capped Index	2.00%	5.09%
Direct Lending	Citigroup High-Yield Cash-Pay Capped Index	5.00%	6.40%
Distressed Debt	Citigroup High-Yield Cash-Pay Capped Index	3.00%	8.10%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% FRSE EPRA/NAREIT Global Real Estate	3.00%	4.00%
Master Limited Partnerships	Alerian MLP Index	3.00%	6.80%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index ⁽⁴⁾	5.00%	6.90%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	25.00%	5.25%

⁽¹⁾ Target asset allocation adopted at the April 2016 TCDRS Board meeting

⁽²⁾ Geometric real rates of return in addition to assumed inflation of 1.6%, per Cliffwater's 2016 capital market assumptions

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

⁽⁴⁾ Includes vintage years 2007-present of Quarter Pooled Horizon IRRs

Discount Rate. The discount rate used to measure the total pension liability was 8.10%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that County contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE 6: EMPLOYEES' RETIREMENT PLAN - (Continued)

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balance at 12/31/2014	\$ 13,873,554	\$ 14,357,083	\$ (483,529)
Changes for the year:			
Service cost	652,882	-	652,882
Interest	1,118,859	-	1,118,859
Effect of plan changes	(78,914)	-	(78,914)
Effect of economic/demographic gains or losses	(374,133)	-	(374,133)
Effect of assumptions changes/inputs	178,585	-	178,585
Refund of contributions	(150,945)	(150,945)	-
Benefit payments	(724,982)	(724,982)	-
Administrative expense	-	(10,309)	10,309
Member contributions	-	410,939	(410,939)
Net investment income	-	108,512	(108,512)
Employer contributions	-	434,419	(434,419)
Other changes	-	(107,767)	107,767
Balance at 12/31/2015	<u>\$ 14,494,906</u>	<u>\$ 14,316,950</u>	<u>\$ 177,956</u>

Sensitivity of the net pension liability / (asset) to changes in the discount rate. The following presents the net pension liability of the County, calculated using the discount rate of 8.10%, 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	Current Discount Rate	1% Increase
	7.10%	8.10%	9.10%
Total pension liability	\$ 16,210,484	\$ 14,494,906	\$ 13,056,495
Fiduciary net position	<u>14,316,950</u>	<u>14,316,950</u>	<u>14,316,950</u>
Net pension liability / (asset)	<u>\$ 1,893,534</u>	<u>\$ 177,956</u>	<u>\$ (1,260,455)</u>

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

NOTE 6: EMPLOYEES' RETIREMENT PLAN - (Continued)

Pension Expense and Deferred Outflows of Resources

For the year ended September 30, 2016, the County recognized pension expense of \$443,561. At September 30, 2016 the County reported the following deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 23,242	\$ 280,600
Changes of assumptions	133,939	-
Net difference between projected and actual earnings	956,338	-
Contributions made subsequent to measurement date	<u>364,588</u>	<u>-</u>
Total	<u>\$ 1,478,107</u>	<u>\$ 280,600</u>

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

Year ended September 30,	
2017	\$ 210,925
2018	210,925
2019	199,305
2020	<u>211,764</u>
	<u>\$ 832,919</u>

Payable to the Pension Plan

At September 30, 2016, the County reported a payable of \$19,129, grouped with accrued expenses, for the outstanding amount of contributions to the pension plan required for the year ended September 30, 2016.

NOTE 7: DEFERRED COMPENSATION PLAN

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all County employees, permits them to defer a portion of their salary until future years. Except in specified circumstances, the deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

In 1998, the County transferred plan assets to an independent trust for the exclusive benefit of the participants and their beneficiaries.

NOTE 8: RISK MANAGEMENT

The County is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County purchased commercial insurance to cover risks associated with potential claims. There were no significant reductions in coverage in the past fiscal year, and there were no settlements exceeding insurance coverage for each of the past three fiscal years.

NOTE 9: LONG-TERM DEBT

A. Changes In Long-term Liabilities

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities					
Bonds and certificates payable					
2006 CO's	\$ 7,080,000	\$ -	\$ 7,080,000	\$ -	\$ -
2010 Refunding	<u>1,875,000</u>	<u>-</u>	<u>1,875,000</u>	<u>-</u>	<u>-</u>
Total bonds payable	<u>8,955,000</u>	<u>-</u>	<u>8,955,000</u>	<u>-</u>	<u>-</u>
Compensated absences	<u>88,646</u>	<u>30,000</u>	<u>15,976</u>	<u>102,670</u>	<u>25,668</u>
Total other	<u>88,646</u>	<u>30,000</u>	<u>15,976</u>	<u>102,670</u>	<u>25,668</u>
Total governmental activities long-term liabilities	<u>\$ 9,043,646</u>	<u>\$ 30,000</u>	<u>\$ 8,970,976</u>	<u>\$ 102,670</u>	<u>\$ 25,668</u>

Compensated absences are generally liquidated by the General Fund.

B. General Obligation Certificates and Bonds

The County used available funds to pay off both series of long-term bonds and obligations during the year ended September 30, 2016.

NOTE 10: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

A. Interfund Receivables and Payables

At times during the fiscal year the various funds of the County were involved in transactions that created interfund receivable and payable balances.

<u>Receivable Fund - Governmental Funds</u>			
<u>Payable Fund</u>	<u>General Fund</u>	<u>Nonmajor</u>	<u>Total</u>
Nonmajor	\$ 3,819	\$ -	\$ 3,819
	<u>\$ 3,819</u>	<u>\$ -</u>	<u>\$ 3,819</u>

NOTE 10: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS - (Continued)

B. Interfund Transfers

Each year various funds of the County transfer funds to other funds. The most significant of these are the planned transfers from the County's road funds with taxing authority to the road precinct funds for operations.

<u>Transfers Out</u>	<u>Transfers In - Governmental Funds</u>				<u>Total</u>
	<u>Precinct 1</u>	<u>Precinct 3</u>	<u>Debt Service</u>	<u>Nonmajor</u>	
General	\$ -	\$ -	\$ 5,861,639	\$ 436,991	\$ 6,298,630
Precinct 3	-	-	-	24,200	24,200
Road and Flood	2,901,925	2,628,268	-	1,141,054	6,671,247
Nonmajor funds	911,435	1,304,070	-	2,439,586	4,655,091
	<u>\$ 3,813,360</u>	<u>\$ 3,932,338</u>	<u>\$ 5,861,639</u>	<u>\$ 4,041,831</u>	<u>\$ 17,649,168</u>

NOTE 11: CONTINGENCIES

The County is exposed to the risk of contingent liabilities in the ordinary course of its operations. Specifically, such risks arise as a result of the County's participation in various state and federal grant programs and as a result of threatened and pending litigation. Disallowed costs could result if County expenditures made under its grants programs are found to be improper in that they violate state or federal regulations. Such disallowed costs would have to be paid back to the granting agency from the General Fund of the County. The County is not aware of any costs that have been disallowed in the current year and does not anticipate that any will be.

NOTE 12: COMPONENT UNIT

As described in Note 1, the Dewitt County Drainage District No. 1 (the "Drainage District") is a component unit of the County. It is reported in a separate column to emphasize that it is legally separate for accounting purposes from the County.

A. Organization

The Drainage District operates under a Board of Directors form of government and provides drainage services to the residents of the Drainage District. The Drainage District was created with a Commissioners' Court order passed on May 6, 1914.

B. Summary of Significant Accounting Policies

The accounting and reporting policies of the Drainage District conform to GAAP, as applicable to governmental units. For inclusion in this report, the Drainage District's operations are reported in a single governmental fund type.

NOTE 12: COMPONENT UNIT - (Continued)

C. Deposits and Investments

Deposits

The Drainage District's deposits are held at the County's depository bank and are completely covered by FDIC insurance or by pledged collateral held by the bank's agent in the County's name. At year-end, the carrying amount was \$207,249.

Investments

The Drainage District is authorized by statute to invest in obligations issued or guaranteed by the United States government; direct obligations of the State of Texas or its agencies; other obligations, the principal of and interest on which are guaranteed by the State of Texas or the United States; obligations of State agencies, counties, cities and other political subdivisions of any state which is of investment quality and which has received a rating of not less than A or its equivalent; fully secured certificates of deposit; eligible investment pools as per the Public Funds Investment Act; and no-load Securities and Exchange Commission (SEC) registered mutual funds that are invested in allowed securities.

D. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1st. Taxes are levied October 1st and payable by the following January 31st. The County bills and collects the taxes for the Drainage District. Property taxes levied for the 2015 tax roll were \$168,756 with a tax rate set at \$0.054590 per \$100 of assessed valuation.

E. Capital Assets

Capital assets, which include machinery and equipment, office equipment, and buildings, are reported in the applicable governmental activities column in the government-wide statement of net position. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

The Drainage District's capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Machinery and equipment	3-7
Buildings	10
Office equipment	3-7
Infrastructure	40

NOTE 12: COMPONENT UNIT - (Continued)

E. Capital Assets - (Continued)

Capital asset activity for the current year was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 1,353	\$ -	\$ -	\$ 1,353
Construction in progress	<u>415,359</u>	<u>-</u>	<u>415,359</u>	<u>-</u>
Total capital assets, not being depreciated	<u>416,712</u>	<u>-</u>	<u>415,359</u>	<u>1,353</u>
Capital assets, being depreciated				
Machinery and equipment	2,305	-	-	2,305
Office equipment	2,440	-	-	2,440
Infrastructure	<u>454,456</u>	<u>523,357</u>	<u>-</u>	<u>977,813</u>
Total capital assets, being depreciated	<u>459,201</u>	<u>523,357</u>	<u>-</u>	<u>982,558</u>
Less accumulated depreciation for				
Machinery and equipment	2,305	-	-	2,305
Office equipment	1,541	449	-	1,990
Infrastructure	<u>110,599</u>	<u>24,445</u>	<u>-</u>	<u>135,044</u>
Total accumulated depreciation	<u>114,445</u>	<u>24,894</u>	<u>-</u>	<u>139,339</u>
Governmental activities capital assets, net	<u>\$ 761,468</u>	<u>\$ 498,463</u>	<u>\$ 415,359</u>	<u>\$ 844,572</u>

Depreciation expense of \$24,894 was charged to the general government function/program.

Required Supplementary Information

DeWITT COUNTY, TEXAS

GENERAL FUND

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

For the year ended September 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Budgetary Basis</u>	<u>Budget to GAAP Over (Under)</u>	<u>Actual GAAP Basis</u>
REVENUES					
Taxes	\$13,859,670	\$13,859,670	\$15,423,764	\$ 3,233,109	\$ 12,190,655
Licenses and permits	2,200	2,200	6,455	-	6,455
Intergovernmental	775,956	775,956	1,063,098	(22,137)	1,085,235
Charges for services	890,675	890,675	1,053,076	440	1,052,636
Fines and forfeitures	335,500	335,500	360,303	-	360,303
Interest	167,800	167,800	149,406	-	149,406
Miscellaneous	<u>66,500</u>	<u>66,500</u>	<u>153,494</u>	<u>(45,295)</u>	<u>198,789</u>
Total revenues	<u>16,098,301</u>	<u>16,098,301</u>	<u>18,209,596</u>	<u>3,166,117</u>	<u>15,043,479</u>
EXPENDITURES					
Current					
General government	3,437,541	3,367,116	2,790,724	34,003	2,756,721
Judicial	1,411,608	1,440,008	1,323,238	33,195	1,290,043
Public works	5,196,374	5,238,399	4,796,115	122,303	4,673,812
Health and welfare	<u>212,457</u>	<u>212,457</u>	<u>196,996</u>	<u>4,160</u>	<u>192,836</u>
Total expenditures	<u>10,257,980</u>	<u>10,257,980</u>	<u>9,107,073</u>	<u>193,661</u>	<u>8,913,412</u>
Excess of revenues over expenditures	<u>5,840,321</u>	<u>5,840,321</u>	<u>9,102,523</u>	<u>2,972,456</u>	<u>6,130,067</u>
OTHER FINANCING SOURCES (USES)					
Transfers out	<u>(10,318,898)</u>	<u>(10,318,898)</u>	<u>(9,858,898)</u>	<u>(3,560,268)</u>	<u>(6,298,630)</u>
Total other financing sources (uses)	<u>(10,318,898)</u>	<u>(10,318,898)</u>	<u>(9,858,898)</u>	<u>(3,560,268)</u>	<u>(6,298,630)</u>
Net change in fund balance	(4,478,577)	(4,478,577)	(756,375)	(587,812)	(168,563)
Fund balance, beginning of year	<u>10,780,658</u>	<u>10,780,658</u>	<u>10,780,658</u>	-	<u>10,780,658</u>
Fund balance, end of year	<u>\$ 6,302,081</u>	<u>\$ 6,302,081</u>	<u>\$10,024,283</u>	<u>\$ (587,812)</u>	<u>\$10,612,095</u>

Explanation of differences:

The County budgets on the cash basis of accounting. As such, revenues are recognized as they are collected and expenditures when paid.

The accompanying notes to required supplementary information are an integral part of this statement.

DeWITT COUNTY, TEXAS**DEBT SERVICE FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -****BUDGET AND ACTUAL**

For the year ended September 30, 2016

	Final Budget	Actual Budgetary Basis	Budget to GAAP Over (Under)	Actual GAAP Basis
REVENUES				
Taxes				
Current ad valorem	\$ 1,152,336	\$ 1,308,807	\$ 330	\$ 1,308,477
Delinquent ad valorem	25,000	18,277	3,168	15,109
Total taxes	1,177,336	1,327,084	3,498	1,323,586
Interest	20,000	13,658	-	13,658
Total revenues	1,197,336	1,340,742	3,498	1,337,244
EXPENDITURES				
Debt service				
Principal retirement	8,955,000	8,955,000	-	8,955,000
Interest and fiscal charges	608,391	254,111	-	254,111
Total expenditures	9,563,391	9,209,111	-	9,209,111
OTHER FINANCING SOURCES (USES)				
Transfers in	6,660,000	6,200,000	338,361	5,861,639
Total other financing sources (uses)	6,660,000	6,200,000	338,361	5,861,639
Net change in fund balance	(1,706,055)	(1,668,369)	341,859	(2,010,228)
Fund balance, beginning of year	2,010,228	2,010,228	-	2,010,228
Fund balance, end of year	\$ 304,173	\$ 341,859	\$ 341,859	\$ -

Explanation of differences:

The County budgets on the cash basis of accounting. As such, revenues are recognized as they are collected and expenditures when paid.

The accompanying notes to required supplementary information are an integral part of this statement.

DeWITT COUNTY, TEXAS*ROAD AND BRIDGE PRECINCT NO. 1**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL**For the year ended September 30, 2016*

	Final Budget	Actual Budgetary Basis	Budget to GAAP Over (Under)	Actual GAAP Basis
REVENUES				
Licenses and permits - auto registration	\$ 200,000	\$ 265,455	\$ 10,049	\$ 255,406
Intergovernmental - grants	10,000	11,322	-	11,322
Charges for services	45,000	54,250	-	54,250
Interest	50,000	69,218	-	69,218
Miscellaneous	1,000	27,400	-	27,400
Total revenues	<u>306,000</u>	<u>427,645</u>	<u>10,049</u>	<u>417,596</u>
EXPENDITURES				
Current				
Public works				
Personnel services	622,343	595,300	13,471	581,829
Supplies	178,900	163,898	62,101	101,797
Other services and charges	147,700	121,849	(19,411)	141,260
Capital outlay	3,935,000	3,878,603	(454,643)	4,333,246
Total expenditures	<u>4,883,943</u>	<u>4,759,650</u>	<u>(398,482)</u>	<u>5,158,132</u>
Excess (deficiency) of revenues over expenditures	<u>(4,577,943)</u>	<u>(4,332,005)</u>	<u>408,531</u>	<u>(4,740,536)</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	1,000	25,447	23,000	2,447
Transfers in	3,790,360	3,790,360	(23,000)	3,813,360
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>3,791,360</u>	<u>3,815,807</u>	<u>-</u>	<u>3,815,807</u>
Net change in fund balance	(786,583)	(516,198)	408,531	(924,729)
Fund balance, beginning of year	<u>7,017,983</u>	<u>7,017,983</u>	<u>-</u>	<u>7,017,983</u>
Fund balance, end of year	<u>\$ 6,231,400</u>	<u>\$ 6,501,785</u>	<u>\$ 408,531</u>	<u>\$ 6,093,254</u>

Explanation of differences:

The County budgets on the cash basis of accounting. As such, revenues are recognized as they are collected and expenditures when paid.

The accompanying notes to required supplementary information are an integral part of this statement.

DeWITT COUNTY, TEXAS

ROAD AND BRIDGE PRECINCT NO. 3

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

For the year ended September 30, 2016

	Final Budget	Actual Budgetary Basis	Budget to GAAP Over (Under)	Actual GAAP Basis
REVENUES				
Licenses and permits - auto registration	\$ 230,000	\$ 287,030	\$ 13,151	\$ 273,879
Intergovernmental - grants	10,000	10,257	-	10,257
Charges for services	50,000	34,028	-	34,028
Interest	49,000	79,002	-	79,002
Miscellaneous	1,100	7,374	-	7,374
Total revenues	<u>340,100</u>	<u>417,691</u>	<u>13,151</u>	<u>404,540</u>
EXPENDITURES				
Current				
Public works				
Personnel services	572,983	569,855	39,117	530,738
Supplies	200,165	143,011	(2,099)	145,110
Other services and charges	46,427	19,918	(13,770)	33,688
Capital outlay	6,454,400	4,497,860	(208,020)	4,705,880
Total expenditures	<u>7,273,975</u>	<u>5,230,644</u>	<u>(184,772)</u>	<u>5,415,416</u>
Excess (deficiency) of revenues over expenditures	<u>(6,933,875)</u>	<u>(4,812,953)</u>	<u>197,923</u>	<u>(5,010,876)</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	1,000	-	-	-
Transfers in	3,932,338	3,932,338	-	3,932,338
Transfers out	-	-	24,200	(24,200)
Total other financing sources (uses)	<u>3,933,338</u>	<u>3,932,338</u>	<u>24,200</u>	<u>3,908,138</u>
Net change in fund balance	(3,000,537)	(880,615)	222,123	(1,102,738)
Fund balance, beginning of year	<u>7,188,339</u>	<u>7,188,339</u>	<u>-</u>	<u>7,188,339</u>
Fund balance, end of year	<u>\$ 4,187,802</u>	<u>\$ 6,307,724</u>	<u>\$ 222,123</u>	<u>\$ 6,085,601</u>

Explanation of differences:

The County budgets on the cash basis of accounting. As such, revenues are recognized as they are collected and expenditures when paid.

The accompanying notes to required supplementary information are an integral part of this statement.

DeWITT COUNTY, TEXAS
COUNTY ROAD AND FLOOD
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
For the year ended September 30, 2016

	<u>Final Budget</u>	<u>Actual Budgetary Basis</u>	<u>Budget to GAAP Over (Under)</u>	<u>Actual GAAP Basis</u>
REVENUES				
Taxes				
Current ad valorem	\$ 6,704,102	\$ 7,639,429	\$ 1,853	\$ 7,637,576
Delinquent ad valorem	<u>50,000</u>	<u>80,960</u>	<u>2,006</u>	<u>78,954</u>
Total taxes	6,754,102	7,720,389	3,859	7,716,530
Interest	<u>30,000</u>	<u>49,040</u>	-	<u>49,040</u>
Total revenues	<u>6,784,102</u>	<u>7,769,429</u>	<u>3,859</u>	<u>7,765,570</u>
EXPENDITURES				
Current				
Public works	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	6,784,102	7,769,429	3,859	7,765,570
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(6,811,247)</u>	<u>(6,671,247)</u>	<u>-</u>	<u>(6,671,247)</u>
Net change in fund balance	(27,145)	1,098,182	3,859	1,094,323
Fund balance, beginning of year	<u>4,454,743</u>	<u>4,454,743</u>	<u>-</u>	<u>\$ 4,454,743</u>
Fund balance, end of year	<u>\$ 4,427,598</u>	<u>\$ 5,552,925</u>	<u>\$ 3,859</u>	<u>\$ 5,549,066</u>

Explanation of differences:

The County budgets on the cash basis of accounting. As such, revenues are recognized as they are collected and expenditures when paid.

The accompanying notes to required supplementary information are an integral part of this statement.

DeWITT COUNTY, TEXAS**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**

Last two years

	<u>2015</u>	<u>2014</u>
Total Pension Liability		
Service cost	\$ 652,882	\$ 582,507
Interest on the total pension liability	1,118,859	1,047,576
Effect of plan changes	(78,914)	-
Effect of economic/demographic (gains) or losses	(374,133)	46,483
Effect of assumption changes or inputs	178,585	-
Benefit payments/refunds of contributions	<u>(875,927)</u>	<u>(883,722)</u>
Net Change in Total Pension Liability	621,352	792,844
Total Pension Liability, Beginning	<u>13,873,554</u>	<u>13,080,710</u>
Total Pension Liability, Ending (a)	<u>\$ 14,494,906</u>	<u>\$ 13,873,554</u>
Fiduciary Net Position		
Employer contributions	\$ 434,419	\$ 402,578
Member contributions	410,939	380,816
Investment income net of investment expenses	108,512	918,795
Benefit payments/refunds of contributions	(875,927)	(883,722)
Administrative expenses	(10,309)	(10,712)
Other	<u>(107,767)</u>	<u>69,346</u>
Net Change in Fiduciary Net Position	(40,133)	877,101
Fiduciary Net Position, Beginning	<u>14,357,083</u>	<u>13,479,982</u>
Fiduciary Net Position, Ending (b)	<u>\$ 14,316,950</u>	<u>\$ 14,357,083</u>
Net Pension Liability / (Asset), Ending (a) - (b)	\$ 177,956	\$ (483,529)
Fiduciary Net Position as a Percentage of Total Pension Liability	98.77%	103.49%
Pensionable Covered Payroll	\$ 5,870,551	\$ 5,440,233
Net Pension Liability as a Percentage of Covered Payroll	3.03%	-8.89%

NOTE: Information for years prior to 2014 was not readily available. The County will compile the respective information as provided by TCDRS on a "measurement date" basis.

The accompanying notes to required supplementary information are an integral part of this schedule.

DeWITT COUNTY, TEXAS
SCHEDULE OF EMPLOYER CONTRIBUTIONS
Last ten fiscal years

	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll ⁽¹⁾	Actual Contribution as a % of Covered Payroll
2006	\$ 188,561	\$ 188,561	\$ -	\$ 2,644,619	7.1%
2007	198,933	198,933	-	2,762,958	7.2%
2008	204,547	204,547	-	3,012,481	6.8%
2009	233,593	233,593	-	3,491,681	6.7%
2010	286,695	286,695	-	3,874,263	7.4%
2011	269,426	288,530	(19,104)	3,899,073	7.4%
2012	286,651	311,028	(24,377)	4,203,099	7.4%
2013	322,298	346,658	(24,360)	4,684,561	7.4%
2014	373,744	402,578	(28,834)	5,440,233	7.4%
2015	382,760	434,419	(51,659)	5,870,551	7.4%

⁽¹⁾ Payroll is calculated based on contributions as reported to TCDRS.

DeWITT COUNTY, TEXAS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

September 30, 2016

NOTE 1: BUDGETARY BASIS OF ACCOUNTING

The County annually adopts budgets that are prepared using the cash basis of accounting, which is not consistent with generally accepted accounting principles (GAAP). A reconciliation to GAAP basis is provided in the preceding statements.

NOTE 2: BUDGETARY LEGAL COMPLIANCE

There were no excess expenditures over appropriations during fiscal year 2016 in the General Fund.

NOTE 3: TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM

Valuation Date

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

Benefits

There were no benefit changes during the year.

Combining and Individual Fund Statements and Schedules

DeWITT COUNTY, TEXAS
ALL NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
September 30, 2016

	Total Nonmajor Special Revenue	Capital Project Fund	Total Nonmajor Governmental Funds
ASSETS			
Current assets			
Cash and cash equivalents	\$ 7,396,929	\$ 1,078,111	\$ 8,475,040
Accounts receivable	31,663	-	31,663
Taxes receivable (net)	90,981	-	90,981
Due from others	<u>11,205</u>	<u>-</u>	<u>11,205</u>
Total assets	<u>\$ 7,530,778</u>	<u>\$ 1,078,111</u>	<u>\$ 8,608,889</u>
LIABILITIES			
Accounts payable	\$ 193,474	\$ -	\$ 193,474
Accrued expenditures	35,028	-	35,028
Due to other funds	<u>3,819</u>	<u>-</u>	<u>3,819</u>
Total liabilities	<u>232,321</u>	<u>-</u>	<u>232,321</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	<u>90,981</u>	<u>-</u>	<u>90,981</u>
Total deferred inflows of resources	<u>90,981</u>	<u>-</u>	<u>90,981</u>
FUND BALANCES			
Restricted			
Courts	363,064	-	363,064
Health and welfare	1,125,638	-	1,125,638
Public safety	110,575	-	110,575
Public works	5,608,199	-	5,608,199
Various capital projects	<u>-</u>	<u>1,078,111</u>	<u>1,078,111</u>
Total fund balances	<u>7,207,476</u>	<u>1,078,111</u>	<u>8,285,587</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 7,530,778</u>	<u>\$ 1,078,111</u>	<u>\$ 8,608,889</u>

DeWITT COUNTY, TEXAS**ALL NONMAJOR GOVERNMENTAL FUNDS****COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**

For the year ended September 30, 2016

	Total Nonmajor Special Revenue	Capital Project Fund	Total Nonmajor Governmental Funds
REVENUES			
Taxes	\$ 9,266,904	\$ -	\$ 9,266,904
Licenses and permits	183,833	-	183,833
Intergovernmental	469,597	-	469,597
Charges for services	298,511	-	298,511
Interest	72,924	8,717	81,641
Miscellaneous	190,032	-	190,032
Total revenues	<u>10,481,801</u>	<u>8,717</u>	<u>10,490,518</u>
EXPENDITURES			
Current			
General government	302,310	-	302,310
Judicial	223,884	-	223,884
Public works	10,897,579	5,926	10,903,505
Health and welfare	616,006	-	616,006
Total expenditures	<u>12,039,779</u>	<u>5,926</u>	<u>12,045,705</u>
Excess (deficiency) of revenues over expenditures	<u>(1,557,978)</u>	<u>2,791</u>	<u>(1,555,187)</u>
OTHER FINANCING SOURCES (USES)			
Sale of capital assets	73,485	-	73,485
Transfers in	4,041,831	-	4,041,831
Transfers out	(4,655,091)	-	(4,655,091)
Total other financing sources (uses)	<u>(539,775)</u>	<u>-</u>	<u>(539,775)</u>
Net change in fund balances	(2,097,753)	2,791	(2,094,962)
Fund balances, beginning of year	<u>9,305,229</u>	<u>1,075,320</u>	<u>10,380,549</u>
Fund balances, end of year	<u>\$ 7,207,476</u>	<u>\$ 1,078,111</u>	<u>\$ 8,285,587</u>

NONMAJOR SPECIAL REVENUE FUNDS

The Special Revenue Funds for the County are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Road and Bridge Funds

The Road and Bridge Funds are constitutional funds established to account for current funds used for the purpose of constructing and maintaining roads and bridges. The principal sources of revenues for these funds are ad valorem taxes, vehicle registrations, and intergovernmental revenues.

The County is divided into four precincts, each of which is administered by one of the four County Commissioners. Each precinct has a separate budget for the construction and maintenance of roads and bridges in the precinct.

The Nonmajor Road and Bridge Funds consist of the following six funds:

- Road and Bridge General Fund accounts for those resources that are legally restricted or committed to expenditures for road and bridge maintenance within the County. Tax revenues represent the major revenue source in this fund.
- Road and Bridge Precinct No. 2 and No. 4 Funds are used to account for costs associated with the construction and maintenance of roads and bridges in that Commissioner's precinct. Revenues are derived primarily from vehicle registration licenses, State Lateral Road Distribution Grants, and interest earnings. Transfers are received from the Road and Bridge Special Fund, the Road and Bridge General Fund, and the County Road and Flood Control Fund.
- Road and Bridge Special Fund is used to account for revenues derived from ad valorem taxes resulting from a special tax levy for special road and bridge maintenance and construction purposes and the subsequent transfer of such funds to the four precincts. The fund also pays for special road and bridge projects sponsored by the Texas Department of Transportation.
- CETRZ Zone 1, CETRZ Zone 2 and CETRZ Zone 3 Funds account for those resources that are restricted for road repairs and other maintenance items within each respective zone. Allocated transfers of tax revenues from the General Fund represent the revenue source in these funds.

Other Special Revenue Funds

The Other Special Revenue Funds consist of grant and special fee funds that account for revenues that are expended for particular functions and activities.

The Other Special Revenue Funds consist of the following funds:

- The Jail Commissary Fund is used to account for fees collected from commissary sales that are used for the benefit of the inmates and to help defray the cost of operating the commissary.
- The Seized Funds account holds monies seized in criminal cases until the court case is finalized and the District judge determines disposition and how the County may use the money.
- The Appellate Judicial System Fund is used to account for fees collected by the County and District Courts to help defray the cost of operating and maintaining the appeals court system in Texas.
- The Voting Equipment Fund was established to account for funds received and expended for electronic voting equipment as required by the Help Americans Vote Act.
- The Election Contract Services Fund is used to account for fees collected by the Elections Administrator from entities within the County who wish to contract out their election process.

Other Special Revenue Funds - (Continued)

- The Employee Health & Wellness Fund accounts for funds received from Texas Association of Counties' Healthy County Wellness Program. The funds are an incentive for employees to participate in the wellness program and may be expended at the county's discretion for health and wellness projects.
- The Justice Court Security Fund is used to account for fees collected by the Justice of the Peace Courts to help defray the cost of maintaining security for their offices not located in the Courthouse building.
- The Capital Credits Fund accounts for unclaimed money received by the Texas Comptroller of Public Accounts from electric cooperatives. The money has been dedicated by commissioners court to support a children's advocacy group.
- The Law Library Fund provides for the establishment and maintenance of a library for the use of members of the Texas Bar Association. It is stocked with several thousand books. Revenues are derived from fees that are assessed in each civil case filed in the County and District Courts.
- The Records Management and County Clerk Records Management Funds are used to account for the record management fees collected on various transactions and the subsequent expenditure of these monies for preservation and records management.
- The Courthouse Security Fund accounts for fees received from the County and District Clerks and used for courthouse security.
- The Justice Court Technology Fund accounts for collection of Justice of the Peace fees used for technology upgrades to computers and software in the Justice of the Peace offices.
- The Health Department Fund accounts for a state health grant and other local government revenues used to provide health care for the needy.
- The Family Protection Fund accounts for fees collected by the District Clerk on suits from the dissolution of marriage that are used to establish a program, or aid non-profit organizations that provide family protection services.
- The County Clerk Records Archive Fund accounts for a fee collected by the County Clerk and may be expended only for the preservation and restoration of the County Clerk's records archive.
- The District Court Technology Fund fee is for preservation and restoration services performed in connection with maintaining a District Court records archive.
- The District Clerk Records Management Fund accounts for fee collections by the District Clerk and used for records preservation and management expenditures within that department.
- The County and District Court Technology Fund accounts for the collection of the County and District Clerks fees used for technology upgrades to computers and software in those offices.
- The LEOSE Funds account for the two Constables and the Sheriff accounts for funds received from the State Comptroller to provide extra training for law enforcement officials and employees.
- The District Attorney Fund accounts for contributions from the three counties within the 24th Judicial District used for miscellaneous expenditures within the District Attorney's Department.
- The Juvenile Probation Fund accounts for revenues from the County and the Texas Juvenile Probation Commission that are used for costs incurred by the County's Juvenile Probation Department.

Other Special Revenue Funds - (Continued)

- The Sheriff and County Attorney's Forfeiture Funds are used to account for revenues and expenditures that result from the sale of forfeited property.
- The Indigent Health Care Fund accounts for revenues received from ad valorem taxes and state assistance used to provide health care to County indigents.
- The County Attorney Civil Commissions Fund accounts for bond forfeitures collected from individuals not appearing for trial. The monies are used for department expenditures.
- The Pretrial Intervention Fund accounts for fees normally collected from first-time offenders who qualify for supervisory probation as a means to atone for their transgressions. The monies are used for program expenditures.
- The Check Collecting and Processing Fund accounts for the fees generated by the County Attorney in collecting bad checks. The funds are used for normal operating costs within the department.

DeWITT COUNTY, TEXAS**NONMAJOR GOVERNMENTAL FUNDS - ALL SPECIAL REVENUE FUNDS****COMBINING BALANCE SHEET**

September 30, 2016

	<u>Road and Bridge</u>	<u>Other Special Revenue</u>	<u>Total</u>
ASSETS			
Current assets			
Cash	\$ 5,566,106	\$ 1,830,823	\$ 7,396,929
Accounts receivable	-	31,663	31,663
Taxes receivable (net)	84,015	6,966	90,981
Due from others	<u>11,205</u>	<u>-</u>	<u>11,205</u>
Total assets	<u>\$ 5,661,326</u>	<u>\$ 1,869,452</u>	<u>\$ 7,530,778</u>
LIABILITIES			
Accounts payable	\$ 58,088	\$ 135,386	\$ 193,474
Accrued expenditures	25,852	9,176	35,028
Due to other funds	<u>-</u>	<u>3,819</u>	<u>3,819</u>
Total liabilities	<u>83,940</u>	<u>148,381</u>	<u>232,321</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	<u>84,015</u>	<u>6,966</u>	<u>90,981</u>
Total deferred inflows of resources	<u>84,015</u>	<u>6,966</u>	<u>90,981</u>
FUND BALANCES			
Restricted			
Courts	-	363,064	363,064
Health and welfare	-	1,125,638	1,125,638
Public safety	-	110,575	110,575
Public works	<u>5,493,371</u>	<u>114,828</u>	<u>5,608,199</u>
Total fund balances	<u>5,493,371</u>	<u>1,714,105</u>	<u>7,207,476</u>
Total liabilities, deferred resources, and fund balances	<u>\$ 5,661,326</u>	<u>\$ 1,869,452</u>	<u>\$ 7,530,778</u>

DeWITT COUNTY, TEXAS**NONMAJOR - ALL SPECIAL REVENUE FUNDS****COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**

For the year ended September 30, 2016

	Road and Bridge	Other Special Revenue	Total
REVENUES			
Taxes	\$ 8,719,442	\$ 547,462	\$ 9,266,904
Licenses and permits	183,833	-	183,833
Intergovernmental	42,197	427,400	469,597
Charges for services	-	298,511	298,511
Interest	56,921	16,003	72,924
Miscellaneous	53,732	136,300	190,032
Total revenues	<u>9,056,125</u>	<u>1,425,676</u>	<u>10,481,801</u>
EXPENDITURES			
Current			
General government	-	302,310	302,310
Judicial	-	223,884	223,884
Public works	10,361,248	536,331	10,897,579
Health and welfare	-	616,006	616,006
Total expenditures	<u>10,361,248</u>	<u>1,678,531</u>	<u>12,039,779</u>
Excess (deficiency) of revenues over expenditures	<u>(1,305,123)</u>	<u>(252,855)</u>	<u>(1,557,978)</u>
OTHER FINANCING SOURCES (USES)			
Sale of capital assets	73,485	-	73,485
Transfers in	3,604,840	436,991	4,041,831
Transfers out	<u>(4,655,091)</u>	<u>-</u>	<u>(4,655,091)</u>
Total other financing sources (uses)	<u>(976,766)</u>	<u>436,991</u>	<u>(539,775)</u>
Net change in fund balance	(2,281,889)	184,136	(2,097,753)
Fund balances, beginning of year	<u>7,775,260</u>	<u>1,529,969</u>	<u>9,305,229</u>
Fund balances, end of year	<u>\$ 5,493,371</u>	<u>\$ 1,714,105</u>	<u>\$ 7,207,476</u>

DeWITT COUNTY, TEXAS
 NONMAJOR SPECIAL REVENUE FUNDS
 ROAD AND BRIDGE FUNDS
 COMBINING BALANCE SHEET
 September 30, 2016

	General Road and Bridge	Precinct No. 2	Precinct No. 4	Special Road and Bridge
ASSETS				
Current assets				
Cash and cash equivalents	\$ 1,551,805	\$ 971,495	\$ 1,788,525	\$ 1,241,628
Taxes receivable (net)	55,470	-	-	28,545
Due from others	-	5,796	5,409	-
Total assets	\$ 1,607,275	\$ 977,291	\$ 1,793,934	\$ 1,270,173
LIABILITIES				
Accounts payable	-	34,755	23,333	-
Accrued expenditures	6,530	10,119	9,203	-
Total liabilities	6,530	44,874	32,536	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	55,470	-	-	28,545
Total deferred inflows of resources	55,470	-	-	28,545
FUND BALANCES				
Restricted - public works	1,545,275	932,417	1,761,398	1,241,628
Total liabilities, deferred inflows, and fund balances	\$ 1,607,275	\$ 977,291	\$ 1,793,934	\$ 1,270,173

<u>CETRZ Zone 1</u>	<u>CETRZ Zone 2</u>	<u>CETRZ Zone 3</u>	<u>Totals</u>
\$ 1,549	\$ 9,651	\$ 1,453	\$ 5,566,106
-	-	-	84,015
-	-	-	11,205
<u>\$ 1,549</u>	<u>\$ 9,651</u>	<u>\$ 1,453</u>	<u>\$ 5,661,326</u>
\$ -	\$ -	\$ -	\$ 58,088
-	-	-	25,852
-	-	-	83,940
-	-	-	84,015
-	-	-	84,015
<u>1,549</u>	<u>9,651</u>	<u>1,453</u>	<u>5,493,371</u>
<u>\$ 1,549</u>	<u>\$ 9,651</u>	<u>\$ 1,453</u>	<u>\$ 5,661,326</u>

DeWITT COUNTY, TEXAS

NONMAJOR SPECIAL REVENUE FUNDS

ROAD AND BRIDGE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the year ended September 30, 2016

	General Road and Bridge	Precinct No. 2	Precinct No. 4	Special Road and Bridge
REVENUES				
Taxes	\$ 3,077,323	\$ -	\$ -	\$ 2,420,212
Licenses and permits	-	101,813	82,020	-
Intergovernmental	-	6,623	35,574	-
Interest	15,670	12,316	17,311	11,624
Miscellaneous	52,093	1,176	-	463
Total revenues	<u>3,145,086</u>	<u>121,928</u>	<u>134,905</u>	<u>2,432,299</u>
EXPENDITURES				
Current				
Public works	415,165	2,339,414	1,779,616	-
Total expenditures	<u>415,165</u>	<u>2,339,414</u>	<u>1,779,616</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>2,729,921</u>	<u>(2,217,486)</u>	<u>(1,644,711)</u>	<u>2,432,299</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	63,285	10,200	-
Transfers in	-	1,836,392	1,768,448	-
Transfers out	(2,449,134)	-	(23,000)	(2,182,957)
Total other financing sources (uses)	<u>(2,449,134)</u>	<u>1,899,677</u>	<u>1,755,648</u>	<u>(2,182,957)</u>
Net change in fund balances	280,787	(317,809)	110,937	249,342
Fund balances, beginning of year	<u>1,264,488</u>	<u>1,250,226</u>	<u>1,650,461</u>	<u>992,286</u>
Fund balances, end of year	<u>\$ 1,545,275</u>	<u>\$ 932,417</u>	<u>\$ 1,761,398</u>	<u>\$ 1,241,628</u>

<u>CETRZ Zone 1</u>	<u>CETRZ Zone 2</u>	<u>CETRZ Zone 3</u>	<u>Totals</u>
\$ 1,116,573	\$ 587,804	\$ 1,517,530	\$ 8,719,442
-	-	-	183,833
-	-	-	42,197
-	-	-	56,921
-	-	-	53,732
<u>1,116,573</u>	<u>587,804</u>	<u>1,517,530</u>	<u>9,056,125</u>
<u>1,116,573</u>	<u>748,149</u>	<u>3,962,331</u>	<u>10,361,248</u>
<u>1,116,573</u>	<u>748,149</u>	<u>3,962,331</u>	<u>10,361,248</u>
<u>-</u>	<u>(160,345)</u>	<u>(2,444,801)</u>	<u>(1,305,123)</u>
-	-	-	73,485
-	-	-	3,604,840
-	-	-	(4,655,091)
-	-	-	(976,766)
-	(160,345)	(2,444,801)	(2,281,889)
<u>1,549</u>	<u>169,996</u>	<u>2,446,254</u>	<u>7,775,260</u>
<u>\$ 1,549</u>	<u>\$ 9,651</u>	<u>\$ 1,453</u>	<u>\$ 5,493,371</u>

DeWITT COUNTY, TEXAS
 NONMAJOR SPECIAL REVENUE FUNDS
 OTHER SPECIAL REVENUE FUNDS
 COMBINING BALANCE SHEET
 September 30, 2016

	<u>Jail Commissary</u>	<u>Seized Funds</u>	<u>Appellate Judicial System</u>	<u>Voting Equipment</u>	<u>Election Contract Services</u>
ASSETS					
Current assets					
Cash and cash equivalents	\$ 136,010	\$ 2,515	\$ 1,843	\$ 5,173	\$ -
Taxes receivable (net)	-	-	-	-	-
Due from others	<u>8,091</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,572</u>
Total assets	<u>\$ 144,101</u>	<u>\$ 2,515</u>	<u>\$ 1,843</u>	<u>\$ 5,173</u>	<u>\$ 23,572</u>
LIABILITIES					
Accounts payable	\$ 40,008	\$ -	\$ -	\$ -	\$ 1,563
Accrued expenditures	-	-	-	-	-
Due to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,819</u>
Total liabilities	<u>40,008</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,382</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Restricted:					
Courts	-	2,515	1,843	5,173	18,190
Health and welfare	-	-	-	-	-
Public safety	104,093	-	-	-	-
Public works	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>104,093</u>	<u>2,515</u>	<u>1,843</u>	<u>5,173</u>	<u>18,190</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 144,101</u>	<u>\$ 2,515</u>	<u>\$ 1,843</u>	<u>\$ 5,173</u>	<u>\$ 23,572</u>

DeWITT COUNTY, TEXAS
 NONMAJOR SPECIAL REVENUE FUNDS
 OTHER SPECIAL REVENUE FUNDS
 COMBINING BALANCE SHEET
 September 30, 2016

	<u>Health Department</u>	<u>Family Protection</u>	<u>County Clerk Records Archive</u>	<u>District Court Technology</u>	<u>District Clerk Records Mgmt.</u>
ASSETS					
Current assets					
Cash and cash equivalents	\$ 20,700	\$ 66	\$ 42,063	\$ 2,510	\$ 15,589
Taxes receivable (net)	-	-	-	-	-
Due from others	-	-	-	-	-
Total assets	<u>\$ 20,700</u>	<u>\$ 66</u>	<u>\$ 42,063</u>	<u>\$ 2,510</u>	<u>\$ 15,589</u>
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued expenditures	1,995	-	-	-	-
Due to other funds	-	-	-	-	-
Total liabilities	<u>1,995</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Restricted:					
Courts	-	-	42,063	2,510	15,589
Health and welfare	18,705	66	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Total fund balances	<u>18,705</u>	<u>66</u>	<u>42,063</u>	<u>2,510</u>	<u>15,589</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 20,700</u>	<u>\$ 66</u>	<u>\$ 42,063</u>	<u>\$ 2,510</u>	<u>\$ 15,589</u>

<u>Court Technology</u>	<u>Constable 1 LEOSE</u>	<u>Constable 2 LEOSE</u>	<u>Sheriff LEOSE</u>	<u>District Attorney</u>	<u>Juvenile Probation</u>	<u>Sheriff's Forfeiture</u>
\$ 3,824	\$ 914	\$ 2,840	\$ 4,992	\$ 21,294	\$ 30,904	\$ 38,304
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 3,824</u>	<u>\$ 914</u>	<u>\$ 2,840</u>	<u>\$ 4,992</u>	<u>\$ 21,294</u>	<u>\$ 30,904</u>	<u>\$ 38,304</u>
\$ -	\$ -	\$ -	\$ -	\$ 8,527	\$ 28,744	\$ -
-	-	-	-	1,565	4,424	-
-	-	-	-	-	-	-
-	-	-	-	<u>10,092</u>	<u>33,168</u>	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
3,824	-	-	-	11,202	-	-
-	-	-	-	-	-	-
-	914	2,840	4,992	-	(2,264)	-
-	-	-	-	-	-	38,304
<u>3,824</u>	<u>914</u>	<u>2,840</u>	<u>4,992</u>	<u>11,202</u>	<u>(2,264)</u>	<u>38,304</u>
<u>\$ 3,824</u>	<u>\$ 914</u>	<u>\$ 2,840</u>	<u>\$ 4,992</u>	<u>\$ 21,294</u>	<u>\$ 30,904</u>	<u>\$ 38,304</u>

(Continued)

DeWITT COUNTY, TEXAS
NONMAJOR SPECIAL REVENUE FUNDS
OTHER SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
September 30, 2016

	<u>Indigent Health Care</u>	<u>County Attorney Forfeiture</u>	<u>County Attorney Civil Commissions</u>	<u>Pre-trial Intervention</u>
ASSETS				
Current assets				
Cash and cash equivalents	\$ 1,161,511	\$ 20,590	\$ 3,377	\$ 32,204
Taxes receivable (net)	6,966	-	-	-
Due from others	-	-	-	-
Total assets	<u>\$ 1,168,477</u>	<u>\$ 20,590</u>	<u>\$ 3,377</u>	<u>\$ 32,204</u>
LIABILITIES				
Accounts payable	\$ 56,544	\$ -	\$ -	\$ -
Accrued expenditures	-	-	-	1,192
Due to other funds	-	-	-	-
Total liabilities	<u>56,544</u>	<u>-</u>	<u>-</u>	<u>1,192</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	6,966	-	-	-
Total deferred inflows of resources	<u>6,966</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Restricted:				
Courts	-	20,590	3,377	31,012
Health and welfare	1,104,967	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Total fund balances	<u>1,104,967</u>	<u>20,590</u>	<u>3,377</u>	<u>31,012</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 1,168,477</u>	<u>\$ 20,590</u>	<u>\$ 3,377</u>	<u>\$ 32,204</u>

Check Collection & Processing	Totals
\$ 7,742	\$ 1,830,823
-	6,966
<u>-</u>	<u>31,663</u>
<u>\$ 7,742</u>	<u>\$ 1,869,452</u>
\$ -	\$ 135,386
-	9,176
<u>-</u>	<u>3,819</u>
<u>-</u>	<u>148,381</u>
<u>-</u>	<u>6,966</u>
<u>-</u>	<u>6,966</u>
-	363,064
-	1,125,638
-	110,575
<u>7,742</u>	<u>114,828</u>
<u>7,742</u>	<u>1,714,105</u>
<u>\$ 7,742</u>	<u>\$ 1,869,452</u>

(Concluded)

DeWITT COUNTY, TEXAS

NONMAJOR SPECIAL REVENUE FUNDS

OTHER SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the year ended September 30, 2016

	Jail Commissary	Seized Funds	Appellate Judicial System	Voting Equipment	Election Contract Services
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Charges for services	35,221	1,957	1,843	-	32,489
Interest	-	23	-	57	-
Miscellaneous	89,974	-	-	-	-
Total revenues	<u>125,195</u>	<u>1,980</u>	<u>1,843</u>	<u>57</u>	<u>32,489</u>
EXPENDITURES					
Current					
General government	147,887	18,689	2,083	4,750	21,489
Judicial	-	-	-	-	-
Public works	-	-	-	-	-
Health and welfare	-	-	-	-	-
Total expenditures	<u>147,887</u>	<u>18,689</u>	<u>2,083</u>	<u>4,750</u>	<u>21,489</u>
Excess (deficiency) of revenues over expenditures	(22,692)	(16,709)	(240)	(4,693)	11,000
OTHER FINANCING SOURCES					
Transfers in	-	-	-	-	-
Net change in fund balances	(22,692)	(16,709)	(240)	(4,693)	11,000
Fund balances, beginning of year	<u>126,785</u>	<u>19,224</u>	<u>2,083</u>	<u>9,866</u>	<u>7,190</u>
Fund balances, end of year	<u>\$ 104,093</u>	<u>\$ 2,515</u>	<u>\$ 1,843</u>	<u>\$ 5,173</u>	<u>\$ 18,190</u>

<u>Employee Health & Wellness</u>	<u>Justice Court Security</u>	<u>Capital Credits</u>	<u>Law Library</u>	<u>Records Mgmt.</u>	<u>Co. Clerk Records Mgmt.</u>	<u>Courthouse Security</u>	<u>Justice Court Technology</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	4,939	-	-	-	-	-
-	1,737	-	12,689	5,849	45,631	12,450	7,091
-	177	-	491	162	645	579	46
<u>1,900</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>1,900</u>	<u>1,914</u>	<u>4,939</u>	<u>13,180</u>	<u>6,011</u>	<u>46,276</u>	<u>13,029</u>	<u>7,137</u>
-	2,074	4,939	-	-	75,708	-	-
-	-	-	15,029	-	-	1,932	7,500
-	-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>2,074</u>	<u>4,939</u>	<u>15,029</u>	<u>-</u>	<u>75,708</u>	<u>1,932</u>	<u>7,500</u>
1,900	(160)	-	(1,849)	6,011	(29,432)	11,097	(363)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1,900	(160)	-	(1,849)	6,011	(29,432)	11,097	(363)
<u>-</u>	<u>19,225</u>	<u>-</u>	<u>53,694</u>	<u>14,476</u>	<u>139,205</u>	<u>57,685</u>	<u>4,369</u>
<u>\$ 1,900</u>	<u>\$ 19,065</u>	<u>\$ -</u>	<u>\$ 51,845</u>	<u>\$ 20,487</u>	<u>\$ 109,773</u>	<u>\$ 68,782</u>	<u>\$ 4,006</u>

(Continued)

DeWITT COUNTY, TEXAS

NONMAJOR SPECIAL REVENUE FUNDS

OTHER SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the year ended September 30, 2016

	Health Department	Family Protection	County Clerk Records Archive	District Court Technology	District Clerk Records Mgmt.
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	141,770	-	-	-	-
Charges for services	18,594	1,532	41,870	2,499	4,292
Interest	849	-	193	11	123
Miscellaneous	2,803	-	-	-	-
Total revenues	<u>164,016</u>	<u>1,532</u>	<u>42,063</u>	<u>2,510</u>	<u>4,415</u>
EXPENDITURES					
Current					
General government	-	-	-	-	-
Judicial	-	-	-	-	-
Public works	-	-	-	-	-
Health and welfare	282,176	1,520	-	-	-
Total expenditures	<u>282,176</u>	<u>1,520</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(118,160)	12	42,063	2,510	4,415
OTHER FINANCING SOURCES					
Transfers in	103,901	-	-	-	-
Net change in fund balances	(14,259)	12	42,063	2,510	4,415
Fund balances, beginning of year	32,964	54	-	-	11,174
Fund balances, end of year	<u>\$ 18,705</u>	<u>\$ 66</u>	<u>\$ 42,063</u>	<u>\$ 2,510</u>	<u>\$ 15,589</u>

<u>Court Technology</u>	<u>Constable 1 LEOSE</u>	<u>Constable 2 LEOSE</u>	<u>Sheriff LEOSE</u>	<u>District Attorney</u>	<u>Juvenile Probation</u>	<u>Sheriff's Forfeiture</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	1,311	665	3,115	64,979	210,621	-
598	-	-	-	-	2,219	-
33	8	27	45	522	1,250	286
-	-	-	-	-	2,923	28,432
<u>631</u>	<u>1,319</u>	<u>692</u>	<u>3,160</u>	<u>65,501</u>	<u>217,013</u>	<u>28,718</u>
-	-	-	-	-	-	24,691
-	-	-	-	129,571	-	-
-	667	586	1,998	-	533,080	-
-	-	-	-	-	-	-
-	<u>667</u>	<u>586</u>	<u>1,998</u>	<u>129,571</u>	<u>533,080</u>	<u>24,691</u>
631	652	106	1,162	(64,070)	(316,067)	4,027
-	-	-	-	66,683	266,407	-
631	652	106	1,162	2,613	(49,660)	4,027
<u>3,193</u>	<u>262</u>	<u>2,734</u>	<u>3,830</u>	<u>8,589</u>	<u>47,396</u>	<u>34,277</u>
<u>\$ 3,824</u>	<u>\$ 914</u>	<u>\$ 2,840</u>	<u>\$ 4,992</u>	<u>\$ 11,202</u>	<u>\$ (2,264)</u>	<u>\$ 38,304</u>

(Continued)

DeWITT COUNTY, TEXAS

NONMAJOR SPECIAL REVENUE FUNDS

OTHER SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the year ended September 30, 2016

	Indigent Health Care	County Attorney Forfeiture	County Attorney Civil Commissions	Pre-trial Intervention
REVENUES				
Taxes	\$ 547,462	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	1,433	63,360
Interest	10,308	168	-	-
Miscellaneous	121	10,147	-	-
Total revenues	<u>557,891</u>	<u>10,315</u>	<u>1,433</u>	<u>63,360</u>
EXPENDITURES				
Current				
General government	-	-	-	-
Judicial	-	3,937	-	63,111
Public works	-	-	-	-
Health and welfare	332,310	-	-	-
Total expenditures	<u>332,310</u>	<u>3,937</u>	<u>-</u>	<u>63,111</u>
Excess (deficiency) of revenues over expenditures	225,581	6,378	1,433	249
OTHER FINANCING SOURCES				
Transfers in	-	-	-	-
Net change in fund balances	225,581	6,378	1,433	249
Fund balances, beginning of year	879,386	14,212	1,944	30,763
Fund balances, end of year	<u>\$ 1,104,967</u>	<u>\$ 20,590</u>	<u>\$ 3,377</u>	<u>\$ 31,012</u>

Check Collection & Processing	<u>Totals</u>
\$ -	\$ 547,462
-	427,400
5,157	298,511
-	16,003
-	136,300
<u>5,157</u>	<u>1,425,676</u>
-	302,310
2,804	223,884
-	536,331
-	616,006
<u>2,804</u>	<u>1,678,531</u>
2,353	(252,855)
-	436,991
2,353	184,136
<u>5,389</u>	<u>1,529,969</u>
<u>\$ 7,742</u>	<u>\$ 1,714,105</u>

(Concluded)

GENERAL FUND

The General Fund is a constitutional fund and is utilized to account for all County revenues and expenditures except those which are required by law to be classed in other constitutional funds and such other funds that are presented separately to facilitate proper accountability.

DeWITT COUNTY, TEXAS

MAJOR GOVERNMENTAL FUND - GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

For the year ended September 30, 2016

	Original Budget	Final Budget	Actual Budgetary Basis	Variance Positive (Negative)
REVENUES				
Taxes				
Current ad valorem	\$13,759,670	\$13,759,670	\$15,299,393	\$ 1,539,723
Delinquent ad valorem	100,000	100,000	124,371	24,371
Total taxes	<u>13,859,670</u>	<u>13,859,670</u>	<u>15,423,764</u>	<u>1,564,094</u>
Licenses and permits				
Beer and wine permits	2,200	2,200	6,455	4,255
Intergovernmental				
Grants and salary supplements	213,033	213,033	265,536	52,503
Other funds				
Dispatching service	85,837	85,837	87,008	1,171
Boarding prisoners	400,000	400,000	611,694	211,694
Miscellaneous	77,086	77,086	98,860	21,774
Total intergovernmental	<u>775,956</u>	<u>775,956</u>	<u>1,063,098</u>	<u>287,142</u>
Charges for services				
Fees of office				
Sheriff	50,000	50,000	63,335	13,335
County clerk	200,000	200,000	156,764	(43,236)
Tax assessor-collector	500,000	500,000	650,200	150,200
District clerk	40,000	40,000	50,934	10,934
Justices of the peace	17,800	17,800	29,341	11,541
Miscellaneous fees	11,200	11,200	15,416	4,216
Other fees				
Arrest fees	9,000	9,000	5,806	(3,194)
Pre-trial diversion	36,200	36,200	47,126	10,926
Miscellaneous fees	26,475	26,475	34,154	7,679
Total charges for services	<u>890,675</u>	<u>890,675</u>	<u>1,053,076</u>	<u>162,401</u>
Fines and forfeitures				
County clerk fines	100,000	100,000	73,494	(26,506)
District clerk fines	40,000	40,000	46,023	6,023
Justice of the peace fines	180,000	180,000	189,024	9,024
Other	15,500	15,500	51,762	36,262
Total fines and forfeitures	<u>335,500</u>	<u>335,500</u>	<u>360,303</u>	<u>24,803</u>
Interest				
Regular	167,800	167,800	149,406	(18,394)
Miscellaneous				
Inmate telephone commissions	20,000	20,000	22,958	2,958
Sheriff sale	1,000	1,000	24,241	23,241
Other miscellaneous	45,500	45,500	106,295	60,795
Total miscellaneous	<u>66,500</u>	<u>66,500</u>	<u>153,494</u>	<u>86,994</u>
Total revenues	<u>16,098,301</u>	<u>16,098,301</u>	<u>18,209,596</u>	<u>2,111,295</u>

(Continued)

DeWITT COUNTY, TEXAS

MAJOR GOVERNMENTAL FUND - GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

For the year ended September 30, 2016

	Original Budget	Final Budget	Actual Budgetary Basis	Variance Positive (Negative)
EXPENDITURES				
General government				
County judge				
Personnel services	\$ 189,750	\$ 189,750	\$ 188,353	\$ 1,397
Supplies	1,500	1,429	1,253	176
Other services and charges	9,200	9,071	6,958	2,113
Capital outlay	1,000	1,200	1,137	63
Total county judge	<u>201,450</u>	<u>201,450</u>	<u>197,701</u>	<u>3,749</u>
County clerk				
Personnel services	318,400	318,400	314,136	4,264
Supplies	5,000	5,000	4,652	348
Other services and charges	9,500	9,500	5,857	3,643
Capital outlay	1,000	1,000	-	1,000
Total county clerk	<u>333,900</u>	<u>333,900</u>	<u>324,645</u>	<u>9,255</u>
Veteran's service officers				
Personnel services	29,670	29,670	25,018	4,652
Supplies	250	250	13	237
Other services and charges	2,500	2,500	171	2,329
Capital outlay	500	500	210	290
Total veteran's service officers	<u>32,920</u>	<u>32,920</u>	<u>25,412</u>	<u>7,508</u>
Non-departmental				
Supplies	16,000	14,500	8,148	6,352
Other services and charges	429,000	360,075	317,605	42,470
Total non-departmental	<u>445,000</u>	<u>374,575</u>	<u>325,753</u>	<u>48,822</u>
Elections				
Personnel services	78,232	78,275	76,037	2,238
Supplies	7,700	7,450	6,892	558
Other services and charges	40,160	40,142	27,756	12,386
Capital outlay	7,350	7,575	7,432	143
Total elections	<u>133,442</u>	<u>133,442</u>	<u>118,117</u>	<u>15,325</u>
County auditor				
Personnel services	262,972	262,972	238,626	24,346
Supplies	2,500	2,800	2,665	135
Other services and charges	10,900	10,600	7,259	3,341
Capital outlay	1,000	1,000	214	786
Total county auditor	<u>277,372</u>	<u>277,372</u>	<u>248,764</u>	<u>28,608</u>

(Continued)

DeWITT COUNTY, TEXAS

MAJOR GOVERNMENTAL FUND - GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

For the year ended September 30, 2016

	Original Budget	Final Budget	Actual Budgetary Basis	Variance Positive (Negative)
EXPENDITURES - (Continued)				
General government - (Continued)				
County treasurer				
Personnel services	\$ 197,491	\$ 197,491	\$ 197,372	\$ 119
Supplies	3,000	3,000	1,391	1,609
Other services and charges	12,050	12,050	6,399	5,651
Capital outlay	2,500	2,500	1,150	1,350
Total county treasurer	<u>215,041</u>	<u>215,041</u>	<u>206,312</u>	<u>8,729</u>
Information technology				
Personnel services	134,171	134,171	122,337	11,834
Other services and charges	234,500	238,700	144,390	94,310
Capital outlay	702,000	697,800	390,586	307,214
Total information technology	<u>1,070,671</u>	<u>1,070,671</u>	<u>657,313</u>	<u>413,358</u>
Tax assessor-collector				
Personnel services	344,345	344,345	321,111	23,234
Supplies	16,300	16,300	13,028	3,272
Other services and charges	364,000	361,000	347,403	13,597
Capital outlay	3,100	6,100	5,165	935
Total tax assessor-collector	<u>727,745</u>	<u>727,745</u>	<u>686,707</u>	<u>41,038</u>
Total general government	<u>3,437,541</u>	<u>3,367,116</u>	<u>2,790,724</u>	<u>576,392</u>
Judicial				
County courts				
Personnel services	1,510	160	4	156
Other services and charges	50,000	79,350	76,055	3,295
Capital outlay	-	400	400	-
Total county courts	<u>51,510</u>	<u>79,910</u>	<u>76,459</u>	<u>3,451</u>
District court				
Personnel services	26,853	25,389	12,128	13,261
Supplies	750	650	434	216
Other services and charges	339,350	341,264	303,539	37,725
Capital outlay	1,500	1,150	600	550
Total district court	<u>368,453</u>	<u>368,453</u>	<u>316,701</u>	<u>51,752</u>
District clerk				
Personnel services	411,140	411,740	401,443	10,297
Supplies	9,000	9,000	8,097	903
Other services and charges	26,500	25,900	14,281	11,619
Capital outlay	11,000	11,000	10,041	959
Total district clerk	<u>457,640</u>	<u>457,640</u>	<u>433,862</u>	<u>23,778</u>

(Continued)

DeWITT COUNTY, TEXAS

MAJOR GOVERNMENTAL FUND - GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

For the year ended September 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Positive (Negative)</u>
EXPENDITURES - (Continued)				
Judicial - (Continued)				
Justices of the peace				
Personnel services	\$ 278,950	\$ 282,650	\$ 273,390	\$ 9,260
Supplies	9,000	9,000	6,094	2,906
Other services and charges	54,000	50,300	28,282	22,018
Capital outlay	<u>1,800</u>	<u>1,800</u>	<u>292</u>	<u>1,508</u>
Total justices of the peace	<u>343,750</u>	<u>343,750</u>	<u>308,058</u>	<u>35,692</u>
County attorney				
Personnel services	180,805	180,805	180,655	150
Supplies	2,900	2,900	2,595	305
Other services and charges	5,050	5,050	3,408	1,642
Capital outlay	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>	<u>-</u>
Total county attorney	<u>190,255</u>	<u>190,255</u>	<u>188,158</u>	<u>2,097</u>
Total judicial	<u>1,411,608</u>	<u>1,440,008</u>	<u>1,323,238</u>	<u>116,770</u>
Public works				
Courthouse building				
Personnel services	127,831	127,831	124,959	2,872
Supplies	16,800	16,800	8,985	7,815
Other services and charges	207,000	207,000	129,996	77,004
Capital outlay	<u>6,000</u>	<u>6,000</u>	<u>383</u>	<u>5,617</u>
Total courthouse building	<u>357,631</u>	<u>357,631</u>	<u>264,323</u>	<u>93,308</u>
Annex building				
Supplies	3,500	3,500	1,176	2,324
Other services and charges	<u>43,700</u>	<u>43,700</u>	<u>23,042</u>	<u>20,658</u>
Total annex building	<u>47,200</u>	<u>47,200</u>	<u>24,218</u>	<u>22,982</u>
Jail building				
Supplies	27,200	17,900	14,690	3,210
Other services and charges	<u>206,500</u>	<u>215,800</u>	<u>211,486</u>	<u>4,314</u>
Total jail building	<u>233,700</u>	<u>233,700</u>	<u>226,176</u>	<u>7,524</u>
Lawn and yard maintenance				
Supplies	1,000	1,000	47	953
Other services and charges	<u>12,300</u>	<u>12,300</u>	<u>5,830</u>	<u>6,470</u>
Total lawn and yard maintenance	<u>13,300</u>	<u>13,300</u>	<u>5,877</u>	<u>7,423</u>

(Continued)

DeWITT COUNTY, TEXAS*MAJOR GOVERNMENTAL FUND - GENERAL FUND**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**For the year ended September 30, 2016*

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Positive (Negative)</u>
EXPENDITURES - (Continued)				
Public works - (Continued)				
Constables				
Personnel services	\$ 89,528	\$ 89,528	\$ 84,825	\$ 4,703
Supplies	6,200	4,500	3,672	828
Other services and charges	5,680	5,201	4,666	535
Capital outlay	<u>4,250</u>	<u>48,454</u>	<u>45,555</u>	<u>2,899</u>
Total constables	<u>105,658</u>	<u>147,683</u>	<u>138,718</u>	<u>8,965</u>
Sheriff				
Personnel services	1,677,740	1,677,740	1,652,708	25,032
Supplies	128,100	108,100	78,553	29,547
Other services and charges	87,500	102,225	96,598	5,627
Capital outlay	<u>164,000</u>	<u>168,275</u>	<u>163,998</u>	<u>4,277</u>
Total sheriff	<u>2,057,340</u>	<u>2,056,340</u>	<u>1,991,857</u>	<u>64,483</u>
Jail operations				
Personnel services	1,603,694	1,603,694	1,535,406	68,288
Supplies	262,700	262,700	236,759	25,941
Other services and charges	268,001	270,001	207,743	62,258
Capital outlay	<u>6,000</u>	<u>5,000</u>	<u>1,768</u>	<u>3,232</u>
Total jail operations	<u>2,140,395</u>	<u>2,141,395</u>	<u>1,981,676</u>	<u>159,719</u>
Corrections				
Supplies	150	150	-	150
Other services and charges	250	250	-	250
Capital outlay	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Total corrections	<u>1,400</u>	<u>1,400</u>	<u>-</u>	<u>1,400</u>
Other protection				
Personnel services	86,250	86,250	48,135	38,115
Supplies	3,000	3,000	144	2,856
Other services and charges	149,500	149,500	114,991	34,509
Capital outlay	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Total other protection	<u>239,750</u>	<u>239,750</u>	<u>163,270</u>	<u>76,480</u>
Total public works	<u>5,196,374</u>	<u>5,238,399</u>	<u>4,796,115</u>	<u>442,284</u>

(Continued)

DeWITT COUNTY, TEXAS

MAJOR GOVERNMENTAL FUND - GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

For the year ended September 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Positive (Negative)</u>
EXPENDITURES - (Continued)				
Health and welfare				
Health				
Other services and charges	\$ 82,000	\$ 82,000	\$ 71,700	\$ 10,300
Total health	<u>82,000</u>	<u>82,000</u>	<u>71,700</u>	<u>10,300</u>
Agriculture extension services				
Personnel services	105,707	106,907	106,191	716
Supplies	1,750	1,750	1,552	198
Other services and charges	21,500	20,300	16,653	3,647
Capital outlay	1,500	1,500	900	600
Total agriculture extension services	<u>130,457</u>	<u>130,457</u>	<u>125,296</u>	<u>5,161</u>
Total health and welfare	<u>212,457</u>	<u>212,457</u>	<u>196,996</u>	<u>15,461</u>
Total expenditures	<u>10,257,980</u>	<u>10,257,980</u>	<u>9,107,073</u>	<u>1,150,907</u>
Excess of revenues over expenditures	<u>5,840,321</u>	<u>5,840,321</u>	<u>9,102,523</u>	<u>3,262,202</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(10,318,898)</u>	<u>(10,318,898)</u>	<u>(9,858,898)</u>	<u>460,000</u>
Total other financing sources (uses)	<u>(10,318,898)</u>	<u>(10,318,898)</u>	<u>(9,858,898)</u>	<u>460,000</u>
Net change in fund balance	(4,478,577)	(4,478,577)	(756,375)	3,722,202
Fund balance, beginning of year	<u>10,780,658</u>	<u>10,780,658</u>	<u>10,780,658</u>	<u>-</u>
Fund balance, end of year	<u>\$ 6,302,081</u>	<u>\$ 6,302,081</u>	<u>\$10,024,283</u>	<u>\$ 3,722,202</u>

(Concluded)

Nonmajor Governmental Funds

DeWITT COUNTY, TEXAS

ROAD AND BRIDGE GENERAL - SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -

BUDGET AND ACTUAL

For the year ended September 30, 2016

	Final Budget	Actual Budgetary Basis	Budget to GAAP Over (Under)	Actual GAAP Basis
REVENUES				
Taxes				
Current ad valorem	\$ 2,733,328	\$ 3,049,687	\$ 619	\$ 3,049,068
Delinquent ad valorem	40,000	31,629	3,374	28,255
Total taxes	2,773,328	3,081,316	3,993	3,077,323
Interest	12,000	15,670	-	15,670
Miscellaneous	41,000	52,093	-	52,093
Total revenues	2,826,328	3,149,079	3,993	3,145,086
EXPENDITURES				
Current				
Public works				
Personnel services	345,504	335,849	11,334	324,515
Other services and charges	93,600	90,650	-	90,650
Total expenditures	439,104	426,499	11,334	415,165
Excess (deficiency) of revenues over expenditures	2,387,224	2,722,580	(7,341)	2,729,921
OTHER FINANCING SOURCES (USES)				
Transfers out	(2,449,134)	(2,449,134)	-	(2,449,134)
Net change in fund balance	(61,910)	273,446	(7,341)	280,787
Fund balance, beginning of year	1,264,488	1,264,488	-	1,264,488
Fund balance, end of year	\$ 1,202,578	\$ 1,537,934	\$ (7,341)	\$ 1,545,275

Explanation of differences:

The County budgets on the cash basis of accounting. As such, revenues are recognized as they are collected and expenditures when paid.

DeWITT COUNTY, TEXAS*ROAD AND BRIDGE PRECINCT NO. 2 - SPECIAL REVENUE FUND**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL**For the year ended September 30, 2016*

	Final Budget	Actual Budgetary Basis	Budget to GAAP Over (Under)	Actual GAAP Basis
REVENUES				
Licenses and permits - auto registration	\$ 80,000	\$ 105,458	\$ 3,645	\$ 101,813
Intergovernmental - grants	2,500	6,623	-	6,623
Charges for services	6,000	-	-	-
Interest	15,000	12,316	-	12,316
Miscellaneous	2,200	1,176	-	1,176
Total revenues	<u>105,700</u>	<u>125,573</u>	<u>3,645</u>	<u>121,928</u>
EXPENDITURES				
Current				
Public works				
Personnel services	569,579	541,196	11,742	529,454
Supplies	122,860	96,993	308	96,685
Other services and charges	55,145	37,587	-	37,587
Capital outlay	1,623,495	1,613,762	(61,926)	1,675,688
Total expenditures	<u>2,371,079</u>	<u>2,289,538</u>	<u>(49,876)</u>	<u>2,339,414</u>
Excess (deficiency) of revenues over expenditures	<u>(2,265,379)</u>	<u>(2,163,965)</u>	<u>53,521</u>	<u>(2,217,486)</u>
OTHER FINANCING SOURCES (USES)				
Sale of assets	1,000	34,359	(28,926)	63,285
Transfers in	1,943,092	1,836,392	-	1,836,392
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>1,944,092</u>	<u>1,870,751</u>	<u>(28,926)</u>	<u>1,899,677</u>
Net change in fund balance	(321,287)	(293,214)	24,595	(317,809)
Fund balance, beginning of year	1,250,226	1,250,226	-	1,250,226
Fund balance, end of year	<u>\$ 928,939</u>	<u>\$ 957,012</u>	<u>\$ 24,595</u>	<u>\$ 932,417</u>

Explanation of differences:

The County budgets on the cash basis of accounting. As such, revenues are recognized as they are collected and expenditures when paid.

DeWITT COUNTY, TEXAS*ROAD AND BRIDGE PRECINCT NO. 4 - SPECIAL REVENUE FUND**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**BUDGET AND ACTUAL**For the year ended September 30, 2016*

	Final Budget	Actual Budgetary Basis	Budget to GAAP Over (Under)	Actual GAAP Basis
REVENUES				
Licenses and permits - auto registration	\$ 69,000	\$ 82,511	\$ 491	\$ 82,020
Intergovernmental - grants	1,200	35,574	-	35,574
Interest	13,000	17,311	-	17,311
Miscellaneous	1,000	4,646	4,646	-
Total revenues	<u>84,200</u>	<u>140,042</u>	<u>5,137</u>	<u>134,905</u>
EXPENDITURES				
Current				
Public works				
Personnel services	495,898	486,759	11,089	475,670
Supplies	116,850	78,116	55,115	23,001
Other services and charges	49,500	25,092	(5,829)	30,921
Capital outlay	<u>1,277,400</u>	<u>1,255,721</u>	<u>5,697</u>	<u>1,250,024</u>
Total expenditures	<u>1,939,648</u>	<u>1,845,688</u>	<u>66,072</u>	<u>1,779,616</u>
Excess (deficiency) of revenues over expenditures	<u>(1,855,448)</u>	<u>(1,705,646)</u>	<u>(60,935)</u>	<u>(1,644,711)</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	1,000	10,200	-	10,200
Transfers in	1,768,448	1,768,448	-	1,768,448
Transfers out	-	-	23,000	(23,000)
Total other financing sources (uses)	<u>1,769,448</u>	<u>1,778,648</u>	<u>23,000</u>	<u>1,755,648</u>
Net change in fund balance	(86,000)	73,002	(37,935)	110,937
Fund balance, beginning of year	<u>1,650,461</u>	<u>1,650,461</u>	<u>-</u>	<u>1,650,461</u>
Fund balance, end of year	<u>\$ 1,564,461</u>	<u>\$ 1,723,463</u>	<u>\$ (37,935)</u>	<u>\$ 1,761,398</u>

Explanation of differences:

The County budgets on the cash basis of accounting. As such, revenues are recognized as they are collected and expenditures when paid.

DeWITT COUNTY, TEXAS*SPECIAL ROAD AND BRIDGE - SPECIAL REVENUE FUND**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**BUDGET AND ACTUAL**For the year ended September 30, 2016*

	<u>Final Budget</u>	<u>Actual Budgetary Basis</u>	<u>Budget to GAAP Over (Under)</u>	<u>Actual GAAP Basis</u>
REVENUES				
Taxes				
Current ad valorem	\$ 2,149,747	\$ 2,398,463	\$ 487	\$ 2,397,976
Delinquent ad valorem	<u>30,000</u>	<u>24,826</u>	<u>2,590</u>	<u>22,236</u>
Total taxes	2,179,747	2,423,289	3,077	2,420,212
Interest	10,000	11,624	-	11,624
Miscellaneous	<u>1,000</u>	<u>463</u>	<u>-</u>	<u>463</u>
Total revenues	<u>2,190,747</u>	<u>2,435,376</u>	<u>3,077</u>	<u>2,432,299</u>
EXPENDITURES				
Current				
Public works				
Other services and charges	<u>40,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>40,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	2,150,747	2,435,376	3,077	2,432,299
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(2,182,957)</u>	<u>(2,182,957)</u>	<u>-</u>	<u>(2,182,957)</u>
Net change in fund balance	(32,210)	252,419	3,077	249,342
Fund balance, beginning of year	<u>992,286</u>	<u>992,286</u>	<u>-</u>	<u>992,286</u>
Fund balance, end of year	<u>\$ 960,076</u>	<u>\$ 1,244,705</u>	<u>\$ 3,077</u>	<u>\$ 1,241,628</u>

Explanation of differences:

The County budgets on the cash basis of accounting. As such, revenues are recognized as they are collected and expenditures when paid.

DeWITT COUNTY, TEXAS**CETRZ ZONE 1****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL**

For the year ended September 30, 2016

	Final Budget	Actual Budgetary Basis	Budget to GAAP Over (Under)	Actual GAAP Basis
REVENUES				
Ad valorem taxes	\$ 1,116,573	\$ 1,118,122	\$ 1,549	\$ 1,116,573
Total revenues	<u>1,116,573</u>	<u>1,118,122</u>	<u>1,549</u>	<u>1,116,573</u>
EXPENDITURES				
Current				
Public works				
Capital outlay	1,116,573	1,116,573	-	1,116,573
Total expenditures	<u>1,116,573</u>	<u>1,116,573</u>	<u>-</u>	<u>1,116,573</u>
Excess (deficiency) of revenues over expenditures	-	1,549	1,549	-
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Net change in fund balance	-	1,549	1,549	-
Fund balance, beginning of year	1,549	1,549	-	1,549
Fund balance, end of year	<u>\$ 1,549</u>	<u>\$ 3,098</u>	<u>\$ 1,549</u>	<u>\$ 1,549</u>

Explanation of differences:

The County budgets on the cash basis of accounting. As such, revenues are recognized as they are collected and expenditures when paid.

DeWITT COUNTY, TEXAS*CETRZ ZONE 2 - SPECIAL REVENUE FUND**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL**For the year ended September 30, 2016*

	Final Budget	Actual Budgetary Basis	Budget to GAAP Over (Under)	Actual GAAP Basis
REVENUES				
Ad valorem taxes	\$ 587,804	\$ 588,258	\$ 454	\$ 587,804
Total revenues	<u>587,804</u>	<u>588,258</u>	<u>454</u>	<u>587,804</u>
EXPENDITURES				
Current				
Public works				
Capital outlay	<u>757,336</u>	<u>748,149</u>	<u>-</u>	<u>748,149</u>
Total expenditures	<u>757,336</u>	<u>748,149</u>	<u>-</u>	<u>748,149</u>
Excess (deficiency) of revenues over expenditures	(169,532)	(159,891)	454	(160,345)
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(169,532)	(159,891)	454	(160,345)
Fund balance, beginning of year	<u>169,996</u>	<u>169,996</u>	<u>-</u>	<u>169,996</u>
Fund balance, end of year	<u>\$ 464</u>	<u>\$ 10,105</u>	<u>\$ 454</u>	<u>\$ 9,651</u>

Explanation of differences:

The County budgets on the cash basis of accounting. As such, revenues are recognized as they are collected and expenditures when paid.

DeWITT COUNTY, TEXAS*CETRZ ZONE 3 - SPECIAL REVENUE FUND**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**BUDGET AND ACTUAL**For the year ended September 30, 2016*

	Final Budget	Actual Budgetary Basis	Budget to GAAP Over (Under)	Actual GAAP Basis
REVENUES				
Ad valorem taxes	\$ 1,517,530	\$ 1,518,982	\$ 1,452	\$ 1,517,530
Total revenues	<u>1,517,530</u>	<u>1,518,982</u>	<u>1,452</u>	<u>1,517,530</u>
EXPENDITURES				
Current				
Public works				
Capital outlay	4,028,831	4,028,831	66,500	3,962,331
Total expenditures	<u>4,028,831</u>	<u>4,028,831</u>	<u>66,500</u>	<u>3,962,331</u>
Excess (deficiency) of revenues over expenditures	(2,511,301)	(2,509,849)	(65,048)	(2,444,801)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Net change in fund balance	(2,511,301)	(2,509,849)	(65,048)	(2,444,801)
Fund balance, beginning of year	<u>2,446,254</u>	<u>2,446,254</u>	-	<u>2,446,254</u>
Fund balance, end of year	<u>\$ (65,047)</u>	<u>\$ (63,595)</u>	<u>\$ (65,048)</u>	<u>\$ 1,453</u>

Explanation of differences:

The County budgets on the cash basis of accounting. As such, revenues are recognized as they are collected and expenditures when paid.

DeWITT COUNTY, TEXAS*INDIGENT HEALTH CARE - SPECIAL REVENUE FUND**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**BUDGET AND ACTUAL**For the year ended September 30, 2016*

	<u>Final Budget</u>	<u>Actual Budgetary Basis</u>	<u>Budget to GAAP Over (Under)</u>	<u>Actual GAAP Basis</u>
REVENUES				
Taxes				
Current ad valorem	\$ 486,617	\$ 538,522	\$ 201	\$ 538,321
Delinquent ad valorem	4,000	9,440	299	9,141
Total taxes	490,617	547,962	500	547,462
Interest	4,000	10,308	-	10,308
Miscellaneous	-	121	-	121
Total revenues	<u>494,617</u>	<u>558,391</u>	<u>500</u>	<u>557,891</u>
EXPENDITURES				
Current				
Health and welfare				
Personnel services	12,828	7,324	1,299	6,025
Supplies	250	171	-	171
Other services and charges	14,950	14,894	-	14,894
Medical expenses	869,453	276,389	(34,831)	311,220
Total expenditures	<u>897,481</u>	<u>298,778</u>	<u>(33,532)</u>	<u>332,310</u>
Net change in fund balance	(402,864)	259,613	34,032	225,581
Fund balance, beginning of year	<u>879,386</u>	<u>879,386</u>	-	<u>879,386</u>
Fund balance, end of year	<u>\$ 476,522</u>	<u>\$ 1,138,999</u>	<u>\$ 34,032</u>	<u>\$ 1,104,967</u>

Explanation of differences:

The County budgets on the cash basis of accounting. As such, revenues are recognized as they are collected and expenditures when paid.

AGENCY FUNDS

The Agency Funds are used to account for the monies received and disbursed by the County in the capacity of trustee, custodian, or agent for individuals or other entities.

The Agency Funds consist of the following:

- The Unclaimed Funds account holds funds returned to the County that are not required to be escheated to the State. Those funds are under the care of the County Treasurer.
- The Escrow Fund was established to account for statutory court cost fees, restitution, fines collected from other government entities, juror donations, overpayments, contractual and permit fees, and sales tax collections which are transmitted to the State, the General Fund, outside entities, and/or other individuals on a periodic basis.
- The Tax Assessor combines the escrow fund, property tax, and motor vehicle department funds. These funds are used to hold escrow amounts collected on mobile homes and account for property taxes and vehicle registration fees collected.
- The County Clerk Trust Funds account holds assets for the benefit of specified minors until they reach the age of majority.
- The District Clerk Trust Fund accounts for monies received that are put in trust funds and held for other individuals or entities.
- The Inmate Trust Fund accounts hold funds that belong to the inmates. The funds are under the care and control of the County Sheriff.

DeWITT COUNTY, TEXAS**AGENCY FUNDS****COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**

For the year ended September 30, 2016

	<u>Balance at Beginning of Year</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance at End of Year</u>
UNCLAIMED FUNDS				
Assets				
Cash in bank	\$ 9,382	\$ 551	\$ -	\$ 9,933
Liabilities				
Due to others	\$ 9,382	\$ 551	\$ -	\$ 9,933
ESCROW FUND				
Assets				
Cash in bank	\$ 140,747	\$ 416,109	\$ 419,653	\$ 137,203
Liabilities				
Due to others	\$ 140,747	\$ 416,109	\$ 419,653	\$ 137,203
TAX ASSESSOR				
Assets				
Cash in bank	\$ 89,845	\$ 118,448,406	\$ 118,418,010	\$ 120,241
Liabilities				
Due to others	\$ 89,845	\$ 118,448,406	\$ 118,418,010	\$ 120,241
COUNTY CLERK TRUST FUNDS				
Assets				
Cash in bank	\$ 57,731	\$ 46,721	\$ 47,822	\$ 56,630
Liabilities				
Due to others	\$ 57,731	\$ 46,721	\$ 47,822	\$ 56,630
DISTRICT CLERK TRUST FUNDS				
Assets				
Cash in bank	\$ 1,021,895	\$ 112,448	\$ 809,513	\$ 324,830
Liabilities				
Due to others	\$ 1,021,895	\$ 112,448	\$ 809,513	\$ 324,830
INMATE TRUST FUNDS				
Assets				
Cash in bank	\$ 11,481	\$ 264,323	\$ 263,239	\$ 12,565
Liabilities				
Due to others	\$ 11,481	\$ 264,323	\$ 263,239	\$ 12,565

(Continued)

DeWITT COUNTY, TEXAS

AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

For the year ended September 30, 2016

	<u>Balance at Beginning of Year</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance at End of Year</u>
SHERIFF CASH BOND FUNDS				
Assets				
Cash in bank	\$ -	\$ 134,617	\$ 121,117	\$ 13,500
Liabilities				
Due to others	\$ -	\$ 134,617	\$ 121,117	\$ 13,500
TOTALS - ALL AGENCY FUNDS				
Assets				
Cash in bank	<u>\$ 1,331,081</u>	<u>\$ 119,423,175</u>	<u>\$ 120,079,354</u>	<u>\$ 674,902</u>
Liabilities				
Due to others	<u>\$ 1,331,081</u>	<u>\$ 119,423,175</u>	<u>\$ 120,079,354</u>	<u>\$ 674,902</u>

(Concluded)

**STATISTICAL SECTION
(UNAUDITED)**

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page</u>
Financial Trends	
These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time	88
Revenue Capacity	
These schedules contain information to help the reader assess the factors affecting the County's ability to generate its property tax revenue	97
Debt Capacity	
These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.....	101
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help make comparisons over time and with other governments	105
Operating Information	
These schedules contain information about the County's operations and resources to help the reader understand how the County's financial information relates to the services the County provides and the activities it performs	107

DeWITT COUNTY, TEXAS
NET POSITION BY COMPONENT (1)
Last ten fiscal years

	Fiscal Year			
	2016	2015	2014 (2)	2013
Governmental activities				
Net investment in capital assets	\$ 53,455,918	\$ 29,415,561	\$ 13,116,994	\$ 11,785,255
Restricted	26,013,508	31,051,842	17,432,322	9,917,572
Unrestricted	13,054,591	12,056,434	15,034,046	9,468,655
Total net position	<u>\$ 92,524,017</u>	<u>\$ 72,523,837</u>	<u>\$ 45,583,362</u>	<u>\$ 31,171,482</u>

(1) Accrual basis of accounting

(2) As restated for adoption of GASB 68.

NOTE: The County began to report accrual information when it implemented GASB Statement No. 34 in fiscal year 2005.

Fiscal Year					
2012	2011	2010	2009	2008	2007
\$ 10,219,684	\$ 10,497,054	\$ 10,228,078	\$ 9,992,392	\$ 9,592,160	\$ 8,412,943
6,798,005	5,858,081	4,716,323	3,919,054	5,756,762	295,718
<u>5,059,270</u>	<u>4,666,512</u>	<u>4,055,117</u>	<u>3,799,544</u>	<u>904,217</u>	<u>5,266,088</u>
<u>\$ 22,076,959</u>	<u>\$ 21,021,647</u>	<u>\$ 18,999,518</u>	<u>\$ 17,710,990</u>	<u>\$ 16,253,139</u>	<u>\$ 13,974,749</u>

DeWITT COUNTY, TEXAS
CHANGES IN NET POSITION (1)
Last ten fiscal years

	Fiscal Year			
	2016	2015	2014	2013
Governmental activities				
Expenses				
General government	\$ 3,349,802	\$ 2,571,157	\$ 2,385,345	\$ 1,984,628
Judicial	1,805,372	1,685,815	1,519,429	1,320,115
Public works	9,327,029	11,266,551	16,851,264	8,685,582
Health and welfare	845,744	777,582	761,753	736,361
Interest on long-term debt	206,141	394,684	422,309	448,765
Total expenses	15,534,088	16,695,789	21,940,100	13,175,451
Program revenues				
Charges for services				
General government	1,600,249	1,728,791	1,689,760	1,428,624
Judicial	531,238	552,933	445,243	700,202
Public works	1,677,437	2,042,487	2,171,851	2,520,427
Health and welfare	127,319	109,180	33,396	55,662
Operating grants and contributions	481,550	686,147	417,463	655,176
Capital grants and contributions	-	4,957,614	-	-
Total program revenues	4,417,793	10,077,152	4,757,713	5,360,091
Total net program expenses	(11,116,295)	(6,618,637)	(17,182,387)	(7,815,360)
General revenues and other changes				
Property taxes	30,648,143	32,926,945	30,474,733	16,964,050
Unrestricted investment earnings	441,965	456,430	393,166	156,460
Miscellaneous	26,367	175,737	41,930	35,347
Total general revenues and other changes in net position	31,116,475	33,559,112	30,909,829	17,155,857
Total changes in net position	\$ 20,000,180	\$ 26,940,475	\$ 13,727,442	\$ 9,340,497

(1) Accrual basis of accounting

NOTE: The County began to report accrual information when it implemented GASB Statement No. 34 in fiscal year 2005.

Fiscal Year					
2012	2011	2010	2009	2008	2007
\$ 2,054,078	\$ 1,928,925	\$ 1,611,328	\$ 1,545,319	\$ 1,507,206	\$ 1,312,019
1,229,416	1,128,817	1,044,290	980,507	947,789	872,819
6,830,006	6,244,867	5,449,821	4,916,041	4,216,841	3,939,791
575,526	635,485	631,618	521,212	507,603	535,461
474,197	497,848	564,367	576,301	596,752	614,127
<u>11,163,223</u>	<u>10,435,942</u>	<u>9,301,424</u>	<u>8,539,380</u>	<u>7,776,191</u>	<u>7,274,217</u>
962,158	1,853,355	1,261,225	963,859	972,440	1,032,073
1,114,339	575,233	358,439	579,494	406,520	377,306
2,200,607	1,924,286	903,891	728,838	698,924	651,184
52,276	64,506	50,879	67,710	69,194	59,932
536,255	1,124,405	664,011	561,922	476,432	527,469
-	-	-	20,167	610,387	1,799,134
<u>4,865,635</u>	<u>5,541,785</u>	<u>3,238,445</u>	<u>2,921,990</u>	<u>3,233,897</u>	<u>4,447,098</u>
(6,297,588)	(4,894,157)	(6,062,979)	(5,617,390)	(4,542,294)	(2,827,119)
7,148,900	6,770,107	7,221,080	6,948,310	6,358,774	6,008,049
95,399	132,249	129,003	105,105	466,065	865,745
108,601	13,930	1,424	21,826	(4,155)	263
<u>7,352,900</u>	<u>6,916,286</u>	<u>7,351,507</u>	<u>7,075,241</u>	<u>6,820,684</u>	<u>6,874,057</u>
<u>\$ 1,055,312</u>	<u>\$ 2,022,129</u>	<u>\$ 1,288,528</u>	<u>\$ 1,457,851</u>	<u>\$ 2,278,390</u>	<u>\$ 4,046,938</u>

DeWITT COUNTY, TEXAS**FUND BALANCES, GOVERNMENTAL FUNDS (1)***Last ten fiscal years*

	Fiscal Year			
	2016	2015	2014	2013
General fund				
Unassigned	\$ 10,293,629	\$ 10,450,858	\$ 13,972,429	\$ 8,861,809
Assigned	<u>318,466</u>	<u>329,800</u>	<u>307,491</u>	<u>311,213</u>
Total general fund	<u>\$ 10,612,095</u>	<u>\$ 10,780,658</u>	<u>\$ 14,279,920</u>	<u>\$ 9,173,022</u>
All other governmental funds				
Restricted				
Debt service	\$ -	\$ 2,010,228	\$ 1,959,612	\$ 1,634,641
Special revenue funds	24,935,397	27,966,295	14,401,297	7,218,731
Capital project funds	<u>1,078,111</u>	<u>1,075,320</u>	<u>1,071,413</u>	<u>1,064,200</u>
Total all other governmental funds	<u>\$ 26,013,508</u>	<u>\$ 31,051,843</u>	<u>\$ 17,432,322</u>	<u>\$ 9,917,572</u>

(1) Modified accrual basis of accounting

NOTE: The County began to report accrual information when it implemented GASB Statement No. 34 in fiscal year 2005. This schedule maintains the same number of years for comparative purposes.

Fiscal Year					
2012	2011	2010	2009	2008	2007
\$ 3,918,939	\$ 4,737,330	\$ 4,227,253	\$ 4,231,563	\$ 3,632,469	\$ 2,829,040
307,185	-	-	-	-	-
<u>\$ 4,226,124</u>	<u>\$ 4,737,330</u>	<u>\$ 4,227,253</u>	<u>\$ 4,231,563</u>	<u>\$ 3,632,469</u>	<u>\$ 2,829,040</u>
\$ 915,772	\$ 777,535	\$ 640,675	\$ 494,609	\$ 368,289	\$ 317,190
4,818,599	4,004,918	2,978,679	1,956,822	1,765,101	1,666,295
<u>1,063,634</u>	<u>1,075,628</u>	<u>1,096,969</u>	<u>1,467,623</u>	<u>3,623,372</u>	<u>9,640,558</u>
<u>\$ 6,798,005</u>	<u>\$ 5,858,081</u>	<u>\$ 4,716,323</u>	<u>\$ 3,919,054</u>	<u>\$ 5,756,762</u>	<u>\$ 11,624,043</u>

DeWITT COUNTY, TEXAS

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS (1)

Last ten fiscal years

	Fiscal Year			
	2016	2015	2014	2013
Revenues				
Taxes	\$ 30,497,675	\$ 32,869,436	\$ 30,751,455	\$ 16,600,054
Licenses and permits	719,573	827,426	692,378	788,809
Intergovernmental	1,576,411	6,655,405	1,851,025	1,907,885
Charges for services	1,439,425	1,500,165	1,549,694	1,781,190
Fines and forfeitures	360,303	376,832	396,724	464,734
Investment income	441,965	456,430	393,166	156,460
Miscellaneous	423,595	568,471	285,990	479,875
Total revenues	<u>35,458,947</u>	<u>43,254,165</u>	<u>35,920,432</u>	<u>22,179,007</u>
Expenditures				
Current				
General government	2,833,991	2,250,922	2,119,194	1,750,204
Judicial	1,504,824	1,485,909	1,338,104	1,157,037
Public works	8,130,168	10,507,936	16,643,061	8,215,043
Health and welfare	808,842	752,401	740,602	715,976
Capital outlay	18,254,840	17,226,841	1,526,433	1,236,480
Debt service				
Principal retirement	8,955,000	690,000	665,000	635,000
Interest and fiscal charges	254,111	398,194	425,684	452,005
Bond issue costs	-	-	-	-
Total expenditures	<u>40,741,776</u>	<u>33,312,203</u>	<u>23,458,078</u>	<u>14,161,745</u>
Excess (deficiency) of revenues over expenditures	(5,282,829)	9,941,962	12,462,354	8,017,262
Other financing sources (uses)				
Bonds issued	-	-	-	-
Bond retirements	-	-	-	-
Sale of capital assets	75,932	178,296	159,295	49,202
Capital lease proceeds	-	-	-	-
Transfers in	17,649,168	25,522,009	18,517,344	3,736,901
Transfers out	(17,649,168)	(25,522,009)	(18,517,344)	(3,736,901)
Total other financing sources (uses)	<u>75,932</u>	<u>178,296</u>	<u>159,295</u>	<u>49,202</u>
Changes in fund balances	<u>\$ (5,206,897)</u>	<u>\$ 10,120,258</u>	<u>\$ 12,621,649</u>	<u>\$ 8,066,464</u>
Debt service as a percentage of noncapital expenditures	<u>40.95%</u> (2)	<u>6.77%</u>	<u>4.97%</u>	<u>8.41%</u>

(1) Modified accrual basis of accounting

(2) The County paid off outstanding bonds in the current year.

NOTE: The County began to report accrual information when it implemented GASB Statement No. 34 in fiscal year 2005. This schedule maintains the same number of years for comparative purposes.

Fiscal Year						
2012	2011	2010	2009	2008	2007	
\$ 7,214,391	\$ 6,753,736	\$ 7,211,788	\$ 6,900,422	\$ 6,358,843	\$ 5,962,308	
640,796	631,322	604,628	614,672	639,296	631,856	
971,572	1,124,405	858,213	728,706	1,210,152	2,419,757	
2,539,954	2,354,100	993,873	819,695	902,735	890,153	
456,740	480,783	437,287	441,933	351,604	285,408	
95,399	132,249	129,003	105,105	466,065	865,745	
168,562	901,526	461,648	221,395	115,526	181,102	
<u>12,087,414</u>	<u>12,378,121</u>	<u>10,696,440</u>	<u>9,831,928</u>	<u>10,044,221</u>	<u>11,236,329</u>	
1,833,087	1,737,293	1,481,461	1,393,445	1,409,750	1,228,376	
1,082,089	1,001,062	960,939	897,641	878,266	809,161	
6,363,472	5,809,840	5,183,983	4,951,027	4,866,669	4,005,032	
557,110	619,515	616,069	505,674	496,626	525,410	
1,198,161	677,256	709,441	2,246,467	6,358,963	3,303,571	
610,000	585,000	555,000	535,000	515,000	475,000	
477,257	500,638	553,699	563,114	583,520	621,012	
-	-	47,902	-	-	-	
<u>12,121,176</u>	<u>10,930,604</u>	<u>10,108,494</u>	<u>11,092,368</u>	<u>15,108,794</u>	<u>10,967,562</u>	
(33,762)	1,447,517	587,946	(1,260,440)	(5,064,573)	268,767	
-	-	2,810,000	-	-	-	
-	-	(2,750,000)	-	-	-	
116,933	18,324	8,614	21,826	-	12,382	
345,547	185,994	136,399	-	-	15,500	
2,311,518	1,784,116	1,882,625	1,444,718	1,267,963	986,454	
<u>(2,311,518)</u>	<u>(1,784,116)</u>	<u>(1,882,625)</u>	<u>(1,444,718)</u>	<u>(1,267,963)</u>	<u>(986,454)</u>	
<u>462,480</u>	<u>204,318</u>	<u>205,013</u>	<u>21,826</u>	<u>-</u>	<u>27,882</u>	
<u>\$ 428,718</u>	<u>\$ 1,651,835</u>	<u>\$ 792,959</u>	<u>\$ (1,238,614)</u>	<u>\$ (5,064,573)</u>	<u>\$ 296,649</u>	
<u>9.95%</u>	<u>10.59%</u>	<u>12.31%</u>	<u>12.41%</u>	<u>12.55%</u>	<u>14.30%</u>	

DeWITT COUNTY, TEXAS**TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS (1)***Last ten fiscal years*

Fiscal Year	Ad Valorem Taxes		Penalty and Interest	Total
	Current	Delinquent		
2007	\$ 5,744,805	(1) \$ 128,469	\$ 89,034	\$ 5,962,308
2008	6,170,558	(1) 103,384	84,901	6,358,843
2009	6,702,755	(1) 106,407	91,260	6,900,422
2010	6,989,491	(1) 127,019	95,278	7,211,788
2011	6,514,197	(1) 132,989	106,550	6,753,736
2012	6,945,991	(1) 161,563	106,837	7,214,391
2013	16,371,142	(2) 112,674	116,239	16,600,055
2014	30,080,823	(2) 468,151	202,482	30,751,456
2015	32,488,916	(2) 274,282	106,238	32,869,436
2016	30,165,240	(2) 201,208	131,227	30,497,675
Change 2007 to 2016	425.09%	56.62%	47.39%	411.51%

(1) Modified accrual basis of accounting

NOTE: (1) Tax rates increased on the 2006 roll for debt service on 2006 series bonds.

(2) Tax rates were actually lowered in 2015, 2014 and 2013 but revenue increased due to significant increases in mineral values related to Eagle Ford Shale.

DeWITT COUNTY, TEXAS

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY (1)

Last ten fiscal years

Fiscal Year	Tax Roll	Real Property		Personal Property	Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value (1) as a Percentage of Actual Value
		Residential Property	Non-Residential Property						
2007	2006	\$ 401,986,960	\$ 933,736,350	\$ 60,201,480	\$ 537,992,596	\$ 857,932,194	\$ 0.72236	\$ 857,932,194	100.00%
2008	2007	399,169,670	1,082,471,590	51,204,420	628,406,758	904,438,922	0.74175	904,438,922	100.00%
2009	2008	345,491,210	1,237,233,760	162,266,130	728,677,520	1,016,313,580	0.68107	1,016,313,580	100.00%
2010	2009	350,915,680	1,328,168,180	199,270,670	776,472,001	1,101,882,529	0.65192	1,101,882,529	100.00%
2011	2010	357,160,310	1,679,282,800	162,562,580	1,150,665,021	1,048,340,669	0.65192	1,048,340,669	100.00%
2012	2011	368,607,870	1,912,614,970	249,442,120	1,190,701,309	1,339,963,651	0.53822	1,339,963,651	100.00%
97 2013	2012	381,707,020	4,024,961,528	593,915,180	1,509,586,195	3,490,997,533	0.50203	3,490,997,533	100.00%
2014	2013	402,749,990	7,166,414,576	694,802,080	1,511,659,803	6,752,306,843	0.46937	6,752,306,843	100.00%
2015	2014	437,925,020	7,685,024,543	731,424,820	1,541,631,030	7,312,743,353	0.46937	7,312,743,353	100.00%
2016	2015	600,294,230	6,872,240,465	921,922,790	1,609,175,259	6,785,282,226	0.46937	6,785,282,226	100.00%

(1) Values on property for maintenance and operation and interest and sinking taxes. Property exemptions differ from those allowed on road and flood taxes.

NOTE: Property in the County is reassessed annually. The County assesses property at 100% of actual taxable value for all types of real and personal property. Tax rates are per \$100 of assessed value.

SOURCE: DeWitt County Tax Assessor/Collector

DeWITT COUNTY, TEXAS

DIRECT AND OVERLAPPING TAX RATES

Last ten fiscal years

Tax Roll Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
DeWitt County										
M & O	\$ 0.58615	\$ 0.61067	\$ 0.56301	\$ 0.54295	\$ 0.53717	\$ 0.44919	\$ 0.44919	\$ 0.44919	\$ 0.45398	\$ 0.44937
Debt service	0.13621	0.13108	0.11806	0.10897	0.11475	0.08903	0.05284	0.02018	0.01539	0.02000
	0.72236	0.74175	0.68107	0.65192	0.65192	0.53822	0.50203	0.46937	0.46937	0.46937
<u>Cities</u>										
Cuero	0.28710	0.31835	0.31835	0.31318	0.30168	0.30168	0.30168	0.32000	0.32000	0.32000
Yoakum	0.09354	0.09264	0.08589	0.08591	0.08909	0.09278	0.09087	0.09087	0.09087	0.09243
Yorktown	0.54803	0.64931	0.64931	0.64931	0.70444	0.66846	0.61264	0.68561	0.67270	0.61263
Nordheim	0.46000	0.48632	0.48632	0.48632	0.47211	0.47211	0.47211	0.47211	0.47211	0.35433
<u>Schools</u>										
Cuero	1.47000	1.28877	1.29189	1.29673	1.32327	1.28736	1.07003	1.10403	1.37707	1.39069
Yoakum	1.53000	1.21000	1.32000	1.25000	1.35000	1.27000	1.24000	1.15400	1.35476	1.42987
Yorktown	1.28360	1.04000	1.04000	1.04000	1.04000	0.96000	0.99721	0.97212	0.99120	0.99757
Nordheim	1.70093	1.19547	1.24158	1.24343	1.23972	1.28891	1.24345	1.08718	1.11470	1.11915
Meyersville	1.37005	1.04000	1.04000	1.04000	1.04000	1.04000	1.04000	1.04000	1.04000	1.04000
Westhoff	1.38968	0.95134	1.04000	1.04000	1.04000	0.96000	0.96000	0.96000	0.96000	0.96000
<u>Hospitals</u>										
DeWitt Medical	0.10226	0.15919	0.14590	0.13905	0.15251	0.13221	0.13221	0.13221	0.13221	0.17111
<u>Water Districts</u>										
Ecleto Watershed	0.00920	0.00910	0.00740	0.00660	0.00660	0.08000	0.08640	0.09500	0.09057	0.08000
DeWitt Drainage #1	0.06131	0.05865	0.05865	0.06040	0.06294	0.06302	0.06289	0.06289	0.05807	0.05459
Pecan Valley	0.01500	0.01500	0.01500	0.01500	0.01500	0.01301	0.01301	0.00870	0.00680	0.00800

86

SOURCE: DeWitt County Tax Assessor/Collector

DeWITT COUNTY, TEXAS

PRINCIPAL TAXPAYERS (Unaudited)

Current year and nine years ago

<u>2016</u>	<u>Type of Property</u>	<u>Assessed Valuation</u>	<u>Percent of Total Valuation</u>
Devon Energy Production Co LP	Mineral	\$ 1,357,034,630	20.10%
Burlington Resources Oil & Gas	Mineral	901,688,970	13.35%
Pioneer Resources USA Inc.	Mineral	369,482,320	5.47%
Helmerick & Payne Inc.	Mineral	173,657,250	2.57%
Sabine Oil & Gas Corp.	Mineral	88,238,420	1.31%
BHP Billiton (Eagle Ford Gath)	Mineral	74,968,420	1.11%
EOG Resources	Mineral	72,321,720	1.07%
Geosouthern Energy Corporation	Mineral	66,882,090	0.99%
Statoil Texas Onshore Properties LLC	Mineral	59,959,660	0.89%
Enterprise Texas Pipeline LLC	Mineral	53,417,370	0.79%
Assessed value		<u>\$ 3,217,650,850</u>	47.65%

<u>2007</u>	<u>Type of Property</u>	<u>Assessed Valuation</u>	<u>Percent of Total Valuation</u>
Chesapeake Operating Inc.	Mineral	\$ 109,817,980	12.80%
Mount Vernon Mills, Inc.	Real & Personal	20,135,250	2.35%
Grey Wolf Drilling Company LP	Mineral	14,184,000	1.65%
Southwestern Bell Telephone LP	Mineral	11,343,790	1.32%
Abraxas Petroleum Corp.	Mineral	10,042,730	1.17%
Gruy Petroleum Management Co.	Mineral	9,028,200	1.05%
Enterprise Hydrocarbons LP	Mineral	7,910,020	0.92%
Flint Hills Resources LP	Mineral	6,770,770	0.79%
Guadalupe Valley Electric Cooperative	Mineral	6,071,930	0.71%
Hurd Enterprises Ltd	Mineral	6,053,940	0.71%
Kinder Morgan Texas Pipeline	Mineral	5,822,930	0.68%
Assessed value		<u>\$ 207,181,540</u>	24.15%

SOURCE: DeWitt County Appraisal District.

DeWITT COUNTY, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
Last ten fiscal years

Fiscal Year	Taxes Levied for the Fiscal Year (Adjusted Levy)	Collections within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2007	\$ 6,178,020	\$ 5,948,718	96.29%	\$ 156,900	\$ 6,105,618	98.83%
2008	6,510,366	6,379,151	97.98%	118,662	6,497,813	99.81%
2009	7,091,859	6,883,347	97.06%	193,804	7,077,151	99.79%
2010	7,408,366	7,253,663	97.91%	139,130	7,392,793	99.79%
2011	6,839,507	6,737,312	98.51%	83,217	6,820,529	99.72%
2012	7,367,416	7,206,312	97.81%	141,046	7,347,358	99.73%
2013	17,488,203	16,949,690	96.92%	509,051	17,458,741	99.83%
2014	31,468,896	31,217,506	99.20%	210,778	31,428,284	99.87%
2015	34,152,747	33,847,774	99.11%	231,981	34,079,755	99.79%
2016	31,787,663	31,398,845	98.78%	-	31,398,845	98.78%

SOURCE: DeWitt County

DeWITT COUNTY, TEXAS**RATIOS OF OUTSTANDING DEBT BY TYPE***Last ten fiscal years*

Fiscal Year	Governmental Activities			Total Primary Government	Percentage of Personal Income	Per Capita
	Certificates of Obligation	G.O. Bonds & Notes	Capital Leases			
2007	\$ 13,685,000	\$ 15,500	\$ 146,761	\$ 13,847,261	2.8%	\$ 687
2008	13,170,000	10,500	89,745	13,270,245	2.6%	673
2009	12,635,000	5,500	42,911	12,683,411	2.4%	647
2010	12,140,000	-	158,468	12,298,468	2.3%	624
2011	11,555,000	-	296,977	11,851,977	2.0%	590
2012	10,945,000	-	555,598	11,500,598	1.8%	568
2013	10,310,000	-	424,786	10,734,786	1.3%	525
2014	9,645,000	-	-	9,645,000	1.0%	470
2015	8,955,000	-	-	8,955,000	0.9%	440
2016	-	-	-	-	0.0%	-

SOURCE: DeWitt County

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

DeWITT COUNTY, TEXAS**RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING***Last ten fiscal years*

Fiscal Year	General Bonded Debt Outstanding			Debt Service Monies Available	Net Bonded Debt	Percentage of Actual Taxable Value of Property	Per Capita
	Certificates of Obligation	General Obligation Bonds	Total				
2007	\$ 13,685,000	-	\$ 13,685,000	\$ 317,910	\$ 13,367,090	1.56%	\$ 663
2008	13,170,000	-	13,170,000	368,289	12,801,711	1.42%	649
2009	12,635,000	-	12,635,000	494,609	12,140,391	1.19%	620
2010	12,140,000	-	12,140,000	640,675	11,499,325	1.04%	583
2011	11,555,000	-	11,555,000	777,534	10,777,466	1.03%	536
2012	10,945,000	-	10,945,000	915,772	10,029,228	0.75%	495
2013	10,310,000	-	10,310,000	1,634,641	8,675,359	0.25%	424
2014	9,645,000	-	9,645,000	1,959,612	7,685,388	0.11%	375
2015	8,955,000	-	8,955,000	2,006,420	6,948,580	0.10%	341
2016	-	-	-	-	-	0.00%	-

SOURCE: DeWitt County

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

DeWITT COUNTY, TEXAS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT (Unaudited)

September 30, 2016

	(1)		(2)	
	Gross Debt Outstanding		Applicable to DeWitt County	
	<u>Date</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>
Direct debt:				
DeWitt County	09/30/16	\$ -	100.00%	\$ -
Overlapping debt:				
Cities				
Cuero	09/30/16	14,120,000	100.00%	14,120,000
Yoakum	09/30/16	5,800,000	36.99%	2,145,420
Yorktown	09/30/16	3,725,000	100.00%	3,725,000
School Districts				
Cuero ISD	09/30/16	105,887,503	73.96%	78,314,397
Yoakum ISD	09/30/16	50,085,000	36.36%	18,210,906
Nordheim ISD	09/30/16	267,080	99.32%	265,264
Yorktown ISD	09/30/16	5,210,000	100.00%	5,210,000
Hospitals				
Yoakum Hospital District	09/30/16	725,000	29.51%	213,948
DeWitt Medical District	09/30/16	1,223,336	100.00%	1,223,336
Total overlapping debt		<u>187,042,919</u>		<u>123,428,271</u>
Total direct and overlapping debt		<u>\$ 187,042,919</u>		<u>\$ 123,428,271</u>

(1) Includes general obligation debt, certificates of obligation, and notes payable.

(2) Determined by the number of acres of the respective taxing district that fall within DeWitt County boundaries.

SOURCE: DeWitt County and business offices of individual governmental entities

DeWITT COUNTY, TEXAS
LEGAL DEBT MARGIN INFORMATION
Last ten fiscal years

<u>Fiscal Year</u>	<u>Debt Limit</u>	<u>Total Net Debt Applicable to Limit</u>	<u>Legal Debt Margin</u>	<u>Total Net Debt Applicable To Limit as a Percentage of Debt Limit</u>
2007	\$ 199,432,679	\$ 13,367,090	\$ 186,065,589	6.70%
2008	213,308,626	12,801,711	200,506,915	6.00%
2009	244,471,222	12,140,391	232,330,831	4.97%
2010	225,652,965	11,499,325	214,153,640	5.10%
2011	221,444,522	10,777,466	210,667,056	4.87%
2012	272,630,383	10,029,228	262,601,155	3.68%
2013	724,270,588	8,675,359	715,595,229	1.20%
2014	1,514,376,191	7,685,388	1,506,690,803	0.51%
2015	1,645,329,633	6,948,580	1,638,381,053	0.42%
2016	1,465,839,859	-	1,465,839,859	0.00%

Legal debt margin calculation for current fiscal year:

Assessed value of real property		\$ 5,863,359,436
(1) Debt limit percentage		<u>25.00%</u>
Debt limit		1,465,839,859
Debt applicable to debt limit		
Certificates of obligation	\$	-
Debt service funds available		<u>-</u>
Legal debt margin		<u>\$ 1,465,839,859</u>

(1) Established by Article 3, Section 52 of the Constitution of the State of Texas.

SOURCE: DeWitt County

DeWITT COUNTY, TEXAS
 DEMOGRAPHIC STATISTICS (Unaudited)
 Last ten years

Calendar Year	Median Family Income	Estimated Population	Personal Income	Personal Income per Capita	Labor Force	Unemployment Rate	Median Age
2007	\$ 30,190	20,167	\$ 494,756,000	\$ 24,533	9,617	4.40%	40
2008	31,711	19,730	502,705,000	25,479	9,028	4.10%	40
2009	34,806	19,596	527,930,000	26,941	9,021	4.20%	40
2010	36,273	19,713	543,256,874	27,558	9,241	7.80%	42
2011	36,611	20,097	598,572,000	29,784	9,368	6.60%	43
2012	36,611	20,255	650,722,169	32,126	9,958	5.00%	43
2013	40,515	20,465	830,066,000	40,560	10,358	4.40%	43
2014	45,937	20,503	941,477,000	45,919	10,042	4.90%	42
2015	46,566	20,358	947,990,628	46,566	8,186	3.00%	41
2016	50,617	20,966	1,061,236,022	50,617	9,041	4.10%	41

SOURCE: DeWitt County Profile - Texas Association of Counties and Cuero Development Corporation

NOTE: Demographic data is normally not available until after the calendar year-end.
 Ten year data is presented as of the beginning date of the County's current fiscal year.

DeWITT COUNTY, TEXAS

PRINCIPAL EMPLOYERS (Unaudited)

Current year and nine years ago

Employer	Business Type	Employees	Percentage of Total Area Employment
<u>2016</u>			
Cuero Community Hospital	Health Care	488	4.93%
Cuero Independent School District	Education	432	4.36%
Texas Dept. of Criminal Justice	Correctional Facility	252	2.54%
DeWitt County	Government	155	1.56%
H.E.B.	Retail	145	1.46%
City of Cuero	Government	110	1.11%
Cuero Nursing & Rehabilitation Center	Health Care	110	1.11%
Wal-Mart	Retail	91	0.92%
McMahan Welding	Industrial	86	0.87%
Pioneer Natural Resources	Petroleum & Natural Gas	85	<u>0.86%</u>
		<u>1,954</u>	<u>19.72%</u>
<u>2007</u>			
Cuero Community Hospital	Health Care	410	4.26%
Cuero Independent School District	School District	375	3.90%
Texas Dept. of Criminal Justice	Correctional Facility	332	3.45%
Mount Vernon Mills, Brentex Division	Textile Manufacturing	259	2.69%
Wal-Mart	Retail	100	1.04%
DeWitt County	Government	96	1.00%
City of Cuero	Government	90	0.94%
Cuero Nursing & Rehabilitation Center	Health Care	85	0.88%
Whispering Oaks Manor	Health Care	65	0.68%
H.E.B.	Retail	58	<u>0.60%</u>
		<u>1,870</u>	<u>19.44%</u>

SOURCE: Cuero Development Corporation

DeWITT COUNTY, TEXAS

FULL-TIME-EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM

Last ten fiscal years

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Function/Program										
General government										
Comissioners' court	4	4	4	4	4	4	4	4	4	4
County clerk	5	5	5	5	5	5	5	5	6	6
Veterans' service officer	1	1	1	1	1	1	1	1	1	1
County auditor	3	3	3	3	3	3	3	3	3	3
County treasurer	3	3	3	2	2	2	2	2	2	2
Information technology	2	2	-	-	-	-	-	-	-	-
Tax assessor-collector	6	5	6	6	6	6	6	6	6	6
Judicial										
County court	2	2	2	2	2	2	5	2	2	2
District clerk	7	7	7	6	6	6	2	5	5	5
County attorney	3	3	3	2	2	2	3	2	2	2
Justice of the Peace #1	2	2	2	3	3	3	1	3	3	3
Justice of the Peace #2	2	2	2	2	2	1	1	1	1	1
Juvenile probation	4	4	4	4	6	6	6	5	5	5
Public works										
Sheriff	49	49	46	45	43	45	30	39	29	27
Constable #1	1	1	1	1	1	1	1	1	1	1
Constable #2	1	1	1	1	1	1	1	1	1	1
Building maintenance	2	2	2	2	2	2	2	2	2	2
Bailiffs	2	2	1	1	1	2	3	2	2	2
Precinct No. 1	10	10	9	6	6	7	5	6	6	6
Precinct No. 2	10	9	9	6	5	6	5	5	5	5
Precinct No. 3	9	10	9	6	6	6	6	6	7	7
Precinct No. 4	8	9	7	6	5	4	4	4	5	4
Health and welfare										
Extension service	3	3	3	3	3	3	3	3	3	3
Emergency management	1	1	1	1	1	1	1	1	1	1
Indigent health care	1	1	1	1	1	1	1	1	1	1
Health department	3	3	3	3	3	3	3	3	3	3
Total	<u>144</u>	<u>144</u>	<u>135</u>	<u>122</u>	<u>120</u>	<u>123</u>	<u>104</u>	<u>113</u>	<u>106</u>	<u>103</u>

SOURCE: Various DeWitt County departments

NOTE: A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Full-time-equivalent employment is calculated by dividing total labor hours by 2,080.

DeWITT COUNTY, TEXAS

OPERATING INDICATORS BY FUNCTION/PROGRAM (Unaudited)

Last ten fiscal years

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Function/Program										
General government										
County auditor										
Accounts payable invoices	9,025	8,288	8,421	7,397	7,396	7,369	7,567	7,327	6,903	7,153
County treasurer										
Payroll checks processed	4,517	4,188	4,076	3,998	3,146	3,647	3,650	3,429	3,128	2,991
Elections administrator										
New voter registrations	971	611	735	630	726	101	1,004	922	394	749
Elections held	4	4	7	2	1	1	1	1	1	1
Tax assessor-collector										
Automobile registrations	27,195	27,999	26,897	26,840	24,561	23,231	22,925	22,645	21,739	20,939
Judicial										
County court										
Criminal cases filed	469	489	533	493	533	459	489	502	516	454
Criminal case dispositions	562	523	594	536	537	697	516	642	488	599
Civil cases filed	68	74	95	32	29	51	28	30	55	28
Civil case dispositions	48	118	42	25	30	50	27	123	48	32
Juvenile cases filed	21	34	8	15	20	26	28	22	31	54
Juvenile case dispositions	20	27	14	20	20	23	32	29	35	59
District court										
Criminal cases filed	295	208	390	210	279	224	303	218	373	307
Criminal case dispositions	352	331	509	235	302	292	283	300	295	388
Civil cases filed	374	379	221	387	425	425	530	412	401	614
Civil case dispositions	605	507	328	458	456	449	494	407	448	481
Justice of the Peace #1										
Civil cases filed	139	105	120	104	140	136	56	177	231	175
Criminal cases filed	1,391	1,184	1,631	1,981	1,883	1,767	1,769	2,421	1,953	3,425
Justice of the Peace #2										
Civil cases filed	68	64	72	61	30	54	52	44	110	45
Criminal cases filed	1,028	1,078	1,053	1,031	979	1,611	3,401	1,465	1,108	666
Health and welfare										
Health department										
Immunizations administered	1,489	931	969	1,145	2,314	2,645	3,419	4,860	3,942	3,476

SOURCE: Various DeWitt County departments

DeWITT COUNTY, TEXAS

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM (Unaudited)

Last ten fiscal years

Function/Program	Fiscal Year									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
General government										
Buildings	8	8	8	8	8	8	8	8	8	8
Vehicles	2	2	2	2	2	2	2	2	2	2
Public works										
Sheriff										
Jail	5	1	1	1	1	1	1	1	1	1
Patrol units	15	19	13	13	15	12	12	12	12	9
Juvenile Probation										
Vehicles	2	2	0	0	0	0	0	0	0	0
Precincts										
Roads (miles)	690	690	690	690	690	690	690	690	690	690
Bridges	110	110	110	110	110	110	110	110	110	110
Heavy equipment	107	78	60	48	44	43	40	36	34	31
Vehicles	27	28	26	24	26	26	26	26	24	27

SOURCE: Various DeWitt County departments, Texas Department of Transportation

OVERALL COMPLIANCE AND INTERNAL CONTROL SECTION



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

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

We 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 governmental activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of DeWitt County, Texas (the "County") as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated January 10, 2017.

The financial statements of DeWitt County Drainage District No. 1 were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with DeWitt County Drainage District No. 1.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) 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 County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect 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 consolidated 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.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of 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 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 County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Harrison Waldrop Ulmer, LLP

Victoria, Texas
January 10, 2017