

DeWITT COUNTY, TEXAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the year ended September 30, 2018

Issued By
County Auditor's Office

Carrie Rea
County Auditor

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INTRODUCTORY SECTION

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Carrie Rea
DEWITT COUNTY AUDITOR

March 5, 2019

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, 2018. This report is submitted in compliance with Texas Local Government Code 114.025.

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, 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, 2018, 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, 2018, 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), no legally separate organization met the necessary criteria for inclusion as a component unit in the accompanying financial statements.

FACTORS AFFECTING FINANCIAL CONDITION

Local Economy - The overall value of taxable property in the County grew because of oil and gas completions. Real property values increased 4% and mineral values increased 13%. Drilling operations continue in the County. 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.

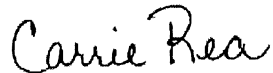
AWARDS AND ACKNOWLEDGEMENTS

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, 2017. This was the 36th 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

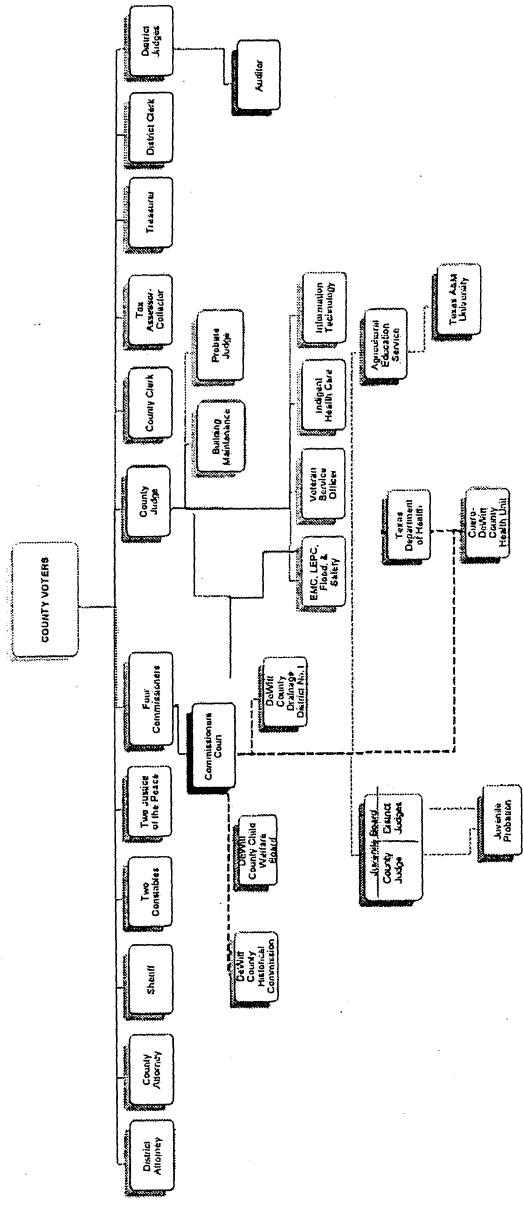
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2017

Christopher P. Merrill

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
Carl Bowen	Sheriff
Peggy Mayer	Justice of the Peace, Precinct No. 1
Blanca McBride	Justice of the Peace, Precinct No. 2
Kelly Phelps	Constable, Precinct No. 1
Steven A. Wehlmann	Constable, Precinct No. 2
Robert C. Lassmann	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



CERTIFIED PUBLIC ACCOUNTANTS
101 S. MAIN, SUITE 400
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INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of DeWitt County, Texas (the "County") as of and for the year ended September 30, 2018, 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, each major fund, and the aggregate remaining fund information of the County as of September 30, 2018, 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.

Emphasis of Matter

As discussed in Note 14 to the financial statements, in 2018 the County adopted new accounting guidance from Governmental Accounting Standards Board Statement No. 75 related to accounting for other postemployment benefit plan, which resulted in a restatement of prior year balances. Our opinion is not modified with respect to this matter.

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, budgetary comparison information, schedule of changes in net pension liability and related ratios, schedule of employer contributions, and schedule of changes in total OPEB liability and related ratios 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 major and nonmajor fund financial statements and schedules, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual major and nonmajor fund financial statements and schedules 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 major and nonmajor fund financial statements and schedules 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 March 5, 2019, 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 & Uherek, LLP

HARRISON, WALDROP & UHEREK, L.L.P.
Victoria, Texas
March 5, 2019

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, 2018. 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 and deferred outflows of the County exceeded its liabilities and deferred inflows at the close of the fiscal year by \$112,358,348. Of this amount \$20,953,244 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 \$35,284,548. The amount available for governmental discretion (unassigned fund balance) is \$17,543,416.
- At year-end, the fund balance for the General Fund was \$18,188,000, a \$4,023,672 increase over last year. The unassigned portion of fund balance for the General Fund was \$17,896,593 or 98% of total General Fund balance or 192% of total General Fund expenditures.

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 are comprised of the following components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. 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 38</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, deferred outflows of resources, liabilities, and deferred inflows of resources. The difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources is 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.

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 nonmajor 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, and the Indigent Health Care Fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with this budget and is located on page 39 of this report. Budget comparisons for the major special revenue funds are located on pages 40 through 42 of the required supplementary information. Budget comparisons for the remaining non-major appropriated funds are located on pages 76 through 80. The basic governmental fund financial statements can be found on pages 12-17 of this report.

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 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 38 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, historical pension benefits information, and other postemployment benefit (OPEB) information. Required supplementary information can be found on pages 39 through 46 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 47 through 80 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. Assets and deferred outflows exceeded liabilities and deferred inflows by \$112,358,348 at the close of the fiscal year.

DeWITT COUNTY, TEXAS NET POSITION			
	Governmental Activities		
	2018	2017*	Change
Current assets	\$ 38,362,112	\$ 39,039,883	-2%
Capital assets (net)	73,847,765	63,586,954	16%
Other non-current assets	947,563	-	N/A
Total assets	<u>113,157,440</u>	<u>102,626,837</u>	10%
Deferred outflows of resources	688,632	1,319,936	-48%
Total deferred outflows	<u>688,632</u>	<u>1,319,936</u>	-48%
Current liabilities	686,099	536,287	28%
Long-term liabilities	424,827	430,559	-1%
Total liabilities	<u>1,110,926</u>	<u>966,846</u>	15%
Deferred inflows of resources	376,798	187,066	101%
Total deferred inflows	<u>376,798</u>	<u>187,066</u>	101%
Net position			
Net investment in capital assets	73,485,462	63,586,954	16%
Restricted	17,919,642	23,109,025	-22%
Unrestricted	<u>20,953,244</u>	<u>16,096,882</u>	30%
Total net position	<u>\$112,358,348</u>	<u>\$102,792,861</u>	9%

*2017 Net position for governmental activities has been restated. See Note 14 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS - (Continued)

The County's unrestricted net position represents 19% 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 65% of net position and has increased 16% 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 and OPEB plans. Additional information can be found in Note 7 and Note 8 of this report.

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.

**DeWITT COUNTY, TEXAS
CHANGES IN NET POSITION**

	Governmental Activities		
	2018	2017*	Change
REVENUES			
Program revenues			
Charges for services	\$ 6,536,949	\$ 3,706,205	76%
Operating grants and contributions	881,141	542,608	62%
General revenues			
Property taxes	18,897,938	21,772,885	-13%
Other	805,522	727,834	11%
Total Revenues	<u>27,121,550</u>	<u>26,749,532</u>	1%
EXPENSES			
General governmental	3,687,643	3,420,506	8%
Judicial	2,188,903	2,040,247	7%
Public works	10,752,678	9,970,556	8%
Health and welfare	926,839	884,661	5%
Total Expenses	<u>17,556,063</u>	<u>16,315,970</u>	8%
Change in net position	9,565,487	10,433,562	-8%
Net Position - Beginning	<u>102,792,861</u>	<u>92,359,299</u>	11%
Net Position - Ending	<u>\$112,358,348</u>	<u>\$102,792,861</u>	9%

*2017 Net position for governmental activities has been restated. See Note 14 of this report.

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. Governmental activities increased the County's net position by \$9,565,487, which is an 8% decrease in the change from the prior year. Key elements of this change include the following:

- The County received about \$2 Million related to a new law that repatriates oil and gas revenue generated by producing minerals beneath a county right of way.
- The County received some grant money related to Hurricane Harvey.
- Property tax revenues decreased about 13%.
- Depreciation expense increased due to continued new road construction.
- Increase in expenses related to OPEB and implementation of GASB 75.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets. The County's investment in capital assets includes land, buildings and improvements, infrastructure, equipment, and vehicles. Total additions for the current fiscal year were \$13,270,204 with the majority for public works' infrastructure related to new road construction. Additional information can be found in Note 6 of this report.

DeWITT COUNTY, TEXAS CAPITAL ASSETS (Net of Depreciation)

	Governmental Activities		
	2018	2017	Change
Land	\$ 700,522	\$ 700,522	0%
Buildings and improvements	15,934,545	16,073,422	-1%
Infrastructure	52,920,996	41,881,113	26%
Equipment	3,754,383	4,368,212	-14%
Vehicles	537,319	563,685	-5%
Total	<u>\$ 73,847,765</u>	<u>\$ 63,586,954</u>	16%

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, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$35,284,548, a decrease of \$1,415,218 from the prior year due mainly to continuing road projects. Of the total fund balance, \$17,543,416 constitutes *unassigned fund balance* and is available for spending at the County's discretion, while \$291,407 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 (\$789,501) or special purposes (\$16,660,224).

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

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

The fund balance increased significantly by about 28% or \$4,023,672. Revenue and expenses in the General Fund were similar to the prior year, with slightly higher revenues in taxes, intergovernmental and interest revenues. At the end of the fiscal year, unassigned fund balance of the General Fund was \$17,896,593, while total fund balance was \$18,188,000. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 192% of total General Fund expenditures, while total fund balance represents 195% of that same amount.

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, state fees and current year road expenditures. There has been major road damage within Road and Bridge Precincts 1, 3, and 4. Road repair costs are expected to be high for the next several years. Hurricane Harvey fund is a major fund for the current year due to its liability to the General Fund. This special revenue fund continues to record grant money received and expenditures related to clean up of the storm.

BUDGETARY HIGHLIGHTS

General Fund. Differences between the original budget and the final amended budget resulted in an increase in expenditures of \$173,000. The largest increase related to expenditures in the sheriff department for \$173,000.

For the current fiscal year, the General Fund's actual expenditures came in \$1,060,903 lower than the final budget. Significant variances between the final amended budget and actual results were:

- The General Fund's revenues were 7% greater than budgeted mostly due to higher than budgeted boarding prisoners and interest income, and a new law enforcement contract.
- Non-departmental services and charges came in \$97,118 under budget.
- Information technology other services and charges came in \$127,049 under budget.
- Sheriff personnel expenditure came in \$197,547 under budget.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Local Economy. The overall value of taxable property in the County grew because of the increase in oil and gas completions during 2017. Real property in the county reached \$1.01 billion and mineral values exceeded \$3.69 billion. The valuation represents growth of 4% and 13% over the previous year, respectively. Noteworthy is the fact that the value of real property represents a 125% growth in taxable real property since 2010. Absent the volatile mineral values, the growth in taxable real property is a sustainable development that bodes well for the ability of the County to raise revenue to meet its basic needs. The growth in taxable real property also helps overcome the tax revenue ceilings that accrue to the homestead values of a growing population of residents over the age of 65 and the disabled.

Industry drilling operations focus on field development in the Eagle Ford Shale. New well completions will stabilize the volatile mineral component of the County's tax base. Additional focus on producing natural gas to support the growing trend of exporting LNG's to foreign countries will likely keep drilling rigs in the area for another decade.

Retail trade and hotel utilization continues to be strong. Sales tax rebates are stable and indicate a stable local economy. Housing demand remains high, but the rental market is not as tight as was seen in the past.

Road Damage Funding Issues. The FY2018 budget continued 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 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. The \$19 million budgeted for this purpose in the current budget

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

brings the cumulative spending to more than \$120 million for roads and bridges. Road and bridge repair and maintenance represents more than 57% of the County's planned expenditures for the year. Feedback about the road construction effort is generally positive.

HB2521, the new law that repatriates the oil and gas revenue generated by producing minerals beneath a county right of way produced more than \$2.117 million in its first year of existence. The income will be distributed evenly to the budgets of the four precincts during the fiscal year.

The County Commissioners share information with industry professionals. The discussions focus on drilling and surface operations and road repair projects. The shared information allows the road rehabilitation effort to continue according to budget. Additionally, Commissioners believe that tax dollars are more effective when resources are used to armor up a road in advance of a drilling campaign rather than rehabilitating a road after it is destroyed. TXDOT officials claim that tax dollars are five times more effective using the proactive approach.

The FY2019 Budget and Tax Rate. Budget policy and tax policy are essentially unchanged in the FY2019 budget. The Commissioner's Court will continue to repair county roads damaged by oil and gas activity and use tax revenue raised from mineral values to support the repairs. In 2012 the Commissioner's Court determined that lowering the tax rate created abatement for the oil companies and the beneficiaries of the new wealth. Rather than abate, the Commissioner's Court voted to hold the County tax rate at the prior year's rate. Because of the tax rate policy, the county reserve funds are higher than historic levels. The County adopts budgets that utilize the reserves in such a way that the work force remains steady and services can continue without disruption.

Because oil and gas activity continues throughout the western one-half of the county and repairs to county roads throughout the county are a priority, the Commissioner's Court adopted the same tax rate of .46937 per \$100 of appraised value for the sixth consecutive year. The adoption of the tax rate produces a 14.4% revenue increase over the previous year's revenue. Because the tax rate produces more than 8% additional tax revenue, the citizens of the county can object by way of a referendum. The provision for a tax rollback election is explained in Chapter 26 of the Tax Code. The Commissioner's Court adopted tax rates above the revenue cap in 2012 and 2013 and the citizens of the County chose not to pursue a rollback election both times.

In 2013, the Texas Legislature created County Energy Transportation Reinvestment Zones (CETRZ) as a new source of tax revenue in order to pay for damages to County roads in the energy sectors. In 2017, Texas oil and gas associations were successful in their effort to repeal the law. With the law repealed, counties in the energy sector are exposed to the provisions of the Tax Code that provide for a rollback election.

Although, anticipated tax receipts will be higher in the FY2019 budget, the commissioner's court decided to maintain countywide services at the same level as FY2018 and to continue road repairs at the same pace as recent years. The FY2019 budget will draw down approximately \$8 million of reserve funds in order to continue road and bridge efforts at recent activity levels.

The Commissioner's Court believes that wage pressures caused by the Eagle Ford Shale development have been addressed adequately for the time being. A 3% cost of living increase is included in the budget. Other budget items include an appropriation for engineers, architects and equipment upgrades. 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. The County Clerk will likely occupy leased offices in downtown Cuero until a permanent solution is defined. The County is seeking to build a network of communication towers for law enforcement and public safety. A rehabilitation project of the County-owned historic Bates-Sheppard House will commence in this fiscal year.

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, 2018

	<u>Governmental Activities</u>
ASSETS	
Current assets	
Cash and cash equivalents	\$ 34,244,167
Receivables (net)	2,182,463
Due from other governments	1,928,732
Due from others	<u>6,750</u>
Total current assets	<u>38,362,112</u>
Noncurrent assets	
Capital assets	
Land and other assets not being depreciated	700,522
Buildings, equipment, and vehicles (net)	<u>73,147,243</u>
Net capital assets	<u>73,847,765</u>
Net pension asset	<u>947,563</u>
Total noncurrent assets	<u>74,795,328</u>
Total assets	<u>113,157,440</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflow related to pension	668,236
Deferred outflow related to OPEB	<u>20,396</u>
Total deferred outflows of resources	<u>688,632</u>
LIABILITIES	
Current liabilities	
Accounts payable	476,877
Accrued expenses	179,224
Accrued compensated absences	<u>29,998</u>
Total current liabilities	<u>686,099</u>
Noncurrent liabilities	
OPEB liability	334,833
Accrued compensated absences	<u>89,994</u>
Total noncurrent liabilities	<u>424,827</u>
Total liabilities	<u>1,110,926</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflow related to pension	<u>376,798</u>
Total deferred inflows of resources	<u>376,798</u>
NET POSITION	
Net investment in capital assets	73,485,462
Restricted for	
Courts	378,554
Health and welfare	485,822
Public safety	188,589
Public works	16,077,176
Capital projects	789,501
Unrestricted	<u>20,953,244</u>
Total net position	<u>\$ 112,358,348</u>

The accompanying notes are an integral part of this statement.

DeWITT COUNTY, TEXAS
STATEMENT OF ACTIVITIES
For the year ended September 30, 2018

Function/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
					Governmental Activities
Primary Government					
Governmental activities					
General government	\$ 3,687,643	\$ 1,701,935	\$ 581,748	\$ -	\$ (1,403,960)
Judicial	2,188,903	676,093	5,556	-	(1,507,254)
Public works	10,752,678	4,017,139	254,552	-	(6,480,987)
Health and welfare	<u>926,839</u>	<u>141,782</u>	<u>39,285</u>	-	<u>(745,772)</u>
Total governmental activities	<u>17,556,063</u>	<u>6,536,949</u>	<u>881,141</u>	-	<u>(10,137,973)</u>
Total primary government	<u>\$ 17,556,063</u>	<u>\$ 6,536,949</u>	<u>\$ 881,141</u>	<u>\$ -</u>	<u>(10,137,973)</u>
General revenues:					
Taxes:					
Property taxes, levied for general purposes					18,897,938
Miscellaneous					213,491
Unrestricted investment earnings					<u>592,031</u>
Total general revenues					<u>19,703,460</u>
Change in net position					9,565,487
Net position - beginning (as restated)					<u>102,792,861</u>
Net position - ending					<u>\$ 112,358,348</u>

The accompanying notes are an integral part of this statement.

DeWITT COUNTY, TEXAS*BALANCE SHEET**GOVERNMENTAL FUNDS**September 30, 2018*

	General Fund	Road and Bridge Precinct 1	Road and Bridge Precinct 3
ASSETS			
Current assets			
Cash and cash equivalents	\$ 17,829,221	\$ 7,361,010	\$ 5,358,640
Receivables (net)			
Taxes receivable	796,680	-	-
Fines receivable	915,866	-	-
Due from other funds	456,627	-	-
Due from other governments	83,263	386,392	387,178
Due from others	6,750	-	-
Total assets	<u>\$ 20,088,407</u>	<u>\$ 7,747,402</u>	<u>\$ 5,745,818</u>
LIABILITIES			
Accounts payable	\$ 69,777	\$ 251,100	\$ 240
Accrued expenditures	118,084	11,260	9,160
Due to other funds	-	-	-
Total liabilities	<u>187,861</u>	<u>262,360</u>	<u>9,400</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	796,680	-	-
Unavailable revenue - assessed fines	915,866	-	-
Unavailable revenue - grant	-	-	-
Total deferred inflows of resources	<u>1,712,546</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Restricted			
Courts	-	-	-
Health and welfare	-	-	-
Public safety	-	-	-
Public works	-	7,485,042	5,736,418
Various capital projects	-	-	-
Assigned - building maintenance	291,407	-	-
Unassigned	17,896,593	-	-
Total fund balances	<u>18,188,000</u>	<u>7,485,042</u>	<u>5,736,418</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 20,088,407</u>	<u>\$ 7,747,402</u>	<u>\$ 5,745,818</u>

The accompanying notes are an integral part of this statement.

Road and Bridge Precinct 4	Hurricane Harvey	Other Governmental Funds	Total Governmental Funds
\$ 798,279	\$ -	\$ 2,897,017	\$ 34,244,167
-	-	469,917	1,266,597
-	-	-	915,866
-	-	-	456,627
363,165	338,831	369,903	1,928,732
-	-	-	6,750
<u>\$ 1,161,444</u>	<u>\$ 338,831</u>	<u>\$ 3,736,837</u>	<u>\$ 38,818,739</u>
\$ 9,713	\$ -	\$ 146,047	\$ 476,877
8,663	-	32,057	179,224
-	453,008	3,619	456,627
<u>18,376</u>	<u>453,008</u>	<u>181,723</u>	<u>1,112,728</u>
-	-	469,917	1,266,597
-	-	-	915,866
-	239,000	-	239,000
-	239,000	469,917	2,421,463
-	-	378,554	378,554
-	-	483,583	483,583
-	-	188,589	188,589
1,143,068	-	1,244,970	15,609,498
-	-	789,501	789,501
-	-	-	291,407
-	(353,177)	-	17,543,416
<u>1,143,068</u>	<u>(353,177)</u>	<u>3,085,197</u>	<u>35,284,548</u>
<u>\$ 1,161,444</u>	<u>\$ 338,831</u>	<u>\$ 3,736,837</u>	<u>\$ 38,818,739</u>

DeWITT COUNTY, TEXAS

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

September 30, 2018

Total governmental fund balances \$ 35,284,548

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. Grant proceeds are not available at year-end and are not reported as revenue in the governmental funds.

Taxes receivable	\$ 1,266,597	
Fines receivable	915,866	
Due from other government	<u>239,000</u>	2,421,463

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

Cost of assets	89,491,549	
Accumulated depreciation	<u>(15,643,784)</u>	73,847,765

Items required by GASB 68 and GASB 75 and included in governmental activities in the statement of net position:

Net pension asset	947,563	
OPEB liability	(334,833)	
Deferred outflow of resources related to pension	668,236	
Deferred outflow of resources related to OPEB	20,396	
Deferred inflow of resources related to pension	<u>(376,798)</u>	924,564

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>(119,992)</u>
----------------------	--	------------------

Net position of governmental activities \$ 112,358,348

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, 2018

	General Fund	Road and Bridge Precinct 1	Road and Bridge Precinct 3
REVENUES			
Taxes	\$ 10,851,946	\$ 2,413,913	\$ 2,505,191
Licenses and permits	6,664	244,854	270,444
Intergovernmental	1,523,726	540,014	539,062
Charges for services	842,483	23,692	116,074
Fines and forfeitures	299,796	-	-
Interest	280,030	118,012	92,079
Miscellaneous	64,882	1,230	8,012
Total revenues	<u>13,869,527</u>	<u>3,341,715</u>	<u>3,530,862</u>
EXPENDITURES			
Current			
General government	2,689,458	-	-
Judicial	1,328,197	-	-
Public works	5,100,350	4,969,747	4,918,972
Health and welfare	210,955	-	-
Total expenditures	<u>9,328,960</u>	<u>4,969,747</u>	<u>4,918,972</u>
Excess (deficiency) of revenues over expenditures	<u>4,540,567</u>	<u>(1,628,032)</u>	<u>(1,388,110)</u>
OTHER FINANCING SOURCES (USES)			
Sale of capital assets	20,459	1,153	24,000
Transfers in	-	175,305	208,647
Transfers out	(537,354)	-	(24,826)
Total other financing sources (uses)	<u>(516,895)</u>	<u>176,458</u>	<u>207,821</u>
Net change in fund balances	4,023,672	(1,451,574)	(1,180,289)
Fund balances, beginning of year	<u>14,164,328</u>	<u>8,936,616</u>	<u>6,916,707</u>
Fund balances, end of year	<u>\$ 18,188,000</u>	<u>\$ 7,485,042</u>	<u>\$ 5,736,418</u>

The accompanying notes are an integral part of this statement.

Road and Bridge Precinct 4	Hurricane Harvey	Other Governmental Funds	Total Governmental Funds
\$ 1,235,290	\$ -	\$ 1,802,411	\$ 18,808,751
95,322	-	101,634	718,918
531,822	143,498	1,095,405	4,373,527
-	-	315,078	1,297,327
-	-	-	299,796
15,356	-	86,554	592,031
1,261	-	305,673	381,058
<u>1,879,051</u>	<u>143,498</u>	<u>3,706,755</u>	<u>26,471,408</u>
-	296,812	219,808	3,206,078
-	-	438,910	1,767,107
2,859,901	-	4,270,104	22,119,074
-	-	665,308	876,263
<u>2,859,901</u>	<u>296,812</u>	<u>5,594,130</u>	<u>27,968,522</u>
<u>(980,850)</u>	<u>(153,314)</u>	<u>(1,887,375)</u>	<u>(1,497,114)</u>
7,011	-	29,273	81,896
155,352	-	696,103	1,235,407
-	-	(673,227)	(1,235,407)
<u>162,363</u>	<u>-</u>	<u>52,149</u>	<u>81,896</u>
(818,487)	(153,314)	(1,835,226)	(1,415,218)
<u>1,961,555</u>	<u>(199,863)</u>	<u>4,920,423</u>	<u>36,699,766</u>
<u>\$ 1,143,068</u>	<u>\$ (353,177)</u>	<u>\$ 3,085,197</u>	<u>\$ 35,284,548</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, 2018*

Total net change in fund balances - governmental funds \$ (1,415,218)

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

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. 13,270,204

Depreciation is not recognized as an expense on the governmental funds since it does not require the use of current financial resources. (2,988,536)

Because some property taxes, fines and grant proceeds 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	\$ 241,639	
Fines	108,464	
Grant proceeds	<u>239,000</u>	589,103

Disposal of assets should be reported as gains or losses in the government-wide financial statements.

Sale of capital assets	(81,896)	
Gain on disposal of assets	<u>61,039</u>	(20,857)

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:

Net pension costs	153,731	
Net OPEB costs	(17,070)	
Increase in compensated absences	<u>(5,870)</u>	<u>130,791</u>

Change in net position of governmental activities \$ 9,565,487

DeWITT COUNTY, TEXAS

STATEMENT OF FIDUCIARY NET POSITION

September 30, 2018

	<u>Agency Funds</u>
ASSETS	
Cash	\$ 902,719
Total assets	<u>\$ 902,719</u>
LIABILITIES	
Due to others	\$ 902,719
Total liabilities	<u>\$ 902,719</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.

A. Reporting Entity

As required by GAAP, the County's financial statements present the County and its component units, entities for which the County is considered financially accountable. A component unit is included in the County's reporting entity if either of the following are applicable: (1) the County appoints a voting majority of the component unit's governing body and the County is able to impose its will on the component unit or there is potential for the component unit to provide specific financial benefits to or impose specific financial burdens on the County; (2) the component unit is fiscally dependent on the County and there is a potential for the component unit to provide specific financial benefits to, or impose specific financial burdens on the primary government. The County is required to consider other organizations for which the nature and significance of their relationship with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. Under these guidelines, no legally separate organization met the necessary criteria for inclusion as a component unit in the accompanying financial statements.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all non-fiduciary activities of the County. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The County had no business-type activities during the current year.

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 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.

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

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. 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, intergovernmental revenue, 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 2017 tax levy is dedicated to pay for expenditures of the 2018 budget.

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, Precinct 3, and Precinct 4 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. Tax revenues represent the major revenue source in these funds.

Hurricane Harvey is a special revenue fund that accounts for resources such as insurance proceeds and grant revenue and expenditures that capture the total cost of the storm to the County.

Additionally, the County reports the following nonmajor 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.

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

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

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.

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.

Budget expenditure amendments made during the year to the General Fund budget netted an increase of \$173,000.

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.

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

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.

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 fines 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, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) 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, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at acquisition value.

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

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

J. Long-term Obligations

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

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 two items qualifying in this category under the economic resources measurement focus only. Therefore, both items are only reported in the government-wide financial statements. The deferred amounts are calculated in the actuarial studies required by GASB Statement No. 68 "Accounting and Financial Reporting for Pensions" (GASB No. 68), GASB Statement No. 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions" (GASB No. 75) and the related current year pension and OPEB contributions made after the measurement date, but before year-end. The amounts are deferred and amortized over a period of time.

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

K. Deferred Outflows/Inflows of Resources - (Continued)

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 four items that qualify for reporting in this category. One of the items that qualifies for reporting as a deferred inflow of resources is calculated in the actuarial pension study required by GASB No. 68. The remaining three 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, fines and grant revenue. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

L. Pensions

For purposes of measuring the net pension liability or asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Texas County & District Retirement System (TCDRS) and additions to/deductions from TCDRS's fiduciary net position have been determined on the same basis as they are reported by TCDRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Information regarding the County's pension liability or asset is obtained from TCDRS through a report prepared for the County by TCDRS consulting actuary, Milliman, Inc., in compliance with GASB No. 68.

M. Other Postemployment Benefit Plan (OPEB)

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information is obtained from TCDRS through a report prepared for the County by TCDRS consulting actuary, Milliman, Inc., in compliance with GASB No. 75. The contributions for retiree Group Term Life (GTL) coverage are assigned to the OPEB plan under GASB No. 75 and are used to determine the benefit payments.

N. 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 government-wide statements, it is the County's policy to consider restricted net position before unrestricted net position. 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)

N. 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.

O. 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 and disclosure of contingent 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, 2018, the following fund had a deficit fund equity balance:

<u>Fund</u>	<u>Deficit Fund Balance</u>
Major Fund	
Hurricane Harvey	\$ 353,177

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 fiscal year ended September 30, 2018, the County complied with budgetary restrictions at all function levels.

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	\$ 31,863,783
Money market funds	922,654
Certificate of deposit	1,453,930
Cash on hand	<u>3,800</u>
Total cash and cash equivalents	<u>\$ 34,244,167</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

Credit risk is the risk that an issuer or counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized rating agencies are designed to give an indication of 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 DWS 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, all of the County's deposits were fully collateralized and therefore, the County was not exposed to custodial credit risk.

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.

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>Nonmajor</u>	<u>Total</u>
Gross receivables			
Ad valorem taxes	\$ 914,666	\$ 547,182	\$ 1,461,848
Fines	<u>6,105,772</u>	<u>-</u>	<u>6,105,772</u>
Total gross receivables	7,020,438	547,182	7,567,620
Less: allowances	<u>5,307,892</u>	<u>77,265</u>	<u>5,385,157</u>
Total net receivables	<u>\$ 1,712,546</u>	<u>\$ 469,917</u>	<u>\$ 2,182,463</u>

The only receivables not expected to be collected within one year are \$659,270 of fines receivable reported in the General Fund.

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	\$ 796,680	\$ -	\$ 796,680
Fines receivable	915,866	-	915,866
Grant	<u>239,000</u>	<u>-</u>	<u>239,000</u>
	<u>1,951,546</u>	<u>-</u>	<u>1,951,546</u>
Nonmajor Funds			
Taxes receivable	<u>469,917</u>	<u>-</u>	<u>469,917</u>
	<u>469,917</u>	<u>-</u>	<u>469,917</u>
Total unavailable revenue	<u>\$ 2,421,463</u>	<u>\$ -</u>	<u>\$ 2,421,463</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 2017 tax roll. This tax rate resulted in a current year tax levy of \$19,514,822.

NOTE 5: DUE FROM OTHER GOVERNMENTS

At year-end, various funds of the County reported the following amounts due from other governments:

	<u>General</u>	<u>Other Funds</u>	<u>Total</u>
Contract reimbursements	\$ 83,263	\$ -	\$ 83,263
State grants	-	344,387	344,387
State fees	-	<u>1,501,082</u>	<u>1,501,082</u>
	<u>\$ 83,263</u>	<u>\$ 1,845,469</u>	<u>\$ 1,928,732</u>

NOTE 6: 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	\$ 700,522	\$ -	\$ -	\$ 700,522
Total capital assets not being depreciated	<u>700,522</u>	<u>-</u>	<u>-</u>	<u>700,522</u>
Capital assets, being depreciated				
Buildings and improvements	21,996,268	391,040	-	22,387,308
Infrastructure	43,362,623	12,150,753	-	55,513,376
Machinery and equipment	8,929,590	511,418	115,232	9,325,776
Vehicles	<u>1,469,186</u>	<u>216,993</u>	<u>121,612</u>	<u>1,564,567</u>
Total capital assets being depreciated	<u>75,757,667</u>	<u>13,270,204</u>	<u>236,844</u>	<u>88,791,027</u>
Less accumulated depreciation for				
Buildings and improvements	5,922,846	529,917	-	6,452,763
Infrastructure	1,481,510	1,110,870	-	2,592,380
Machinery and equipment	4,561,378	1,115,376	105,361	5,571,393
Vehicles	<u>905,501</u>	<u>232,373</u>	<u>110,626</u>	<u>1,027,248</u>
Total accumulated depreciation	<u>12,871,235</u>	<u>2,988,536</u>	<u>215,987</u>	<u>15,643,784</u>
Total capital assets being depreciated, net	<u>62,886,432</u>	<u>10,281,668</u>	<u>20,857</u>	<u>73,147,243</u>
Governmental activities capital assets, net	<u>\$ 63,586,954</u>	<u>\$ 10,281,668</u>	<u>\$ 20,857</u>	<u>\$ 73,847,765</u>

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

Governmental activities

General government	\$ 721,731
Judicial	441,108
Public works	1,772,799
Health and welfare	<u>52,898</u>
Total depreciation expense - governmental activities	<u>\$ 2,988,536</u>

NOTE 7: EMPLOYEES' RETIREMENT PLAN

General Information about the Pension Plan

Plan description. The County's defined benefit pension plan provides pensions for all full-time and part-time non-temporary 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, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	80
Inactive employees entitled to but not yet receiving benefits	103
Active employees	<u>153</u>
	<u>336</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, 2018, 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(Asset).

The County's net pension liability(asset) was measured as of December 31, 2017, and the total pension liability(asset) used to calculate the net pension liability(asset) was determined by an actuarial valuation as of that date.

NOTE 7: EMPLOYEES' RETIREMENT PLAN - (Continued)

Actuarial assumptions. The total pension liability(asset) in the December 31, 2017 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 normal
Amortization method	
Recognition of economic/ demographic gains or losses	Straight-line amortization over expected working life
Recognition of assumptions changes or inputs	Straight-line amortization over expected working life
Asset valuation method	
Smoothing period	5 years
Recognition method	Non-asymptotic
Corridor	None
Inflation	2.75%
Salary increases	Varies by age and service. 4.85% average over career including inflation
Investment rate of return	8.10% (gross of administrative expenses)
Cost of living adjustments	Cost of living adjustments for DeWitt County are not considered to be substantively automatic under GASB 68. Therefore, no assumption for future cost of living adjustments is included in the GASB calculations. No assumption for future cost of living adjustments is included in the funding valuation.
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.
Turnover	The rate of assumed future termination from active participation in the plan for reasons other than death, disability or retirement is 0% for the two years immediately prior to retirement eligibility. Rates are reduced at ages near retirement as it is anticipated that a member would be less likely to take a withdrawal. New employees are assumed to replace any terminated members and have similar entry ages.
Mortality	For service retirees and beneficiaries, 130% and 110% of the RP-2014 Healthy Annuitant Mortality Table for males and females, respectively, both projected with 110% of the MP-2014 Ultimate scale after 2014. For depositing members, 90% of the RP-2014 Active Employee Mortality Table, projected with 110% of the MP-2014 Ultimate scale after 2014. For disabled retirees, 130% and 115% of the RP-2014 Disabled Annuitant Mortality Table for males and females, respectively, both projected with 110% of the MP-2014 Ultimate scale after 2014.

NOTE 7: EMPLOYEES' RETIREMENT PLAN - (Continued)

Actuarial assumptions. - (Continued)

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:

Asset Class	Benchmark	Target Allocation ⁽¹⁾	Geometric Real Rate of Return ⁽²⁾
US Equities	Dow Jones U.S. Total Stock Market Index	11.50%	4.55%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index ⁽³⁾	16.00%	7.55%
Global Equities	MSCI World (net) Index	1.50%	4.85%
International Equities - Developed	MSCI World Ex USA (net) Index	11.00%	4.55%
International Equities - Emerging	MSCI Emerging Markets (net) Index	8.00%	5.55%
Investment-Grade Bonds	Bloomberg Barclays U.S. Aggregate Bond Index	3.00%	75.00%
Strategic Credit	FTSE High-Yield Cash-Pay Capped Index	8.00%	4.12%
Direct Lending	S&P/LSTA Leveraged Loan Index	10.00%	8.06%
Distressed Debt	Cambridge Associates Distressed Securities Ind	2.00%	6.30%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% S&P Global REIT (net) Index	2.00%	4.05%
Master Limited Partnerships	Alerian MLP Index	3.00%	6.00%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index ⁽⁵⁾	6.00%	6.25%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	18.00%	4.10%

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

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

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

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

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

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 7: EMPLOYEES' RETIREMENT PLAN - (Continued)

Changes in Net Pension Liability(Asset).

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability(Asset)
	(a)	(b)	(a) - (b)
Balance at 12/31/2016	\$ 15,643,236	\$ 15,603,256	\$ 39,980
Changes for the year:			
Service cost	718,091	-	718,091
Interest	1,290,974	-	1,290,974
Effect of plan changes	-	-	-
Effect of economic/demographic gains or losses	126,093	-	126,093
Effect of assumptions changes/inputs	134,747	-	134,747
Refund of contributions	(121,512)	(121,512)	-
Benefit payments	(742,047)	(742,047)	-
Administrative expense	-	(11,969)	11,969
Member contributions	-	498,093	(498,093)
Net investment income	-	2,279,537	(2,279,537)
Employer contributions	-	490,228	(490,228)
Other changes	-	1,559	(1,559)
Balance at 12/31/2017	<u>\$ 17,049,582</u>	<u>\$ 17,997,145</u>	<u>\$ (947,563)</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	\$ 19,097,004	\$ 17,049,582	\$ 15,310,626
Fiduciary net position	<u>17,997,144</u>	<u>17,997,145</u>	<u>17,997,144</u>
Net pension liability / (asset)	<u>\$ 1,099,860</u>	<u>\$ (947,563)</u>	<u>\$ (2,686,518)</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 7: EMPLOYEES' RETIREMENT PLAN - (Continued)Pension Expense and Deferred Outflows/Inflows of Resources

For the year ended September 30, 2018, the County recognized pension expense of \$349,006. At September 30, 2018 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	\$ 127,406	\$ 93,533
Changes of assumptions	152,444	-
Net difference between projected and actual earnings	-	283,265
Contributions made subsequent to measurement date	<u>388,386</u>	<u>-</u>
Total	<u>\$ 668,236</u>	<u>\$ 376,798</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:	
2019	\$ 84,407
2020	96,866
2021	(128,163)
2022	(150,058)
2023	-
Thereafter	-

Payable to the Pension Plan

At September 30, 2018, the County reported a payable of \$20,580, grouped with accrued expenses, for the outstanding amount of contributions to the pension plan required for the year ended September 30, 2018.

NOTE 8: OTHER POSTEMPLOYMENT BENEFIT (OPEB)General Information about the Plan

Plan description. The County's participates in the retiree Group Term Life (GTL) program for the Texas County & District Retirement System (TCDRS), which is a statewide, multiple-employer, public employee retirement system. The plan provides benefits all full-time and part-time non-temporary employees of the County.

Benefits provided. The plan provides a \$5,000 post-retirement death benefit to beneficiaries of service retirees and disability retirees. The OPEB benefit is a fixed \$5,000 lump-sum benefit and no future increases are assumed. Benefit terms are established under the TCDRS Act. Participation in the retiree GTL program is optional and the County may elect to opt out of (or opt into) coverage as of Jan. 1 each year.

NOTE 8: OTHER POSTEMPLOYMENT BENEFIT (OPEB) - (Continued)

Employees covered by benefit terms. At September 30, 2018, the following employees were covered by the benefit terms:

Inactive employees receiving benefits	60
Inactive employees entitled to but not yet receiving benefits	42
Active employees	<u>153</u>
	<u>255</u>

Contributions. Contributions made to the retiree GTL Program are held in the GTL Fund. The GTL fund does not meet the requirements of a trust under Paragraph 4b of GASB No. 75, as the assets of the GTL fund can be used to pay active GTL benefits which are not part of the OPEB plan. The County's contribution rate for the retiree GTL program is calculated annually on an actuarial basis, and is equal to the cost of providing a one-year death benefit equal to \$5,000.

Total OPEB Liability.

The County's total OPEB liability was determined by an actuarial valuation as of the valuation date, December 31, 2017, calculated based on the discount rate and actuarial assumptions.

Actuarial assumptions. All actuarial assumptions and methods that determined the total OPEB liability as of December 31, 2017 were based on the results of an actuarial experience study for the period January 1, 2013 - December 31, 2016, except where required to be different by GASB No. 75.

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 normal
Amortization method	
Recognition of economic/ demographic gains or losses	Straight-line amortization over expected working life
Recognition of assumptions changes or inputs	Straight-line amortization over expected working life
Asset valuation method	Does not apply
Inflation	Does not apply
Salary increases	Does not apply
Investment rate of return (Discount rate)	3.44%; 20 year bond GO Index published by bondbuyer.com as of December 28, 2017
Cost of living adjustment	Does not apply
Disability	Based on TCDRS experience
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.

NOTE 8: OTHER POSTEMPLOYMENT BENEFIT (OPEB) - (Continued)

Actuarial assumptions. - (Continued)

Mortality	For service retirees and beneficiaries, 130% and 110% of the RP-2014 Healthy Annuitant Mortality Table for males and females, respectively, both projected with 110% of the MP-2014 Ultimate scale after 2014. For depositing members, 90% of the RP-2014 Active Employee Mortality Table, projected with 110% of the MP-2014 Ultimate scale after 2014. For disabled retirees, 130% and 115% of the RP-2014 Disabled Annuitant Mortality Table for males and females, respectively, both projected with 110% of the MP-2014 Ultimate scale after 2014.
Other Termination of Employment	The rate of assumed future termination from active participation in the plan for reasons other than death, disability or retirement vary by length of service, entry-age group and gender. No termination after eligibility for retirement is assumed.

Discount Rate. The discount rate used to measure the total OPEB liability at December 31, 2017 was 3.44%, a decrease from the rate of 3.78% at December 31, 2016. The OPEB plan has been determined to be an unfunded OPEB plan; therefore, only the municipal bond rate applies.

Changes in Total OPEB Liability.

	<u>Changes in Total OPEB Liability</u>
Balance at 12/31/2016	\$ 304,987
Changes for the year:	
Service cost	12,736
Interest	11,824
Changes in benefit terms	-
Effect of economic/demographic experience	1,385
Effect of assumptions changes/inputs	13,838
Refund of contributions	-
Benefit payments	(9,937)
Other	-
Balance at 12/31/2017	<u>\$ 334,833</u>

NOTE 8: OTHER POSTEMPLOYMENT BENEFIT (OPEB) - (Continued)

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the County, calculated using the discount rate of 3.44%, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.44%) or 1-percentage-point higher (4.44%) than the current rate. Note that the healthcare cost trend rate does not affect the Total OPEB liability, so sensitivity to the healthcare cost trend rate is not shown.

	1% Decrease	Current Discount Rate	1% Increase
	2.44%	3.44%	4.44%

Total OPEB liability	\$	400,300	\$	334,833	\$	284,640
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OPEB Expense and Deferred Outflows/Inflows of Resources

For the year ended September 30, 2018, the County recognized OPEB expense of \$26,735. At September 30, 2018 the County reported the following deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>
Differences between expected and actual experience	\$ 1,187
Changes of assumptions	11,861
Contributions made subsequent to measurement date	<u>7,348</u>
Total	<u>\$ 20,396</u>

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

Year ended September 30:	
2019	\$ 2,175
2020	2,175
2021	2,175
2022	2,175
2023	2,175
Thereafter	2,173

NOTE 9: 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 10: 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 11: LONG-TERM DEBTA. 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					
Compensated absences	\$ 114,122	\$ 30,000	\$ 24,130	\$ 119,992	\$ 29,998
OPEB liability	304,987	29,846	-	334,833	-
Net pension liability(asset)	39,980	-	987,543	(947,563)	-
Total long-term liabilities	<u>\$ 459,089</u>	<u>\$ 59,846</u>	<u>\$ 1,011,673</u>	<u>\$ (492,738)</u>	<u>\$ 29,998</u>

Compensated absences are generally liquidated by the General Fund.

NOTE 12: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERSA. 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. These transactions related to purchases by one fund on behalf of the other.

	<u>Receivable Fund - Governmental Funds</u>		
<u>Payable Fund</u>	<u>General Fund</u>	<u>Nonmajor</u>	<u>Total</u>
Hurricane Harvey	\$ 453,008	\$ -	\$ 453,008
Nonmajor	<u>3,619</u>	<u>-</u>	<u>3,619</u>
	<u>\$ 456,627</u>	<u>\$ -</u>	<u>\$ 456,627</u>

NOTE 12: 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 between the County's road funds and the road precinct funds for operations.

<u>Transfers Out</u>	<u>Transfers In - Governmental Funds</u>				
	<u>Precinct 1</u>	<u>Precinct 3</u>	<u>Precinct 4</u>	<u>Nonmajor</u>	<u>Total</u>
General	\$ -	\$ -	\$ -	\$ 537,354	\$ 537,354
Precinct 3	-	-	-	24,826	24,826
Nonmajor funds	175,305	208,647	155,352	133,923	673,227
	<u>\$ 175,305</u>	<u>\$ 208,647</u>	<u>\$ 155,352</u>	<u>\$ 696,103</u>	<u>\$ 1,235,407</u>

NOTE 13: 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 14: ADJUSTMENT TO AND RESTATEMENT OF BEGINNING BALANCES

During fiscal year 2018, the County adopted GASB No. 75. With GASB No. 75, the County must record the total OPEB liability per Texas County and District Retirement System. Adoption of GASB No. 75 required a prior period adjustment to report the effect of GASB No. 75 retroactively. The amount of the prior period adjustment is \$297,367. The restated beginning net position is \$102,792,861.

NOTE 15: SUBSEQUENT EVENTS

There were no events, which occurred subsequent to year-end and prior to the issuance of this report, which would have a material effect on the County's financial position as of September 30, 2018 that have not been adjusted.

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, 2018

	<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	\$10,609,557	\$10,609,557	\$10,851,946	\$ -	\$10,851,946
Licenses and permits	2,500	2,500	6,664	-	6,664
Intergovernmental	985,881	985,881	1,567,507	43,781	1,523,726
Charges for services	960,765	960,765	843,408	925	842,483
Fines and forfeitures	281,500	281,500	299,796	-	299,796
Interest	127,000	127,000	280,030	-	280,030
Miscellaneous	<u>30,000</u>	<u>30,000</u>	<u>63,957</u>	<u>(925)</u>	<u>64,882</u>
Total revenues	<u>12,997,203</u>	<u>12,997,203</u>	<u>13,913,308</u>	<u>43,781</u>	<u>13,869,527</u>
EXPENDITURES					
Current					
General government	3,153,299	3,103,146	2,689,851	393	2,689,458
Judicial	1,451,704	1,495,687	1,330,620	2,423	1,328,197
Public works	5,427,787	5,606,957	5,131,010	30,660	5,100,350
Health and welfare	<u>217,525</u>	<u>217,525</u>	<u>210,931</u>	<u>(24)</u>	<u>210,955</u>
Total expenditures	<u>10,250,315</u>	<u>10,423,315</u>	<u>9,362,412</u>	<u>33,452</u>	<u>9,328,960</u>
Excess of revenues over expenditures	<u>2,746,888</u>	<u>2,573,888</u>	<u>4,550,896</u>	<u>10,329</u>	<u>4,540,567</u>
OTHER FINANCING SOURCES (USES)					
Sale of capital assets	100	100	13,709	(6,750)	20,459
Transfers in	-	-	44,855	44,855	-
Transfers out	<u>(537,354)</u>	<u>(537,354)</u>	<u>(537,354)</u>	<u>-</u>	<u>(537,354)</u>
Total other financing sources (uses)	<u>(537,254)</u>	<u>(537,254)</u>	<u>(478,790)</u>	<u>38,105</u>	<u>(516,895)</u>
Net change in fund balance	2,209,634	2,036,634	4,072,106	48,434	4,023,672
Fund balance, beginning of year	<u>14,142,804</u>	<u>14,142,804</u>	<u>14,142,804</u>	<u>(21,524)</u>	<u>14,164,328</u>
Fund balance, end of year	<u>\$16,352,438</u>	<u>\$16,179,438</u>	<u>\$18,214,910</u>	<u>\$ 26,910</u>	<u>\$18,188,000</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 schedule.

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, 2018*

	Original Budget	Final Budget	Actual Budgetary Basis	Budget to GAAP Over (Under)	Actual GAAP Basis
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ (2,413,913)	\$ 2,413,913
Licenses and permits - auto registration	250,000	250,000	243,451	(1,403)	244,854
Intergovernmental	261,000	261,000	183,814	(356,200)	540,014
Charges for services	10,000	10,000	23,692	-	23,692
Interest	50,000	50,000	118,012	-	118,012
Miscellaneous	1,000	1,000	1,230	-	1,230
Total revenues	<u>572,000</u>	<u>572,000</u>	<u>570,199</u>	<u>(2,771,516)</u>	<u>3,341,715</u>
EXPENDITURES					
Current					
Public works					
Personnel services	657,973	657,973	633,461	543	632,918
Supplies	185,300	193,407	173,240	400	172,840
Other services and charges	129,000	120,893	104,639	(46,214)	150,853
Capital outlay	5,291,000	5,291,000	3,961,622	(51,514)	4,013,136
Total expenditures	<u>6,263,273</u>	<u>6,263,273</u>	<u>4,872,962</u>	<u>(96,785)</u>	<u>4,969,747</u>
Excess (deficiency) of revenues over expenditures	<u>(5,691,273)</u>	<u>(5,691,273)</u>	<u>(4,302,763)</u>	<u>(2,674,731)</u>	<u>(1,628,032)</u>
OTHER FINANCING SOURCES (USES)					
Sale of capital assets	-	-	1,153	-	1,153
Transfers in	2,589,218	2,589,218	2,589,218	2,413,913	175,305
Total other financing sources (uses)	<u>2,589,218</u>	<u>2,589,218</u>	<u>2,590,371</u>	<u>2,413,913</u>	<u>176,458</u>
Net change in fund balance	(3,102,055)	(3,102,055)	(1,712,392)	(260,818)	(1,451,574)
Fund balance, beginning of year	8,936,616	8,936,616	8,936,616	-	8,936,616
Fund balance, end of year	<u>\$ 5,834,561</u>	<u>\$ 5,834,561</u>	<u>\$ 7,224,224</u>	<u>\$ (260,818)</u>	<u>\$ 7,485,042</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 schedule.

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, 2018

	Original Budget	Final Budget	Actual Budgetary Basis	Budget to GAAP Over (Under)	Actual GAAP Basis
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ (2,505,191)	\$ 2,505,191
Licenses and permits - auto registration	260,000	260,000	265,715	(4,729)	270,444
Intergovernmental	259,000	259,000	182,861	(356,201)	539,062
Charges for services	10,000	10,000	116,074	-	116,074
Interest	60,000	60,000	92,079	-	92,079
Miscellaneous	-	-	8,012	-	8,012
Total revenues	<u>589,000</u>	<u>589,000</u>	<u>664,741</u>	<u>(2,866,121)</u>	<u>3,530,862</u>
EXPENDITURES					
Current					
Public works					
Personnel services	589,266	589,266	512,054	359	511,695
Supplies	171,280	195,924	192,999	2,034	190,965
Other services and charges	47,000	58,856	53,946	(199)	54,145
Capital outlay	<u>6,357,500</u>	<u>6,321,000</u>	<u>4,138,127</u>	<u>(24,040)</u>	<u>4,162,167</u>
Total expenditures	<u>7,165,046</u>	<u>7,165,046</u>	<u>4,897,126</u>	<u>(21,846)</u>	<u>4,918,972</u>
Excess (deficiency) of revenues over expenditures	<u>(6,576,046)</u>	<u>(6,576,046)</u>	<u>(4,232,385)</u>	<u>(2,844,275)</u>	<u>(1,388,110)</u>
OTHER FINANCING SOURCES (USES)					
Sale of capital assets	1,000	1,000	-	(24,000)	24,000
Transfers in	2,713,838	2,713,838	2,713,838	2,505,191	208,647
Transfers out	-	-	(24,826)	-	(24,826)
Total other financing sources (uses)	<u>2,714,838</u>	<u>2,714,838</u>	<u>2,689,012</u>	<u>2,481,191</u>	<u>207,821</u>
Net change in fund balance	(3,861,208)	(3,861,208)	(1,543,373)	(363,084)	(1,180,289)
Fund balance, beginning of year	<u>6,916,707</u>	<u>6,916,707</u>	<u>6,916,707</u>	<u>-</u>	<u>6,916,707</u>
Fund balance, end of year	<u>\$ 3,055,499</u>	<u>\$ 3,055,499</u>	<u>\$ 5,373,334</u>	<u>\$ (363,084)</u>	<u>\$ 5,736,418</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 schedule.

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, 2018*

	Original Budget	Final Budget	Actual Budgetary Basis	Budget to GAAP Over (Under)	Actual GAAP Basis
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ (1,235,290)	\$ 1,235,290
Licenses and permits - auto registration	69,000	69,000	95,310	(12)	95,322
Intergovernmental	252,000	252,000	175,621	(356,201)	531,822
Interest	11,000	11,000	15,356	-	15,356
Miscellaneous	<u>1,000</u>	<u>1,000</u>	<u>1,261</u>	<u>-</u>	<u>1,261</u>
Total revenues	<u>333,000</u>	<u>333,000</u>	<u>287,548</u>	<u>(1,591,503)</u>	<u>1,879,051</u>
EXPENDITURES					
Current					
Public works					
Personnel services	518,922	518,922	483,340	1,087	482,253
Supplies	92,450	101,550	94,042	4,363	89,679
Other services and charges	36,500	26,500	25,361	(14,113)	39,474
Capital outlay	<u>2,152,000</u>	<u>2,352,900</u>	<u>2,253,136</u>	<u>4,641</u>	<u>2,248,495</u>
Total expenditures	<u>2,799,872</u>	<u>2,999,872</u>	<u>2,855,879</u>	<u>(4,022)</u>	<u>2,859,901</u>
Excess (deficiency) of revenues over expenditures	<u>(2,466,872)</u>	<u>(2,666,872)</u>	<u>(2,568,331)</u>	<u>(1,587,481)</u>	<u>(980,850)</u>
OTHER FINANCING SOURCES (USES)					
Sale of capital assets	-	-	7,011	-	7,011
Transfers in	<u>1,390,642</u>	<u>1,390,642</u>	<u>1,390,642</u>	<u>1,235,290</u>	<u>155,352</u>
Total other financing sources (uses)	<u>1,390,642</u>	<u>1,390,642</u>	<u>1,397,653</u>	<u>1,235,290</u>	<u>162,363</u>
Net change in fund balance	(1,076,230)	(1,276,230)	(1,170,678)	(352,191)	(818,487)
Fund balance, beginning of year	<u>1,961,555</u>	<u>1,961,555</u>	<u>1,961,555</u>	<u>-</u>	<u>1,961,555</u>
Fund balance, end of year	<u>\$ 885,325</u>	<u>\$ 685,325</u>	<u>\$ 790,877</u>	<u>\$ (352,191)</u>	<u>\$ 1,143,068</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 schedule.

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

Last four years

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Pension Liability				
Service cost	\$ 718,091	\$ 712,365	\$ 652,882	\$ 582,507
Interest on the total pension liability	1,290,974	1,171,077	1,118,859	1,047,576
Effect of plan changes	-	-	(78,914)	-
Effect of economic/demographic (gains) or losses	126,093	53,063	(374,133)	46,483
Effect of assumption changes or inputs	134,747	-	178,585	-
Benefit payments/refunds of contributions	<u>(863,560)</u>	<u>(788,175)</u>	<u>(875,927)</u>	<u>(883,722)</u>
Net Change in Total Pension Liability	1,406,345	1,148,330	621,352	792,844
Total Pension Liability, Beginning	<u>15,643,236</u>	<u>14,494,906</u>	<u>13,873,554</u>	<u>13,080,710</u>
Total Pension Liability, Ending (a)	<u>\$17,049,581</u>	<u>\$15,643,236</u>	<u>\$14,494,906</u>	<u>\$13,873,554</u>
Fiduciary Net Position				
Employer contributions	\$ 490,228	\$ 473,516	\$ 434,419	\$ 402,578
Member contributions	498,093	447,921	410,939	380,816
Investment income net of investment expenses	2,279,537	1,059,214	108,512	918,795
Benefit payments/refunds of contributions	(863,560)	(788,175)	(875,927)	(883,722)
Administrative expenses	(11,969)	(11,507)	(10,309)	(10,712)
Other	<u>1,559</u>	<u>105,337</u>	<u>(107,767)</u>	<u>69,346</u>
Net Change in Fiduciary Net Position	2,393,888	1,286,306	(40,133)	877,101
Fiduciary Net Position, Beginning	<u>15,603,256</u>	<u>14,316,950</u>	<u>14,357,083</u>	<u>13,479,982</u>
Fiduciary Net Position, Ending (b)	<u>\$17,997,144</u>	<u>\$15,603,256</u>	<u>\$14,316,950</u>	<u>\$14,357,083</u>
Net Pension Liability / (Asset), Ending (a) - (b)	\$ (947,563)	\$ 39,980	\$ 177,956	\$ (483,529)
Fiduciary Net Position as a Percentage of Total Pension Liability	105.56%	99.74%	98.77%	103.49%
Pensionable Covered Payroll	\$ 6,624,694	\$ 6,398,873	\$ 5,870,551	\$ 5,440,233
Net Pension Liability/(Asset) as a Percentage of Covered Payroll	-14.30%	0.62%	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 four fiscal years*

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially Determined Contribution	\$ 331,235	\$ 397,370	\$ 382,760	\$ 373,744
Contribution in relation to the actuarially determined contribution	<u>(502,736)</u>	<u>(484,805)</u>	<u>(452,061)</u>	<u>(464,359)</u>
Contribution deficiency (excess)	<u>\$ (171,501)</u>	<u>\$ (87,435)</u>	<u>\$ (69,301)</u>	<u>\$ (90,615)</u>
Covered payroll	\$ 6,283,976	\$ 6,584,547	\$ 6,540,759	N/A
Contributions as a percentage of covered payroll	8.00%	7.36%	6.91%	N/A

N/A denotes information not available.

NOTE: Information for the prior six fiscal years was not readily available. The County will compile the respective information over the next six fiscal years.

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

DeWITT COUNTY, TEXAS**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS**

For fiscal year 2018

	<u>2017</u>
Total OPEB Liability	
Service cost	\$ 12,736
Interest on total OPEB liability	11,824
Effect of plan changes	-
Effect of economic/demographic (gains) or losses	1,385
Effect of assumption changes or inputs	13,838
Benefit payments	<u>(9,937)</u>
Net Change in Total OPEB Liability	29,846
Total OPEB Liability, Beginning	<u>304,987</u>
Total OPEB Liability, Ending	<u>\$ 334,833</u>
Covered-employee Payroll	\$ 6,624,694
Total OPEB Liability as a Percentage of Covered-employee Payroll	5.05%

NOTE: Information for years prior to 2017 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

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

September 30, 2018

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 schedules. The required supplementary information does not include a budgetary comparison schedule for Major Special Revenue Fund Hurricane Harvey. There is no requirement of presenting a budgetary comparison schedule because it is not an appropriated fund.

NOTE 2: BUDGETARY LEGAL COMPLIANCE

There were no excess expenditures over appropriations during fiscal year 2018 in the General Fund and the Major Special Revenue Funds.

NOTE 3: TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM - PENSION

Valuation Date

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

Methods and Assumptions Used to Determine Contribution Rates

Actuarial Cost Method	Entry age
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	1.1 years
Asset Valuation Method	5 year smoothed market
Inflation	2.75%
Salary Increases	Varies by age and service. 4.9% average over career including inflation.
Investment Rate of Return	8.0%, net of administrative and investment expenses, including inflation
Retirement Age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2-14 Ultimate scale after 2014.
Changes in Assumptions and Methods Reflected in the Schedule of Employer Contributions	2015: New inflation, mortality and other assumptions were reflected 2017: New mortality assumptions were reflected.
Changes in Plan Provisions Reflected in the Schedule of Employer Contributions	2015: No changes in plan provisions. 2016: No changes in plan provisions. 2017: New annuity purchase rates for benefits earned after 2017.

NOTE 4: TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM - OPEB

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

Combining and Individual Fund Statements and Schedules

DeWITT COUNTY, TEXAS

ALL NONMAJOR GOVERNMENTAL FUNDS

COMBINING BALANCE SHEET

September 30, 2018

	Total Nonmajor Special Revenue	Capital Project Fund	Total Nonmajor Governmental Funds
ASSETS			
Current assets			
Cash and cash equivalents	\$ 2,107,516	\$ 789,501	\$ 2,897,017
Taxes receivable (net)	469,917	-	469,917
Due from other governments	369,903	-	369,903
Total assets	<u>\$ 2,947,336</u>	<u>\$ 789,501</u>	<u>\$ 3,736,837</u>
LIABILITIES			
Accounts payable	\$ 146,047	\$ -	\$ 146,047
Accrued expenditures	32,057	-	32,057
Due to other funds	3,619	-	3,619
Total liabilities	<u>181,723</u>	<u>-</u>	<u>181,723</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	469,917	-	469,917
Total deferred inflows of resources	<u>469,917</u>	<u>-</u>	<u>469,917</u>
FUND BALANCES			
Restricted			
Courts	378,554	-	378,554
Health and welfare	483,583	-	483,583
Public safety	188,589	-	188,589
Public works	1,244,970	-	1,244,970
Various capital projects	-	789,501	789,501
Total fund balances	<u>2,295,696</u>	<u>789,501</u>	<u>3,085,197</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 2,947,336</u>	<u>\$ 789,501</u>	<u>\$ 3,736,837</u>

DeWITT COUNTY, TEXAS*ALL NONMAJOR GOVERNMENTAL FUNDS**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**For the year ended September 30, 2018*

	Total Nonmajor Special Revenue	Capital Project Fund	Total Nonmajor Governmental Funds
REVENUES			
Taxes	\$ 1,802,411	\$ -	\$ 1,802,411
Licenses and permits	101,634	-	101,634
Intergovernmental	1,095,405	-	1,095,405
Charges for services	315,078	-	315,078
Interest	73,537	13,017	86,554
Miscellaneous	305,673	-	305,673
Total revenues	<u>3,693,738</u>	<u>13,017</u>	<u>3,706,755</u>
EXPENDITURES			
Current			
General government	219,808	-	219,808
Judicial	438,910	-	438,910
Public works	4,008,859	261,245	4,270,104
Health and welfare	665,308	-	665,308
Total expenditures	<u>5,332,885</u>	<u>261,245</u>	<u>5,594,130</u>
Excess (deficiency) of revenues over expenditures	<u>(1,639,147)</u>	<u>(248,228)</u>	<u>(1,887,375)</u>
OTHER FINANCING SOURCES (USES)			
Sale of capital assets	29,273	-	29,273
Transfers in	696,103	-	696,103
Transfers out	(673,227)	-	(673,227)
Total other financing sources (uses)	<u>52,149</u>	<u>-</u>	<u>52,149</u>
Net change in fund balances	(1,586,998)	(248,228)	(1,835,226)
Fund balances, beginning of year	3,882,694	1,037,729	4,920,423
Fund balances, end of year	<u>\$ 2,295,696</u>	<u>\$ 789,501</u>	<u>\$ 3,085,197</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 four 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 Fund accounts for costs associated with the construction and maintenance of roads and bridges in that Commissioner's precinct. Revenues are derived primarily from tax revenues, 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.
- County Road and Flood Fund 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.

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.

Other Special Revenue Funds - (Continued)

- 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.
- 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.

Other Special Revenue Funds - (Continued)

- 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.
- 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.
- The EMC Donations Fund was created to keep emergency management donations separate in case the funds are not expended in the same year as received. This department receives donations on occasion for specific services or supplies.
- The Sheriff Donations Fund was created to keep the sheriff's department donations separate in case the funds are not expended in the same year as received. This department receives donations on occasion for specific services or supplies.
- The District Attorney Pre-Trial Intervention Fund was created and approved by the District Judges and Commissioners Court pursuant to Code of Criminal Procedures. The purpose of the program is to divert certain persons charges with criminal offenses from formal prosecution under the criminal justice system into a rehabilitation program.
- The Truancy Prevention Grant Fund is funded by the State of Texas, Office of the Governor, Criminal Justice Division. The funds are to be used to hire a juvenile case manager to provide truancy prevention and intervention services.

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

September 30, 2018

	<u>Road and Bridge</u>	<u>Other Special Revenue</u>	<u>Total</u>
ASSETS			
Current assets			
Cash and cash equivalents	\$ 812,578	\$ 1,294,938	\$ 2,107,516
Taxes receivable (net)	467,488	2,429	469,917
Due from other governments	364,347	5,556	369,903
Total assets	<u>\$ 1,644,413</u>	<u>\$ 1,302,923</u>	<u>\$ 2,947,336</u>
LIABILITIES			
Accounts payable	\$ 80,446	\$ 65,601	\$ 146,047
Accrued expenditures	18,003	14,054	32,057
Due to other funds	-	3,619	3,619
Total liabilities	<u>98,449</u>	<u>83,274</u>	<u>181,723</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	467,488	2,429	469,917
Total deferred inflows of resources	<u>467,488</u>	<u>2,429</u>	<u>469,917</u>
FUND BALANCES			
Restricted			
Courts	-	378,554	378,554
Health and welfare	-	483,583	483,583
Public safety	-	188,589	188,589
Public works	1,078,476	166,494	1,244,970
Total fund balances	<u>1,078,476</u>	<u>1,217,220</u>	<u>2,295,696</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 1,644,413</u>	<u>\$ 1,302,923</u>	<u>\$ 2,947,336</u>

DeWITT COUNTY, TEXAS*NONMAJOR GOVERNMENTAL FUNDS - ALL SPECIAL REVENUE FUNDS**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**For the year ended September 30, 2018*

	Road and Bridge	Other Special Revenue	Total
REVENUES			
Taxes	\$ 1,802,081	\$ 330	\$ 1,802,411
Licenses and permits	101,634	-	101,634
Intergovernmental	531,988	563,417	1,095,405
Charges for services	3,500	311,578	315,078
Interest	54,796	18,741	73,537
Miscellaneous	77,712	227,961	305,673
Total revenues	<u>2,571,711</u>	<u>1,122,027</u>	<u>3,693,738</u>
EXPENDITURES			
Current			
General government	-	219,808	219,808
Judicial	-	438,910	438,910
Public works	3,458,699	550,160	4,008,859
Health and welfare	-	665,308	665,308
Total expenditures	<u>3,458,699</u>	<u>1,874,186</u>	<u>5,332,885</u>
Excess (deficiency) of revenues over expenditures	<u>(886,988)</u>	<u>(752,159)</u>	<u>(1,639,147)</u>
OTHER FINANCING SOURCES (USES)			
Sale of capital assets	29,273	-	29,273
Transfers in	158,749	537,354	696,103
Transfers out	<u>(673,227)</u>	<u>-</u>	<u>(673,227)</u>
Total other financing sources (uses)	<u>(485,205)</u>	<u>537,354</u>	<u>52,149</u>
Net change in fund balances	(1,372,193)	(214,805)	(1,586,998)
Fund balances, beginning of year	<u>2,450,669</u>	<u>1,432,025</u>	<u>3,882,694</u>
Fund balances, end of year	<u>\$ 1,078,476</u>	<u>\$ 1,217,220</u>	<u>\$ 2,295,696</u>

DeWITT COUNTY, TEXAS

NONMAJOR SPECIAL REVENUE FUNDS

ROAD AND BRIDGE FUNDS

COMBINING BALANCE SHEET

September 30, 2018

	General Road and Bridge	Precinct No. 2	Special Road and Bridge	County Road and Flood	Totals
ASSETS					
Current assets					
Cash and cash equivalents	\$ 83,997	\$ 479,683	\$ 79,508	\$ 169,390	\$ 812,578
Taxes receivable (net)	111,821	-	73,702	281,965	467,488
Due from other governments	-	364,347	-	-	364,347
Total assets	\$ 195,818	\$ 844,030	\$ 153,210	\$ 451,355	\$ 1,644,413
LIABILITIES					
Accounts payable	\$ -	\$ 80,446	\$ -	\$ -	\$ 80,446
Accrued expenditures	6,801	11,202	-	-	18,003
Total liabilities	6,801	91,648	-	-	98,449
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	111,821	-	73,702	281,965	467,488
Total deferred inflows of resources	111,821	-	73,702	281,965	467,488
FUND BALANCES					
Restricted - public works	77,196	752,382	79,508	169,390	1,078,476
Total liabilities, deferred inflows, and fund balances	\$ 195,818	\$ 844,030	\$ 153,210	\$ 451,355	\$ 1,644,413

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, 2018

	General Road and Bridge	Precinct No. 2	Special Road and Bridge	County Road and Flood
REVENUES				
Taxes	\$ 440,409	\$ 1,140,686	\$ 72,213	\$ 148,773
Licenses and permits	-	101,634	-	-
Intergovernmental	-	531,988	-	-
Charges for services	-	3,500	-	-
Interest	11,251	15,633	7,295	20,617
Miscellaneous	76,819	893	-	-
Total revenues	<u>528,479</u>	<u>1,794,334</u>	<u>79,508</u>	<u>169,390</u>
EXPENDITURES				
Current				
Public works	451,283	3,007,416	-	-
Total expenditures	<u>451,283</u>	<u>3,007,416</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>77,196</u>	<u>(1,213,082)</u>	<u>79,508</u>	<u>169,390</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	29,273	-	-
Transfers in	-	158,749	-	-
Transfers out	(251,809)	-	(214,825)	(206,593)
Total other financing sources (uses)	<u>(251,809)</u>	<u>188,022</u>	<u>(214,825)</u>	<u>(206,593)</u>
Net change in fund balances	(174,613)	(1,025,060)	(135,317)	(37,203)
Fund balances, beginning of year	251,809	1,777,442	214,825	206,593
Fund balances, end of year	<u>\$ 77,196</u>	<u>\$ 752,382</u>	<u>\$ 79,508</u>	<u>\$ 169,390</u>

Totals

\$ 1,802,081
101,634
531,988
3,500
54,796
77,712
2,571,711

3,458,699
3,458,699

(886,988)

29,273
158,749
(673,227)
(485,205)

(1,372,193)
2,450,669
\$ 1,078,476

DeWITT COUNTY, TEXAS

NONMAJOR SPECIAL REVENUE FUNDS

OTHER SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET

September 30, 2018

	<u>Jail Commissary</u>	<u>Seized Funds</u>	<u>Appellate Judicial System</u>	<u>Election Contract Services</u>
ASSETS				
Current assets				
Cash and cash equivalents	\$ 155,353	\$ 11,109	\$ 1,976	\$ 9,594
Taxes receivable (net)	-	-	-	-
Due from other governments	-	-	-	-
Total assets	<u>\$ 155,353</u>	<u>\$ 11,109</u>	<u>\$ 1,976</u>	<u>\$ 9,594</u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued expenditures	-	-	-	-
Due to other funds	-	-	-	-
Total liabilities	-	-	-	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	-	-	-	-
Total deferred inflows of resources	-	-	-	-
FUND BALANCES				
Restricted				
Courts	-	11,109	1,976	9,594
Health and welfare	-	-	-	-
Public safety	155,353	-	-	-
Public works	-	-	-	-
Total fund balances	<u>155,353</u>	<u>11,109</u>	<u>1,976</u>	<u>9,594</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 155,353</u>	<u>\$ 11,109</u>	<u>\$ 1,976</u>	<u>\$ 9,594</u>

<u>Justice Court Security</u>	<u>Law Library</u>	<u>Records Mgmt.</u>	<u>Co. Clerk Records Mgmt.</u>	<u>Courthouse Security</u>	<u>Justice Court Technology</u>
\$ 21,902	\$ 49,517	\$ 21,553	\$ 108,834	\$ 16,768	\$ 284
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 21,902</u>	<u>\$ 49,517</u>	<u>\$ 21,553</u>	<u>\$ 108,834</u>	<u>\$ 16,768</u>	<u>\$ 284</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
21,902	49,517	21,553	108,834	-	284
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	16,768	-
<u>21,902</u>	<u>49,517</u>	<u>21,553</u>	<u>108,834</u>	<u>16,768</u>	<u>284</u>
<u>\$ 21,902</u>	<u>\$ 49,517</u>	<u>\$ 21,553</u>	<u>\$ 108,834</u>	<u>\$ 16,768</u>	<u>\$ 284</u>

(Continued)

DeWITT COUNTY, TEXAS
NONMAJOR SPECIAL REVENUE FUNDS
OTHER SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
September 30, 2018

	<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	\$ 63,909	\$ 80	\$ 67,246	\$ 8,433	\$ 9,269
Taxes receivable (net)	-	-	-	-	-
Due from other governments	-	-	-	-	-
Total assets	<u>\$ 63,909</u>	<u>\$ 80</u>	<u>\$ 67,246</u>	<u>\$ 8,433</u>	<u>\$ 9,269</u>
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued expenditures	3,308	-	-	-	-
Due to other funds	-	-	-	-	-
Total liabilities	<u>3,308</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	-	-	67,246	8,433	9,269
Health and welfare	60,601	80	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Total fund balances	<u>60,601</u>	<u>80</u>	<u>67,246</u>	<u>8,433</u>	<u>9,269</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 63,909</u>	<u>\$ 80</u>	<u>\$ 67,246</u>	<u>\$ 8,433</u>	<u>\$ 9,269</u>

<u>Court Technology</u>	<u>Constable 1 LEOSE</u>	<u>Constable 2 LEOSE</u>	<u>District Attorney</u>	<u>Juvenile Probation</u>	<u>Sheriff's Chapter 59 Forfeiture</u>
\$ 4,969	\$ 2,322	\$ 2,728	\$ 35,595	\$ 65,708	\$ 32,312
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 4,969</u>	<u>\$ 2,322</u>	<u>\$ 2,728</u>	<u>\$ 35,595</u>	<u>\$ 65,708</u>	<u>\$ 32,312</u>
\$ -	\$ -	\$ -	\$ 11,564	\$ 39,635	\$ 5,082
-	-	-	4,833	3,579	-
-	-	-	-	-	-
-	-	-	16,397	43,214	5,082
-	-	-	-	-	-
-	-	-	-	-	-
4,969	-	-	19,198	-	-
-	-	-	-	-	-
-	2,322	2,728	-	22,494	-
-	-	-	-	-	27,230
<u>4,969</u>	<u>2,322</u>	<u>2,728</u>	<u>19,198</u>	<u>22,494</u>	<u>27,230</u>
<u>\$ 4,969</u>	<u>\$ 2,322</u>	<u>\$ 2,728</u>	<u>\$ 35,595</u>	<u>\$ 65,708</u>	<u>\$ 32,312</u>

(Continued)

DeWITT COUNTY, TEXAS

NONMAJOR SPECIAL REVENUE FUNDS

OTHER SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET

September 30, 2018

	<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	\$ 432,222	\$ 13,564	\$ 6,654	\$ 16,349
Taxes receivable (net)	2,429	-	-	-
Due from other governments	-	-	-	-
Total assets	<u>\$ 434,651</u>	<u>\$ 13,564</u>	<u>\$ 6,654</u>	<u>\$ 16,349</u>
LIABILITIES				
Accounts payable	\$ 9,320	\$ -	\$ -	\$ -
Accrued expenditures	-	-	-	1,238
Due to other funds	-	-	-	-
Total liabilities	<u>9,320</u>	<u>-</u>	<u>-</u>	<u>1,238</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	<u>2,429</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>2,429</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Restricted				
Courts	-	13,564	6,654	15,111
Health and welfare	422,902	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Total fund balances	<u>422,902</u>	<u>13,564</u>	<u>6,654</u>	<u>15,111</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 434,651</u>	<u>\$ 13,564</u>	<u>\$ 6,654</u>	<u>\$ 16,349</u>

<u>Check Collection & Processing</u>	<u>EMC Donations</u>	<u>Sheriff's Donations</u>	<u>District Attorney Pre-Trial Intervention</u>	<u>Truancy Prevention Grant</u>	<u>Totals</u>
\$ 7,688	\$ 114,808	\$ 5,692	\$ 8,500	\$ -	\$ 1,294,938
-	-	-	-	-	2,429
-	-	-	-	5,556	5,556
<u>\$ 7,688</u>	<u>\$ 114,808</u>	<u>\$ 5,692</u>	<u>\$ 8,500</u>	<u>\$ 5,556</u>	<u>\$ 1,302,923</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 65,601
-	-	-	-	1,096	14,054
-	-	-	-	3,619	3,619
-	-	-	-	4,715	83,274
-	-	-	-	-	2,429
-	-	-	-	-	2,429
-	-	-	8,500	841	378,554
-	-	-	-	-	483,583
-	-	5,692	-	-	188,589
<u>7,688</u>	<u>114,808</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>166,494</u>
<u>7,688</u>	<u>114,808</u>	<u>5,692</u>	<u>8,500</u>	<u>841</u>	<u>1,217,220</u>
<u>\$ 7,688</u>	<u>\$ 114,808</u>	<u>\$ 5,692</u>	<u>\$ 8,500</u>	<u>\$ 5,556</u>	<u>\$ 1,302,923</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, 2018

	Jail Commissary	Seized Funds	Appellate Judicial System	Election Contract Services
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	34,268	25,356	1,976	25,801
Interest	653	95	-	-
Miscellaneous	58,456	-	-	-
Total revenues	<u>93,377</u>	<u>25,451</u>	<u>1,976</u>	<u>25,801</u>
EXPENDITURES				
Current				
General government	72,425	16,870	1,709	25,821
Judicial	-	-	-	-
Public works	-	-	-	-
Health and welfare	-	-	-	-
Total expenditures	<u>72,425</u>	<u>16,870</u>	<u>1,709</u>	<u>25,821</u>
Excess (deficiency) of revenues over expenditures	20,952	8,581	267	(20)
OTHER FINANCING SOURCES				
Transfers in	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	20,952	8,581	267	(20)
Fund balances, beginning of year	<u>134,401</u>	<u>2,528</u>	<u>1,709</u>	<u>9,614</u>
Fund balances, end of year	<u>\$ 155,353</u>	<u>\$ 11,109</u>	<u>\$ 1,976</u>	<u>\$ 9,594</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>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	5,651	-	-	-	-	-
1,214	-	13,727	5,448	44,854	10,636	4,903
284	-	677	380	1,570	99	35
-	-	-	-	-	-	-
<u>1,498</u>	<u>5,651</u>	<u>14,404</u>	<u>5,828</u>	<u>46,424</u>	<u>10,735</u>	<u>4,938</u>
429	5,651	-	10,500	44,543	-	-
-	-	15,198	-	-	10	7,500
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>429</u>	<u>5,651</u>	<u>15,198</u>	<u>10,500</u>	<u>44,543</u>	<u>10</u>	<u>7,500</u>
1,069	-	(794)	(4,672)	1,881	10,725	(2,562)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>1,069</u>	<u>-</u>	<u>(794)</u>	<u>(4,672)</u>	<u>1,881</u>	<u>10,725</u>	<u>(2,562)</u>
<u>20,833</u>	<u>-</u>	<u>50,311</u>	<u>26,225</u>	<u>106,953</u>	<u>6,043</u>	<u>2,846</u>
<u>\$ 21,902</u>	<u>\$ -</u>	<u>\$ 49,517</u>	<u>\$ 21,553</u>	<u>\$ 108,834</u>	<u>\$ 16,768</u>	<u>\$ 284</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, 2018

	<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>
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	157,815	-	-	-	-
Charges for services	16,118	1,260	41,240	2,672	4,106
Interest	1,877	-	714	94	199
Miscellaneous	-	-	-	-	-
Total revenues	<u>175,810</u>	<u>1,260</u>	<u>41,954</u>	<u>2,766</u>	<u>4,305</u>
EXPENDITURES					
Current					
General government	-	-	-	-	-
Judicial	-	-	29,433	-	10,000
Public works	-	-	-	-	-
Health and welfare	<u>278,640</u>	<u>1,255</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>278,640</u>	<u>1,255</u>	<u>29,433</u>	<u>-</u>	<u>10,000</u>
Excess (deficiency) of revenues over expenditures	(102,830)	5	12,521	2,766	(5,695)
OTHER FINANCING SOURCES					
Transfers in	<u>118,530</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources	<u>118,530</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	15,700	5	12,521	2,766	(5,695)
Fund balances, beginning of year	<u>44,901</u>	<u>75</u>	<u>54,725</u>	<u>5,667</u>	<u>14,964</u>
Fund balances, end of year	<u>\$ 60,601</u>	<u>\$ 80</u>	<u>\$ 67,246</u>	<u>\$ 8,433</u>	<u>\$ 9,269</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 Chapter 59 Forfeiture</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	678	678	3,415	106,963	228,518	-
526	-	-	-	-	745	-
62	26	38	24	1,537	1,333	352
-	-	-	-	1,289	8	20,315
<u>588</u>	<u>704</u>	<u>716</u>	<u>3,439</u>	<u>109,789</u>	<u>230,604</u>	<u>20,667</u>
-	-	-	-	-	-	18,056
-	-	-	-	244,677	-	-
-	-	554	3,548	-	546,058	-
-	-	-	-	-	-	-
-	-	554	3,548	244,677	546,058	18,056
588	704	162	(109)	(134,888)	(315,454)	2,611
-	-	-	-	132,622	286,202	-
-	-	-	-	132,622	286,202	-
588	704	162	(109)	(2,266)	(29,252)	2,611
<u>4,381</u>	<u>1,618</u>	<u>2,566</u>	<u>109</u>	<u>21,464</u>	<u>51,746</u>	<u>24,619</u>
<u>\$ 4,969</u>	<u>\$ 2,322</u>	<u>\$ 2,728</u>	<u>\$ -</u>	<u>\$ 19,198</u>	<u>\$ 22,494</u>	<u>\$ 27,230</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, 2018

	<u>Indigent Health Care</u>	<u>County Attorney Forfeiture</u>	<u>County Attorney Civil Commissions</u>	<u>Pre-trial Intervention</u>
REVENUES				
Taxes	\$ 330	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	2,437	65,870
Interest	8,558	134	-	-
Miscellaneous	7,134	4,218	-	-
Total revenues	<u>16,022</u>	<u>4,352</u>	<u>2,437</u>	<u>65,870</u>
EXPENDITURES				
Current				
General government	-	-	-	-
Judicial	-	992	-	67,429
Public works	-	-	-	-
Health and welfare	385,413	-	-	-
Total expenditures	<u>385,413</u>	<u>992</u>	<u>-</u>	<u>67,429</u>
Excess (deficiency) of revenues over expenditures	(369,391)	3,360	2,437	(1,559)
OTHER FINANCING SOURCES				
Transfers in	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(369,391)	3,360	2,437	(1,559)
Fund balances, beginning of year	792,293	10,204	4,217	16,670
Fund balances, end of year	<u>\$ 422,902</u>	<u>\$ 13,564</u>	<u>\$ 6,654</u>	<u>\$ 15,111</u>

<u>Check Collection & Processing</u>	<u>EMC Donations</u>	<u>Sheriff's Donations</u>	<u>District Attorney Pre-Trial Intervention</u>	<u>Truancy Prevention Grant</u>	<u>Totals</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 330
-	-	-	-	59,699	563,417
2,080	-	-	5,500	841	311,578
-	-	-	-	-	18,741
-	135,560	981	-	-	227,961
<u>2,080</u>	<u>135,560</u>	<u>981</u>	<u>5,500</u>	<u>60,540</u>	<u>1,122,027</u>
-	22,945	859	-	-	219,808
3,972	-	-	-	59,699	438,910
-	-	-	-	-	550,160
-	-	-	-	-	665,308
<u>3,972</u>	<u>22,945</u>	<u>859</u>	<u>-</u>	<u>59,699</u>	<u>1,874,186</u>
(1,892)	112,615	122	5,500	841	(752,159)
-	-	-	-	-	537,354
-	-	-	-	-	537,354
(1,892)	112,615	122	5,500	841	(214,805)
<u>9,580</u>	<u>2,193</u>	<u>5,570</u>	<u>3,000</u>	<u>-</u>	<u>1,432,025</u>
<u>\$ 7,688</u>	<u>\$ 114,808</u>	<u>\$ 5,692</u>	<u>\$ 8,500</u>	<u>\$ 841</u>	<u>\$ 1,217,220</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, 2018*

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Positive (Negative)</u>
REVENUES				
Taxes				
Current ad valorem	\$10,511,557	\$10,511,557	\$10,640,888	\$ 129,331
Delinquent ad valorem	98,000	98,000	211,058	113,058
Total taxes	<u>10,609,557</u>	<u>10,609,557</u>	<u>10,851,946</u>	<u>242,389</u>
Licenses and permits				
Beer and wine permits	2,500	2,500	6,664	4,164
Intergovernmental				
Grants and salary supplements	237,633	237,633	285,027	47,394
Other funds				
Dispatching service	137,642	137,642	132,950	(4,692)
Boarding prisoners	500,000	500,000	860,690	360,690
Law enforcement	-	-	173,000	173,000
Miscellaneous	110,606	110,606	115,841	5,235
Total intergovernmental	<u>985,881</u>	<u>985,881</u>	<u>1,567,507</u>	<u>581,626</u>
Charges for services				
Fees of office				
Sheriff	52,000	52,000	57,379	5,379
County clerk	160,000	160,000	148,497	(11,503)
Tax assessor-collector	600,000	600,000	465,660	(134,340)
District clerk	45,000	45,000	43,068	(1,932)
Justices of the peace	22,000	22,000	31,290	9,290
Miscellaneous fees	11,750	11,750	22,251	10,501
Other fees				
Arrest fees	6,000	6,000	4,396	(1,604)
Pre-trial diversion	37,500	37,500	42,350	4,850
Miscellaneous fees	26,515	26,515	28,517	2,002
Total charges for services	<u>960,765</u>	<u>960,765</u>	<u>843,408</u>	<u>(117,357)</u>
Fines and forfeitures				
County clerk fines	70,000	70,000	71,803	1,803
District clerk fines	35,000	35,000	38,917	3,917
Justice of the peace fines	160,000	160,000	145,876	(14,124)
Other	16,500	16,500	43,200	26,700
Total fines and forfeitures	<u>281,500</u>	<u>281,500</u>	<u>299,796</u>	<u>18,296</u>
Interest				
Regular	127,000	127,000	280,030	153,030
Miscellaneous				
Inmate telephone commissions	20,000	20,000	17,098	(2,902)
Sheriff sale	1,000	1,000	4,308	3,308
Other miscellaneous	9,000	9,000	42,551	33,551
Total miscellaneous	<u>30,000</u>	<u>30,000</u>	<u>63,957</u>	<u>33,957</u>
Total revenues	<u>12,997,203</u>	<u>12,997,203</u>	<u>13,913,308</u>	<u>916,105</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, 2018

	Original Budget	Final Budget	Actual Budgetary Basis	Variance Positive (Negative)
EXPENDITURES				
General government				
County judge				
Personnel services	\$ 183,528	\$ 183,528	\$ 174,978	\$ 8,550
Supplies	1,500	1,618	1,607	11
Other services and charges	9,000	9,242	5,772	3,470
Capital outlay	1,500	1,140	1,140	-
Total county judge	<u>195,528</u>	<u>195,528</u>	<u>183,497</u>	<u>12,031</u>
County clerk				
Personnel services	333,030	333,030	329,062	3,968
Supplies	4,000	4,000	1,524	2,476
Other services and charges	21,950	21,950	5,617	16,333
Capital outlay	1,000	1,000	655	345
Total county clerk	<u>359,980</u>	<u>359,980</u>	<u>336,858</u>	<u>23,122</u>
Veteran's service officers				
Personnel services	13,008	13,009	10,409	2,600
Supplies	250	249	38	211
Other services and charges	2,500	2,500	20	2,480
Capital outlay	500	500	-	500
Total veteran's service officers	<u>16,258</u>	<u>16,258</u>	<u>10,467</u>	<u>5,791</u>
Non-departmental				
Personnel services	250	250	245	5
Supplies	11,500	11,500	7,232	4,268
Other services and charges	423,700	379,717	282,599	97,118
Total non-departmental	<u>435,450</u>	<u>391,467</u>	<u>290,076</u>	<u>101,391</u>
Elections				
Personnel services	95,232	95,232	86,869	8,363
Supplies	8,000	7,939	5,852	2,087
Other services and charges	27,010	27,071	22,286	4,785
Total elections	<u>130,242</u>	<u>130,242</u>	<u>115,007</u>	<u>15,235</u>
County auditor				
Personnel services	253,334	253,334	241,969	11,365
Supplies	2,000	1,475	1,290	185
Other services and charges	8,300	7,479	6,433	1,046
Capital outlay	500	1,846	1,846	-
Total county auditor	<u>264,134</u>	<u>264,134</u>	<u>251,538</u>	<u>12,596</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, 2018

	Original Budget	Final Budget	Actual Budgetary Basis	Variance Positive (Negative)
EXPENDITURES - (Continued)				
General government - (Continued)				
County treasurer				
Personnel services	\$ 205,615	\$ 205,640	\$ 199,085	\$ 6,555
Supplies	3,000	2,975	1,518	1,457
Other services and charges	9,050	9,050	5,565	3,485
Capital outlay	2,500	2,500	1,651	849
Total county treasurer	<u>220,165</u>	<u>220,165</u>	<u>207,819</u>	<u>12,346</u>
Information technology				
Personnel services	145,891	145,891	142,396	3,495
Other services and charges	277,000	270,830	143,781	127,049
Capital outlay	360,000	360,000	317,934	42,066
Total information technology	<u>782,891</u>	<u>776,721</u>	<u>604,111</u>	<u>172,610</u>
Tax assessor-collector				
Personnel services	353,390	353,390	324,977	28,413
Supplies	10,300	9,500	7,903	1,597
Other services and charges	376,961	374,311	346,153	28,158
Capital outlay	8,000	11,450	11,445	5
Total tax assessor-collector	<u>748,651</u>	<u>748,651</u>	<u>690,478</u>	<u>58,173</u>
Total general government	<u>3,153,299</u>	<u>3,103,146</u>	<u>2,689,851</u>	<u>413,295</u>
Judicial				
County courts				
Personnel services	24,446	34,946	26,321	8,625
Other services and charges	76,500	100,100	49,975	50,125
Capital outlay	500	-	-	-
Total county courts	<u>101,446</u>	<u>135,046</u>	<u>76,296</u>	<u>58,750</u>
District court				
Personnel services	13,204	12,830	9,483	3,347
Supplies	500	802	681	121
Other services and charges	327,063	324,935	274,185	50,750
Capital outlay	1,500	3,700	3,700	-
Total district court	<u>342,267</u>	<u>342,267</u>	<u>288,049</u>	<u>54,218</u>
District clerk				
Personnel services	428,256	428,256	416,485	11,771
Supplies	8,500	8,500	5,477	3,023
Other services and charges	21,000	21,000	16,997	4,003
Capital outlay	2,500	2,500	415	2,085
Total district clerk	<u>460,256</u>	<u>460,256</u>	<u>439,374</u>	<u>20,882</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, 2018*

	<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	\$ 290,395	\$ 290,525	\$ 277,360	\$ 13,165
Supplies	9,000	7,695	5,645	2,050
Other services and charges	47,950	49,092	39,457	9,635
Capital outlay	<u>1,600</u>	<u>1,633</u>	<u>832</u>	<u>801</u>
Total justices of the peace	<u>348,945</u>	<u>348,945</u>	<u>323,294</u>	<u>25,651</u>
County attorney				
Personnel services	186,790	197,208	196,615	593
Supplies	2,900	2,865	1,444	1,421
Other services and charges	<u>9,100</u>	<u>9,100</u>	<u>5,548</u>	<u>3,552</u>
Total county attorney	<u>198,790</u>	<u>209,173</u>	<u>203,607</u>	<u>5,566</u>
Total judicial	<u>1,451,704</u>	<u>1,495,687</u>	<u>1,330,620</u>	<u>165,067</u>
Public works				
Courthouse building				
Personnel services	132,682	132,682	130,841	1,841
Supplies	16,800	16,800	8,859	7,941
Other services and charges	198,500	202,500	166,052	36,448
Capital outlay	<u>6,000</u>	<u>2,000</u>	<u>-</u>	<u>2,000</u>
Total courthouse building	<u>353,982</u>	<u>353,982</u>	<u>305,752</u>	<u>48,230</u>
Annex building				
Supplies	4,500	4,500	1,325	3,175
Other services and charges	<u>48,700</u>	<u>48,700</u>	<u>34,714</u>	<u>13,986</u>
Total annex building	<u>53,200</u>	<u>53,200</u>	<u>36,039</u>	<u>17,161</u>
Jail building				
Supplies	24,500	26,330	25,112	1,218
Other services and charges	230,700	229,300	216,477	12,823
Capital outlay	<u>10,000</u>	<u>2,070</u>	<u>2,070</u>	<u>-</u>
Total jail building	<u>265,200</u>	<u>257,700</u>	<u>243,659</u>	<u>14,041</u>
Lawn and yard maintenance				
Supplies	1,000	1,000	-	1,000
Other services and charges	<u>11,500</u>	<u>11,500</u>	<u>5,025</u>	<u>6,475</u>
Total lawn and yard maintenance	<u>12,500</u>	<u>12,500</u>	<u>5,025</u>	<u>7,475</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, 2018*

	<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	\$ 127,368	\$ 127,458	\$ 126,916	\$ 542
Supplies	12,050	12,285	5,291	6,994
Other services and charges	11,280	10,156	4,388	5,768
Capital outlay	<u>2,000</u>	<u>8,969</u>	<u>7,963</u>	<u>1,006</u>
Total constables	<u>152,698</u>	<u>158,868</u>	<u>144,558</u>	<u>14,310</u>
Sheriff				
Personnel services	1,837,318	1,949,318	1,751,771	197,547
Supplies	98,100	123,700	110,588	13,112
Other services and charges	98,000	114,000	103,447	10,553
Capital outlay	<u>147,000</u>	<u>166,400</u>	<u>150,030</u>	<u>16,370</u>
Total sheriff	<u>2,180,418</u>	<u>2,353,418</u>	<u>2,115,836</u>	<u>237,582</u>
Jail operations				
Personnel services	1,660,690	1,660,690	1,621,495	39,195
Supplies	269,500	292,400	286,539	5,861
Other services and charges	314,500	299,100	235,028	64,072
Capital outlay	<u>5,000</u>	<u>5,000</u>	<u>2,342</u>	<u>2,658</u>
Total jail operations	<u>2,249,690</u>	<u>2,257,190</u>	<u>2,145,404</u>	<u>111,786</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	77,207	78,748	78,463	285
Supplies	8,500	6,959	2,916	4,043
Other services and charges	54,840	54,840	40,670	14,170
Capital outlay	<u>18,152</u>	<u>18,152</u>	<u>12,688</u>	<u>5,464</u>
Total other protection	<u>158,699</u>	<u>158,699</u>	<u>134,737</u>	<u>23,962</u>
Total public works	<u>5,427,787</u>	<u>5,606,957</u>	<u>5,131,010</u>	<u>475,947</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, 2018

	<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	\$ 81,531	\$ 469
Total health	<u>82,000</u>	<u>82,000</u>	<u>81,531</u>	<u>469</u>
Agriculture extension services				
Personnel services	112,275	112,297	111,021	1,276
Supplies	1,750	1,666	1,241	425
Other services and charges	20,000	20,062	16,553	3,509
Capital outlay	1,500	1,500	585	915
Total agriculture extension services	<u>135,525</u>	<u>135,525</u>	<u>129,400</u>	<u>6,125</u>
Total health and welfare	<u>217,525</u>	<u>217,525</u>	<u>210,931</u>	<u>6,594</u>
Total expenditures	<u>10,250,315</u>	<u>10,423,315</u>	<u>9,362,412</u>	<u>1,060,903</u>
Excess of revenues over expenditures	<u>2,746,888</u>	<u>2,573,888</u>	<u>4,550,896</u>	<u>1,977,008</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	100	100	13,709	13,609
Transfers in	-	-	44,855	44,855
Transfers out	<u>(537,354)</u>	<u>(537,354)</u>	<u>(537,354)</u>	<u>-</u>
Total other financing sources (uses)	<u>(537,254)</u>	<u>(537,254)</u>	<u>(478,790)</u>	<u>58,464</u>
Net change in fund balance	2,209,634	2,036,634	4,072,106	2,035,472
Fund balance, beginning of year	<u>14,142,804</u>	<u>14,142,804</u>	<u>14,142,804</u>	<u>-</u>
Fund balance, end of year	<u>\$16,352,438</u>	<u>\$16,179,438</u>	<u>\$18,214,910</u>	<u>\$ 2,035,472</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, 2018*

	<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	\$ 1,769,445	\$ 1,789,498	\$ 1,387,516	\$ 401,982
Delinquent ad valorem	<u>20,000</u>	<u>38,427</u>	<u>-</u>	<u>38,427</u>
Total taxes	1,789,445	1,827,925	1,387,516	440,409
Interest	9,000	11,251	-	11,251
Miscellaneous	<u>75,500</u>	<u>76,819</u>	<u>-</u>	<u>76,819</u>
Total revenues	<u>1,873,945</u>	<u>1,915,995</u>	<u>1,387,516</u>	<u>528,479</u>
EXPENDITURES				
Current				
Public works				
Personnel services	350,477	349,506	(31)	349,537
Other services and charges	<u>118,600</u>	<u>101,746</u>	<u>-</u>	<u>101,746</u>
Total expenditures	<u>469,077</u>	<u>451,252</u>	<u>(31)</u>	<u>451,283</u>
Excess (deficiency) of revenues over expenditures	<u>1,404,868</u>	<u>1,464,743</u>	<u>1,387,547</u>	<u>77,196</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(1,639,325)</u>	<u>(1,639,325)</u>	<u>(1,387,516)</u>	<u>(251,809)</u>
Total other financing sources (uses)	<u>(1,639,325)</u>	<u>(1,639,325)</u>	<u>(1,387,516)</u>	<u>(251,809)</u>
Net change in fund balance	(234,457)	(174,582)	31	(174,613)
Fund balance, beginning of year	<u>251,809</u>	<u>251,809</u>	<u>-</u>	<u>251,809</u>
Fund balance, end of year	<u>\$ 17,352</u>	<u>\$ 77,227</u>	<u>\$ 31</u>	<u>\$ 77,196</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. 2 - SPECIAL REVENUE FUND**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL**For the year ended September 30, 2018*

	Final Budget	Actual Budgetary Basis	Budget to GAAP Over (Under)	Actual GAAP Basis
REVENUES				
Taxes	\$ -	\$ -	\$ (1,140,686)	\$ 1,140,686
Licenses and permits - auto registration	90,000	100,884	(750)	101,634
Intergovernmental	252,500	175,788	(356,200)	531,988
Charges for services	-	3,500	-	3,500
Interest	9,900	15,633	-	15,633
Miscellaneous	1,000	893	-	893
Total revenues	<u>353,400</u>	<u>296,698</u>	<u>(1,497,636)</u>	<u>1,794,334</u>
EXPENDITURES				
Current				
Public works				
Personnel services	594,886	591,993	127	591,866
Supplies	144,516	119,273	2,228	117,045
Other services and charges	73,034	63,551	(1,339)	64,890
Capital outlay	<u>2,182,500</u>	<u>2,159,821</u>	<u>(73,794)</u>	<u>2,233,615</u>
Total expenditures	<u>2,994,936</u>	<u>2,934,638</u>	<u>(72,778)</u>	<u>3,007,416</u>
Excess (deficiency) of revenues over expenditures	<u>(2,641,536)</u>	<u>(2,637,940)</u>	<u>(1,424,858)</u>	<u>(1,213,082)</u>
OTHER FINANCING SOURCES (USES)				
Sale of assets	1,000	29,273	-	29,273
Transfers in	<u>1,299,435</u>	<u>1,299,435</u>	<u>1,140,686</u>	<u>158,749</u>
Total other financing sources (uses)	<u>1,300,435</u>	<u>1,328,708</u>	<u>1,140,686</u>	<u>188,022</u>
Net change in fund balance	(1,341,101)	(1,309,232)	(284,172)	(1,025,060)
Fund balance, beginning of year	<u>1,777,442</u>	<u>1,777,442</u>	<u>-</u>	<u>1,777,442</u>
Fund balance, end of year	<u>\$ 436,341</u>	<u>\$ 468,210</u>	<u>\$ (284,172)</u>	<u>\$ 752,382</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, 2018*

	<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	\$ 1,380,129	\$ 1,395,670	\$ 1,354,478	\$ 41,192
Delinquent ad valorem	<u>15,000</u>	<u>31,021</u>	<u>-</u>	<u>31,021</u>
Total taxes	1,395,129	1,426,691	1,354,478	72,213
Interest	<u>4,500</u>	<u>7,295</u>	<u>-</u>	<u>7,295</u>
Total revenues	<u>1,399,629</u>	<u>1,433,986</u>	<u>1,354,478</u>	<u>79,508</u>
EXPENDITURES				
Current				
Public works	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	1,399,629	1,433,986	1,354,478	79,508
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(1,609,303)</u>	<u>(1,569,303)</u>	<u>(1,354,478)</u>	<u>(214,825)</u>
Total other financing sources (uses)	<u>(1,609,303)</u>	<u>(1,569,303)</u>	<u>(1,354,478)</u>	<u>(214,825)</u>
Net change in fund balance	(209,674)	(135,317)	-	(135,317)
Fund balance, beginning of year	<u>214,825</u>	<u>214,825</u>	<u>-</u>	<u>214,825</u>
Fund balance, end of year	<u>\$ 5,151</u>	<u>\$ 79,508</u>	<u>\$ -</u>	<u>\$ 79,508</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*COUNTY ROAD AND FLOOD**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL**For the year ended September 30, 2018*

	<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	\$ 4,497,427	\$ 4,634,086	\$ 4,553,086	\$ 81,000
Delinquent ad valorem	<u>50,000</u>	<u>67,773</u>	<u>-</u>	<u>67,773</u>
Total taxes	4,547,427	4,701,859	4,553,086	148,773
Interest	<u>15,000</u>	<u>20,617</u>	<u>-</u>	<u>20,617</u>
Total revenues	<u>4,562,427</u>	<u>4,722,476</u>	<u>4,553,086</u>	<u>169,390</u>
EXPENDITURES				
Current				
Public works	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	4,562,427	4,722,476	4,553,086	169,390
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(4,759,679)</u>	<u>(4,759,679)</u>	<u>(4,553,086)</u>	<u>(206,593)</u>
Total other financing sources (uses)	<u>(4,759,679)</u>	<u>(4,759,679)</u>	<u>(4,553,086)</u>	<u>(206,593)</u>
Net change in fund balance	(197,252)	(37,203)	-	(37,203)
Fund balance, beginning of year	<u>206,593</u>	<u>206,593</u>	<u>-</u>	<u>\$ 206,593</u>
Fund balance, end of year	<u>\$ 9,341</u>	<u>\$ 169,390</u>	<u>\$ -</u>	<u>\$ 169,390</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, 2018*

	<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	\$ -	\$ 3	\$ -	\$ 3
Delinquent ad valorem	3,500	327	-	327
Total taxes	3,500	330	-	330
Interest	4,000	8,558	-	8,558
Miscellaneous	-	7,134	-	7,134
Total revenues	<u>7,500</u>	<u>16,022</u>	<u>-</u>	<u>16,022</u>
EXPENDITURES				
Current				
Health and welfare				
Personnel services	13,010	11,012	-	11,012
Supplies	248	53	-	53
Other services and charges	16,850	14,971	-	14,971
Capital outlays	300	-	-	-
Medical expenses	372,000	351,256	(8,121)	359,377
Total expenditures	<u>402,408</u>	<u>377,292</u>	<u>(8,121)</u>	<u>385,413</u>
Excess (deficiency) of revenues over expenditures	(394,908)	(361,270)	8,121	(369,391)
OTHER FINANCING SOURCES (USES)				
Net change in fund balance	(394,908)	(361,270)	8,121	(369,391)
Fund balance, beginning of year	<u>792,293</u>	<u>792,293</u>	<u>-</u>	<u>792,293</u>
Fund balance, end of year	<u>\$ 397,385</u>	<u>\$ 431,023</u>	<u>\$ 8,121</u>	<u>\$ 422,902</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.
- The Sheriff Cash Bond Funds account for monies paid by defendants as security that they will appear in court.

DeWITT COUNTY, TEXAS

AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

For the year ended September 30, 2018

	<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	\$ 10,184	\$ 467	\$ -	\$ 10,651
Liabilities				
Due to others	\$ 10,184	\$ 467	\$ -	\$ 10,651
ESCROW FUND				
Assets				
Cash in bank	\$ 139,816	\$ 372,380	\$ 372,440	\$ 139,756
Liabilities				
Due to others	\$ 139,816	\$ 372,380	\$ 372,440	\$ 139,756
TAX ASSESSOR				
Assets				
Cash in bank	\$ 90,707	\$ 78,035,955	\$ 77,923,779	\$ 202,883
Liabilities				
Due to others	\$ 90,707	\$ 78,035,955	\$ 77,923,779	\$ 202,883
COUNTY CLERK TRUST FUNDS				
Assets				
Cash in bank	\$ 27,604	\$ 70,032	\$ 66,552	\$ 31,084
Liabilities				
Due to others	\$ 27,604	\$ 70,032	\$ 66,552	\$ 31,084
DISTRICT CLERK TRUST FUNDS				
Assets				
Cash in bank	\$ 186,373	\$ 302,302	\$ 43,079	\$ 445,596
Liabilities				
Due to others	\$ 186,373	\$ 302,302	\$ 43,079	\$ 445,596
INMATE TRUST FUNDS				
Assets				
Cash in bank	\$ 24,529	\$ 324,604	\$ 320,884	\$ 28,249
Liabilities				
Due to others	\$ 24,529	\$ 324,604	\$ 320,884	\$ 28,249

(Continued)

DeWITT COUNTY, TEXAS

AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

For the year ended September 30, 2018

	<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	\$ 20,500	\$ 147,685	\$ 123,685	\$ 44,500
Liabilities				
Due to others	\$ 20,500	\$ 147,685	\$ 123,685	\$ 44,500
TOTALS - ALL AGENCY FUNDS				
Assets				
Cash in bank	\$ 499,713	\$ 79,253,425	\$ 78,850,419	\$ 902,719
Liabilities				
Due to others	\$ 499,713	\$ 79,253,425	\$ 78,850,419	\$ 902,719

(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.....	85
Revenue Capacity	
These schedules contain information to help the reader assess the factors affecting the County's ability to generate its property tax revenue	94
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.....	100
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	104
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	106

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

	Fiscal Year			
	<u>2018</u>	<u>2017 (4)</u>	<u>2016 (3)</u>	<u>2015</u>
Governmental activities				
Net investment in				
capital assets	\$ 73,485,462	\$ 63,586,954	\$ 53,455,918	\$ 29,415,561
Restricted	17,919,642	23,109,025	26,013,508	31,051,842
Unrestricted	<u>20,953,244</u>	<u>16,096,882</u>	<u>13,187,240</u>	<u>12,056,434</u>
Total net position	<u>\$ 112,358,348</u>	<u>\$ 102,792,861</u>	<u>\$ 92,656,666</u>	<u>\$ 72,523,837</u>

- (1) Accrual basis of accounting
- (2) As restated for adoption of GASB 68
- (3) Restated
- (4) As restated for adoption of GASB 75

Fiscal Year					
2014 (2)	2013	2012	2011	2010	2009
\$ 13,116,994	\$ 11,785,255	\$ 10,219,684	\$ 10,497,054	\$ 10,228,078	\$ 9,992,392
17,432,322	9,917,572	6,798,005	5,858,081	4,716,323	3,919,054
<u>15,034,046</u>	<u>9,468,655</u>	<u>5,059,270</u>	<u>4,666,512</u>	<u>4,055,117</u>	<u>3,799,544</u>
<u>\$ 45,583,362</u>	<u>\$ 31,171,482</u>	<u>\$ 22,076,959</u>	<u>\$ 21,021,647</u>	<u>\$ 18,999,518</u>	<u>\$ 17,710,990</u>

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

	Fiscal Year			
	2018	2017	2016	2015
Governmental activities				
Expenses				
General government	\$ 3,687,643	\$ 3,420,506	\$ 3,349,802	\$ 2,571,157
Judicial	2,188,903	2,040,247	1,805,372	1,685,815
Public works	10,752,678	9,970,556	9,327,029	11,266,551
Health and welfare	926,839	884,661	845,744	777,582
Interest on long-term debt	-	-	206,141	394,684
Total expenses	17,556,063	16,315,970	15,534,088	16,695,789
Program revenues				
Charges for services				
General government	1,701,935	1,389,834	1,600,249	1,728,791
Judicial	676,093	481,416	531,238	552,933
Public works	4,017,139	1,696,907	1,677,437	2,042,487
Health and welfare	141,782	138,048	127,319	109,180
Operating grants and contributions	881,141	542,608	481,550	686,147
Capital grants and contributions	-	-	-	4,957,614
Total program revenues	7,418,090	4,248,813	4,417,793	10,077,152
Total net program expenses	(10,137,973)	(12,067,157)	(11,116,295)	(6,618,637)
General revenues and other changes				
Property taxes	18,897,938	21,772,885	30,648,143	32,926,945
Unrestricted investment earnings	592,031	471,261	441,965	456,430
Miscellaneous	213,491	256,573	26,367	175,737
Total general revenues and other changes in net position	19,703,460	22,500,719	31,116,475	33,559,112
Total changes in net position	\$ 9,565,487	\$ 10,433,562	\$ 20,000,180	\$ 26,940,475

(1) Accrual basis of accounting

Fiscal Year					
2014	2013	2012	2011	2010	2009
\$ 2,385,345	\$ 1,984,628	\$ 2,054,078	\$ 1,928,925	\$ 1,611,328	\$ 1,545,319
1,519,429	1,320,115	1,229,416	1,128,817	1,044,290	980,507
16,851,264	8,685,582	6,830,006	6,244,867	5,449,821	4,916,041
761,753	736,361	575,526	635,485	631,618	521,212
422,309	448,765	474,197	497,848	564,367	576,301
<u>21,940,100</u>	<u>13,175,451</u>	<u>11,163,223</u>	<u>10,435,942</u>	<u>9,301,424</u>	<u>8,539,380</u>
1,689,760	1,428,624	962,158	1,853,355	1,261,225	963,859
445,243	700,202	1,114,339	575,233	358,439	579,494
2,171,851	2,520,427	2,200,607	1,924,286	903,891	728,838
33,396	55,662	52,276	64,506	50,879	67,710
417,463	655,176	536,255	1,124,405	664,011	561,922
-	-	-	-	-	20,167
<u>4,757,713</u>	<u>5,360,091</u>	<u>4,865,635</u>	<u>5,541,785</u>	<u>3,238,445</u>	<u>2,921,990</u>
(17,182,387)	(7,815,360)	(6,297,588)	(4,894,157)	(6,062,979)	(5,617,390)
30,474,733	16,964,050	7,148,900	6,770,107	7,221,080	6,948,310
393,166	156,460	95,399	132,249	129,003	105,105
41,930	35,347	108,601	13,930	1,424	21,826
<u>30,909,829</u>	<u>17,155,857</u>	<u>7,352,900</u>	<u>6,916,286</u>	<u>7,351,507</u>	<u>7,075,241</u>
<u>\$ 13,727,442</u>	<u>\$ 9,340,497</u>	<u>\$ 1,055,312</u>	<u>\$ 2,022,129</u>	<u>\$ 1,288,528</u>	<u>\$ 1,457,851</u>

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

	Fiscal Year			
	2018	2017	2016	2015
General fund				
Unassigned	\$ 17,896,593	\$ 13,817,638	\$ 10,293,629	\$ 10,450,858
Assigned	<u>291,407</u>	<u>344,640</u>	<u>318,466</u>	<u>329,800</u>
Total general fund	<u>\$ 18,188,000</u>	<u>\$ 14,162,278</u>	<u>\$ 10,612,095</u>	<u>\$ 10,780,658</u>
All other governmental funds				
Restricted				
Debt service	\$ -	\$ -	\$ -	\$ 2,010,228
Special revenue funds	16,660,224	21,699,622	24,935,397	27,966,295
Capital project funds	789,501	1,037,729	1,078,111	1,075,320
Unassigned	<u>(353,177)</u>	<u>(199,863)</u>	<u>-</u>	<u>-</u>
Total all other governmental funds	<u>\$ 17,096,548</u>	<u>\$ 22,537,488</u>	<u>\$ 26,013,508</u>	<u>\$ 31,051,843</u>

(1) Modified accrual basis of accounting

Fiscal Year					
2014	2013	2012	2011	2010	2009
\$ 13,972,429	\$ 8,861,809	\$ 3,918,939	\$ 4,737,330	\$ 4,227,253	\$ 4,231,563
307,491	311,213	307,185	-	-	-
<u>\$ 14,279,920</u>	<u>\$ 9,173,022</u>	<u>\$ 4,226,124</u>	<u>\$ 4,737,330</u>	<u>\$ 4,227,253</u>	<u>\$ 4,231,563</u>
\$ 1,959,612	\$ 1,634,641	\$ 915,772	\$ 777,535	\$ 640,675	\$ 494,609
14,401,297	7,218,731	4,818,599	4,004,918	2,978,679	1,956,822
1,071,413	1,064,200	1,063,634	1,075,628	1,096,969	1,467,623
-	-	-	-	-	-
<u>\$ 17,432,322</u>	<u>\$ 9,917,572</u>	<u>\$ 6,798,005</u>	<u>\$ 5,858,081</u>	<u>\$ 4,716,323</u>	<u>\$ 3,919,054</u>

DeWITT COUNTY, TEXAS

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS (1)

Last ten fiscal years

	Fiscal Year			
	2018	2017	2016	2015
Revenues				
Taxes	\$ 18,808,751	\$ 21,795,414	\$ 30,497,675	\$ 32,869,436
Licenses and permits	718,918	693,347	719,573	827,426
Intergovernmental	4,373,527	1,785,211	1,576,411	6,655,405
Charges for services	1,297,327	1,143,787	1,439,425	1,500,165
Fines and forfeitures	299,796	294,187	360,303	376,832
Investment income	592,031	471,261	441,965	456,430
Miscellaneous	381,058	290,907	423,595	568,471
Total revenues	<u>26,471,408</u>	<u>26,474,114</u>	<u>35,458,947</u>	<u>43,254,165</u>
Expenditures				
Current				
General government	2,997,495	2,778,402	2,833,991	2,250,922
Judicial	1,767,107	1,659,256	1,504,824	1,485,909
Public works	9,057,453	8,468,465	8,130,168	8,256,825
Health and welfare	876,263	837,325	808,842	752,401
Capital outlay	13,270,204	12,769,911	18,254,840	19,477,952
Debt service				
Principal retirement	-	-	8,955,000	690,000
Interest and fiscal charges	-	-	254,111	398,194
Bond issue costs	-	-	-	-
Total expenditures	<u>27,968,522</u>	<u>26,513,359</u>	<u>40,741,776</u>	<u>33,312,203</u>
Excess (deficiency) of revenues over expenditures	(1,497,114)	(39,245)	(5,282,829)	9,941,962
Other financing sources (uses)				
Bonds issued	-	-	-	-
Bond retirements	-	-	-	-
Sale of capital assets	81,896	76,089	75,932	178,296
Insurance proceeds	-	37,319	-	-
Capital lease proceeds	-	-	-	-
Transfers in	1,235,407	8,888,481	17,649,168	25,522,009
Transfers out	(1,235,407)	(8,888,481)	(17,649,168)	(25,522,009)
Total other financing sources (uses)	<u>81,896</u>	<u>113,408</u>	<u>75,932</u>	<u>178,296</u>
Changes in fund balances	<u>\$ (1,415,218)</u>	<u>\$ 74,163</u>	<u>\$ (5,206,897)</u>	<u>\$ 10,120,258</u>
Debt service as a percentage of noncapital expenditures	<u>0.00%</u>	<u>0.00%</u>	<u>40.95%</u>	<u>7.87%</u>

(1) Modified accrual basis of accounting

NOTE: The County paid off outstanding bonds in 2016.

Fiscal Year						
2014	2013	2012	2011	2010	2009	
\$ 30,751,455	\$ 16,600,054	\$ 7,214,391	\$ 6,753,736	\$ 7,211,788	\$ 6,900,422	
692,378	788,809	640,796	631,322	604,628	614,672	
1,851,025	1,907,885	971,572	1,124,405	858,213	728,706	
1,549,694	1,781,190	2,539,954	2,354,100	993,873	819,695	
396,724	464,734	456,740	480,783	437,287	441,933	
393,166	156,460	95,399	132,249	129,003	105,105	
285,990	479,875	168,562	901,526	461,648	221,395	
<u>35,920,432</u>	<u>22,179,007</u>	<u>12,087,414</u>	<u>12,378,121</u>	<u>10,696,440</u>	<u>9,831,928</u>	
2,119,194	1,750,204	1,833,087	1,737,293	1,481,461	1,393,445	
1,338,104	1,157,037	1,082,089	1,001,062	960,939	897,641	
8,367,626	8,215,043	6,363,472	5,809,840	5,183,983	4,951,027	
740,602	715,976	557,110	619,515	616,069	505,674	
9,801,868	1,236,480	1,198,161	677,256	709,441	2,246,467	
665,000	635,000	610,000	585,000	555,000	535,000	
425,684	452,005	477,257	500,638	553,699	563,114	
-	-	-	-	47,902	-	
<u>23,458,078</u>	<u>14,161,745</u>	<u>12,121,176</u>	<u>10,930,604</u>	<u>10,108,494</u>	<u>11,092,368</u>	
12,462,354	8,017,262	(33,762)	1,447,517	587,946	(1,260,440)	
-	-	-	-	2,810,000	-	
-	-	-	-	(2,750,000)	-	
159,295	49,202	116,933	18,324	8,614	21,826	
-	-	-	-	-	-	
-	-	345,547	185,994	136,399	-	
18,517,344	3,736,901	2,311,518	1,784,116	1,882,625	1,444,718	
<u>(18,517,344)</u>	<u>(3,736,901)</u>	<u>(2,311,518)</u>	<u>(1,784,116)</u>	<u>(1,882,625)</u>	<u>(1,444,718)</u>	
<u>159,295</u>	<u>49,202</u>	<u>462,480</u>	<u>204,318</u>	<u>205,013</u>	<u>21,826</u>	
<u>\$ 12,621,649</u>	<u>\$ 8,066,464</u>	<u>\$ 428,718</u>	<u>\$ 1,651,835</u>	<u>\$ 792,959</u>	<u>\$ (1,238,614)</u>	
<u>7.99%</u>	<u>8.41%</u>	<u>9.95%</u>	<u>10.59%</u>	<u>12.31%</u>	<u>12.41%</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		
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
2017	21,466,350	(3) 193,572	135,492	21,795,414
2018	18,396,245	(3) 302,897	109,609	18,808,751
Change 2009 to 2018	174.46%	184.66%	20.11%	172.57%

(1) Modified accrual basis of accounting

NOTE: (1) Tax rates and values were steady.

(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.

(3) Tax rate remained unchanged and revenue decreased due to decreases 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			Less: Tax Exempt Real Property
		Residential Property	Non-Residential Property	Personal Property	
2009	2008	\$ 345,491,210	\$ 1,237,233,760	\$ 162,266,130	\$ 728,677,520
2010	2009	350,915,680	1,328,168,180	199,270,670	776,472,001
2011	2010	357,160,310	1,679,282,800	162,562,580	1,150,665,021
2012	2011	368,607,870	1,912,614,970	249,442,120	1,190,701,309
2013	2012	381,707,020	4,024,961,528	593,915,180	1,509,586,195
2014	2013	402,749,990	7,166,414,576	694,802,080	1,511,659,803
2015	2014	437,925,020	7,685,024,543	731,424,820	1,541,631,030
2016	2015	600,294,230	6,872,240,465	921,922,790	1,609,175,259
2017	2016	670,996,230	6,865,788,145	826,943,320	1,745,455,067
2018	2017	703,350,760	4,460,054,330	733,424,220	1,733,979,679

(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

Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value (1) as a Percentage of Actual Value
\$ 1,016,313,580	\$ 0.68107	\$ 1,016,313,580	100.00%
1,101,882,529	0.65192	1,101,882,529	100.00%
1,048,340,669	0.65192	1,048,340,669	100.00%
1,339,963,651	0.53822	1,339,963,651	100.00%
3,490,997,533	0.50203	3,490,997,533	100.00%
6,752,306,843	0.46937	6,752,306,843	100.00%
7,312,743,353	0.46937	7,312,743,353	100.00%
6,785,282,226	0.46937	6,785,282,226	100.00%
6,618,272,628	0.46937	6,618,272,628	100.00%
4,162,849,631	0.46937	4,162,849,631	100.00%

DeWITT COUNTY, TEXAS**DIRECT AND OVERLAPPING TAX RATES***Last ten fiscal years*

Tax Roll Year	2008	2009	2010	2011
DeWitt County				
M & O	\$ 0.56301	\$ 0.54295	\$ 0.53717	\$ 0.44919
Debt service	0.11806	0.10897	0.11475	0.08903
	0.68107	0.65192	0.65192	0.53822
<u>Cities</u>				
Cuero	0.31835	0.31318	0.30168	0.30168
Yoakum	0.08589	0.08591	0.08909	0.09278
Yorktown	0.64931	0.64931	0.70444	0.66846
Nordheim	0.48632	0.48632	0.47211	0.47211
<u>Schools</u>				
Cuero	1.29189	1.29673	1.32327	1.28736
Yoakum	1.32000	1.25000	1.35000	1.27000
Yorktown	1.04000	1.04000	1.04000	0.96000
Nordheim	1.24158	1.24343	1.23972	1.28891
Meyersville	1.04000	1.04000	1.04000	1.04000
Westhoff	1.04000	1.04000	1.04000	0.96000
<u>Hospitals</u>				
DeWitt Medical	0.14590	0.13905	0.15251	0.13221
Yoakum Hospital	N/A	N/A	N/A	N/A
<u>Water Districts</u>				
Ecleto Watershed	0.00740	0.00660	0.00660	0.08000
DeWitt Drainage #1	0.05865	0.06040	0.06294	0.06302
Pecan Valley	0.01500	0.01500	0.01500	0.01301

SOURCE: DeWitt County Tax Assessor/Collector

NOTE: N/A denotes information not available

2012	2013	2014	2015	2016	2017
\$ 0.44919	\$ 0.44919	\$ 0.45398	\$ 0.44937	\$ 0.46937	\$ 0.46937
0.05284	0.02018	0.01539	0.02000	-	-
0.50203	0.46937	0.46937	0.46937	0.46937	0.46937
0.30168	0.32000	0.32000	0.32000	0.33000	0.36951
0.09087	0.09087	0.09087	0.09243	0.10000	0.10400
0.61264	0.68561	0.67270	0.61263	0.56931	0.60676
0.47211	0.47211	0.47211	0.35433	0.38965	0.38965
1.07003	1.10403	1.37707	1.39069	1.45048	1.50000
1.24000	1.15400	1.35476	1.42987	1.48900	1.50001
0.99721	0.97212	0.99120	0.99757	1.00319	1.00751
1.24345	1.08718	1.11470	1.11915	1.22472	1.17000
1.04000	1.04000	1.04000	1.04000	1.04000	1.04000
0.96000	0.96000	0.96000	0.96000	0.96000	1.04000
0.13221	0.13221	0.13221	0.17111	0.21237	0.21237
N/A	0.16150	0.14750	0.18050	0.22620	0.21680
0.08640	0.09500	0.09057	0.08000	0.07360	0.07360
0.06289	0.06289	0.05807	0.05459	0.05193	0.05671
0.01301	0.00870	0.00680	0.00800	0.00700	0.00675

DeWITT COUNTY, TEXAS

PRINCIPAL TAXPAYERS (Unaudited)

Current year and nine years ago

2018	Type of Property	Assessed Valuation	Percent of Total Valuation
Burlington Resources Oil & Gas	Mineral	\$ 722,081,860	10.69%
Devon Energy Production Co LP	Mineral	578,405,760	8.57%
Pioneer Resources USA Inc.	Mineral	186,653,350	2.76%
BHP Billiton (Eagle Ford Gath)	Mineral	65,072,670	0.96%
EFS Midstream LLC	Mineral	58,714,280	0.87%
Enterprise Texas Pipeline LLC	Mineral	49,260,000	0.73%
Kinder Morgan Crude & Condensate LLC	Mineral	48,321,900	0.72%
EOG Resources	Mineral	47,720,920	0.71%
Geosouthern Energy Corporation	Mineral	39,131,940	0.58%
Archrock Partners Leasing LLC	Mineral	<u>38,457,200</u>	0.57%
Assessed value		<u>\$ 1,833,819,880</u>	44.05%
<hr/>			
2009			
Pioneer Natural Resources	Mineral	\$ 93,199,510	9.17%
Chesapeake Operating Inc.	Mineral	49,815,120	4.90%
Lime Rock Resources A L P	Mineral	40,008,160	3.94%
Mount Vernon Mills	Real and Personal	16,371,930	1.61%
Helmerick & Payne Inc	Mineral	16,350,000	1.61%
Chesapeake Operating Inc.	Mineral	14,937,870	1.47%
Grey Wolf Drilling Company LP	Mineral	12,825,000	1.26%
Enterprise Hydrocarbons LP	Mineral	12,709,580	1.25%
Flint Hills Resources LP	Mineral	11,905,880	1.17%
Pioneer Natural Resources USA	Mineral	<u>10,344,510</u>	1.02%
Assessed value		<u>\$ 278,467,560</u>	27.40%

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
2009	\$ 7,091,859	\$ 6,883,347	97.06%	\$ 193,688	\$ 7,077,035	99.79%
2010	7,408,366	7,253,663	97.91%	139,782	7,393,445	99.80%
2011	6,839,507	6,737,312	98.51%	85,587	6,822,899	99.76%
2012	7,367,416	7,206,312	97.81%	143,814	7,350,126	99.77%
2013	17,488,203	16,949,690	96.92%	512,098	17,461,788	99.85%
2014	31,468,896	31,217,506	99.20%	208,854	31,426,360	99.86%
2015	34,152,747	33,847,774	99.11%	239,318	34,087,092	99.81%
2016	31,787,663	31,398,845	98.78%	177,884	31,576,729	99.34%
2017	22,940,399	22,363,372	97.48%	286,154	22,649,526	98.73%
2018	19,514,822	19,170,808	98.24%	-	19,170,808	98.24%

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			
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%	-
2017	-	-	-	-	0.0%	-
2018	-	-	-	-	0.0%	-

SOURCE: DeWitt County

NOTE: The County paid off outstanding debt in 2016.

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				
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%	-
2017	-	-	-	-	-	0.00%	-
2018	-	-	-	-	-	0.00%	-

SOURCE: DeWitt County

NOTE: The County paid off outstanding debt in 2016.

DeWITT COUNTY, TEXAS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT (Unaudited)

September 30, 2018

	(1)		(2)	
	Gross Debt Outstanding		Applicable to DeWitt County	
	Date	Amount	Percent	Amount
<u>Direct debt:</u>				
DeWitt County	09/30/18	\$ -	100.00%	\$ -
<u>Overlapping debt:</u>				
Cities				
Cuero	09/30/18	12,215,000	100.00%	12,215,000
Yoakum	09/30/18	4,880,000	36.99%	1,805,112
Yorktown	09/30/18	4,074,348	100.00%	4,074,348
School Districts				
Cuero ISD	09/30/18	66,170,000	73.96%	48,939,332
Yoakum ISD	09/30/18	44,570,000	36.36%	16,205,652
Yorktown ISD	09/30/18	4,660,000	100.00%	4,660,000
Total overlapping debt		<u>136,569,348</u>		<u>87,899,444</u>
Total direct and overlapping debt		<u>\$ 136,569,348</u>		<u>\$ 87,899,444</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>
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%
2017	1,447,832,327	-	1,447,832,327	0.00%
2018	857,356,353	-	857,356,353	0.00%

Legal debt margin calculation for current fiscal year:

Assessed value of real property		\$ 3,429,425,411
(1) Debt limit percentage		<u>25.00%</u>
Debt limit		857,356,353
Debt applicable to debt limit		
Certificates of obligation	\$	-
Debt service funds available		<u>-</u>
Legal debt margin		<u>\$ 857,356,353</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*

<u>Calendar Year</u>	<u>Median Family Income</u>	<u>Estimated Population</u>	<u>Personal Income</u>	<u>Personal Income per Capita</u>	<u>Labor Force</u>	<u>Unemployment Rate</u>	<u>Median Age</u>
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
2017	56,416	21,030	1,186,428,480	56,416	8,635	3.60%	41
2018	54,692	20,242	1,107,075,464	54,692	8,164	3.20%	40

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>2018</u>			
Cuero Regional Hospital	Health Care	437	5.35%
Texas Dept. of Criminal Justice	Correctional Facility	363	4.45%
Cuero Independent School District	Education	353	4.32%
DeWitt County	Government	156	1.91%
H.E.B.	Retail	130	1.59%
Wal-Mart	Retail	100	1.22%
City of Cuero	Government	98	1.20%
Cuero Nursing & Rehabilitation Center	Health Care	98	1.20%
Energy Waste	Oilfield Equipment Rentals	77	0.94%
McMahan Welding	Industrial	70	<u>0.86%</u>
		<u>1,882</u>	<u>23.04%</u>
<u>2009</u>			
Cuero Independent School District	School District	400	4.43%
Cuero Community Hospital	Health Care	390	4.32%
Texas Dept. of Criminal Justice	Correctional Facility	322	3.57%
Mount Vernon Mills, Brentex Division	Textile Manufacturing	256	2.84%
Cuero Nursing & Rehabilitation Center	Health Care	150	1.66%
DeWitt County	Government	118	1.31%
City of Cuero	Government	80	0.89%
Wal-Mart	Retail	80	0.89%
H.E.B.	Retail	74	0.82%
Whispering Oaks Manor	Health Care	60	<u>0.67%</u>
		<u>1,930</u>	<u>21.39%</u>

SOURCE: Cuero Development Corporation

DeWITT COUNTY, TEXAS

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

Last ten fiscal years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</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	5	5
Veterans' service officer	-	-	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	3	3	2	2	2	2	2
Information technology	2	2	2	2	-	-	-	-	-	-
Tax assessor-collector	6	6	6	5	6	6	6	6	6	6
Judicial										
County court	2	2	2	2	2	2	2	2	5	2
District clerk	7	7	7	7	7	6	6	6	2	5
County attorney	3	3	3	3	3	2	2	2	3	2
Justice of the Peace #1	2	2	2	2	2	3	3	3	1	3
Justice of the Peace #2	2	2	2	2	2	2	2	1	1	1
Juvenile probation	5	4	4	4	4	4	6	6	6	5
Public works										
Sheriff	53	50	49	49	46	45	43	45	30	39
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
Precinct No. 1	10	10	10	10	9	6	6	7	5	6
Precinct No. 2	10	10	10	9	9	6	5	6	5	5
Precinct No. 3	8	9	9	10	9	6	6	6	6	6
Precinct No. 4	7	8	8	9	7	6	5	4	4	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
Health department	3	3	3	3	3	3	3	3	3	3
Total	<u>143</u>	<u>141</u>	<u>144</u>	<u>144</u>	<u>135</u>	<u>122</u>	<u>120</u>	<u>123</u>	<u>104</u>	<u>113</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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Function/Program										
General government										
County auditor										
Accounts payable invoices	7,878	8,172	9,025	8,288	8,421	7,397	7,396	7,369	7,567	7,327
County treasurer										
Payroll checks processed	4,660	4,604	4,517	4,188	4,076	3,998	3,146	3,647	3,650	3,429
Elections administrator										
New voter registrations	1,700	1,888	971	611	735	630	726	101	1,004	922
Elections held	4	2	4	4	7	2	1	1	1	1
Tax assesor-collector										
Automobile registrations	30,532	31,849	27,195	27,999	26,897	26,840	24,561	23,231	22,925	22,645
Judicial										
County court										
Criminal cases filed	392	423	469	489	533	493	533	459	489	502
Criminal case dispositions	416	444	562	523	594	536	537	697	516	642
Civil cases filed	34	73	68	74	95	32	29	51	28	30
Civil case dispositions	69	45	48	118	42	25	30	50	27	123
Juvenile cases filed	17	25	21	34	8	15	20	26	28	22
Juvenile case dispositions	24	26	20	27	14	20	20	23	32	29
District court										
Criminal cases filed	197	266	295	208	390	210	279	224	303	218
Criminal case dispositions	245	346	352	331	509	235	302	292	283	300
Civil cases filed	371	443	374	379	221	387	425	425	530	412
Civil case dispositions	601	527	605	507	328	458	456	449	494	407
Justice of the Peace #1										
Civil cases filed	153	131	139	105	120	104	140	136	56	177
Criminal cases filed	1,158	1,079	1,391	1,184	1,631	1,981	1,883	1,767	1,769	2,421
Justice of the Peace #2										
Civil cases filed	115	88	68	64	72	61	30	54	52	44
Criminal cases filed	719	884	1,028	1,078	1,053	1,031	979	1,611	3,401	1,465
Health and welfare										
Health department										
Immunizations administered	1,243	1,262	1,489	931	969	1,145	2,314	2,645	3,419	4,860

SOURCE: Various DeWitt County departments

DeWITT COUNTY, TEXAS

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM (Unaudited)

Last ten fiscal years

Function/Program	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
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	2	1	1	1	1	1	1	1	1	1
Patrol units	20	20	19	19	13	13	15	12	12	12
Other vehicles	2	2	0	0	0	0	0	0	0	0
Juvenile Probation										
Vehicles	2	2	2	2	0	0	0	0	0	0
Emergency Management										
Vehicles	1	1	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	108	108	107	78	60	48	44	43	40	36
Vehicles	28	27	27	28	26	24	26	26	26	26

SOURCE: Various DeWitt County departments, Texas Department of Transportation

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 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, each major fund, and the aggregate remaining fund information of DeWitt County, Texas (the "County") as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated March 5, 2019.

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 from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance 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 & Uherek, LLP

HARRISON, WALDROP & UHEREK, L.L.P.
Victoria, Texas
March 5, 2019