

CULBERSON COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

September 30, 2016

Reporting the County's Most Significant Funds

The fund financial statements begin on page 5 and provide detailed information about the most significant funds, not the County as a whole. Some funds are required to be established by State and Federal law or by debt covenants. However, the Commissioners' Court establishes many other funds to help us control and manage money for particular purposes. Examples are the Road & Bridge accounts and the Criminal Justice Fund. Some like the records preservation, grant funds, Homeland Security, senior nutrition, and Linebacker show that we are meeting legal responsibilities for using certain grant revenues for specified purposes. Governmental entities primarily use two kinds of funds, governmental and proprietary, which use different accounting approaches.

Governmental funds- Most of the County's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year end that are available for spending. These funds are reported using an accounting method called modified cash basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the County's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in reconciliation at the bottom of the fund financial statements.

Proprietary funds- The County currently does not report any proprietary fund types.

The County reports fund balance classifications prescribed by GASB 54. Fund balances are now classified as nonspendable, restricted, committed, assigned and unassigned based on the circumstances that apply. In accordance with County policy:

- Nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- Restricted fund balance classification includes funds with constraints placed on the use of resources are either: a. Externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b. Imposed by law through constitutional provisions or enabling legislation.
- Committed fund balances include amounts that can only be used for specific purposes pursuant to constraints imposed by court resolution/formal action of the commissioners' court which is the government's highest level of decision-making authority.
- Assigned fund balances include amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the commissioners' court action or (b) by county judge who is the official delegated by the commissioners' court with the authority to assign amounts to be used for specific purposes.

- Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

The County as Trustee

The County is responsible for assets that, because of a trust arrangement, can be used only for the trust beneficiaries. All of the County's fiduciary activities are reported in separate Statements of Fiduciary Net Assets on page 7. We exclude these activities from the County's other financial statements because the County cannot use these assets to finance its operations. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes. Examples are the County's agency accounts and registry trust funds.

THE COUNTY AS A WHOLE

The County's combined net position increased by \$824,468 in 2015/2016.

Revenues

The County's total revenues increased \$350,195 as compared to prior year, which is primarily attributed to increases in fines and fees.

THE COUNTY'S FUNDS

As the County completed the year, its governmental funds (as presented in the balance sheet on page 6) reported a combined fund balance of \$5,717,867 as compared to \$4,933,580 in prior year.

General Fund Budgetary Highlights

Over the course of the year the Commissioners' Court made only minor amendments to the County budget primarily to address unanticipated expenditures in excess of the original budget due to changes in circumstances and needs of the County.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end the 2016 fiscal year, the County had approximately \$9.6 million invested in capital assets. Depreciation and fixed assets is only reported in the government wide financial statement presentation on pages 4 and 5 and does not affect the fund basis financial statement presentation on pages 6 and 7 in accordance with the current generally accepted reporting model for state and local governments since fixed assets are expended in the fund basis financial statements.

During 2016 the County purchased and capitalized \$140,832 in equipment which included two pickups for \$60,816 for the roads departments; \$12,597 for a commercial riding lawn mower, \$27,050 in jail security and safety updates, \$9,720 in courthouse security upgrades, \$43,245 in 911 system upgrades. The County also capitalized \$24,674 in airport runway light upgrades and \$95,824 in fire station improvements. Of these purchase the firehouse improvements and 911 system upgrades were purchased with federal grant revenues.

Debt

The County incurred no new debt in 2015/2016. The County made scheduled principal payments of \$13,917 resulting in yearend debt obligation of \$10,661 which is scheduled to be paid in the next two years.

Budget - Highlights

Budget amendments were proposed to provide for changes in circumstances and opportunities of the County during the year. The County proposed a budget amendment to reclassify approved \$50,000 support for the Boys & Girls Club as a department versus as a project expense. The actual expenditures for the Boys & Girls Club for the year totaled \$13,262. Almost all salary expenses were over budget by one pay period due to the timing of payrolls which resulted in 27 paydays versus the typical 26 paydays.

The JP Court fees and fines exceeded budget by \$173, 007. Utilities permit revenues were not budgeted for and revenues totaled \$45,840. Refer to pages 25 through 36 for a comparative statement of revenue and expenses as compared to budget.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The County Commissioners' Court considered many factors before passing the 2016-2017 budget and tax rate.

Due to increased valuation the effective tax rate was set at .38064 per \$100 valuation for 2016/2017 and tax revenues are also expected to increase as tax payments become more timely.

Economic Factors

The Court's short and long term goals are to continue cost saving measures that will reduce the tax burden on its constituents and provide better, more effective services. Meeting our goal is ascertainable through diligence and continued communication between departments. Strategies are being implemented to help maintain and upgrade the

County's infrastructure within the adopted budget on a yearly basis. Staying within the confines of the adopted budget is the key to healthy fiduciary outcomes. This in the long run will help sustain the services offered to our citizens. During the decision making process, keeping in mind the best interests of the residents of Culberson County will always produce the best possible outcome.

Culberson County experienced moderate growth in 2015-2016. For the fiscal year 2016-2017 the court expects this moderate growth to continue.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the County Treasurer's Office at P.O. Box 635, Van Horn, Texas, 79855.

A handwritten signature in black ink, appearing to read "Carlos Urias". The signature is fluid and cursive, with the first name "Carlos" and last name "Urias" clearly distinguishable.

Carlos Urias
County Judge

CULBERSON COUNTY, TEXAS
TABLE #1
GOVERNMENT WIDE
COMPARATIVE STATEMENT OF NET POSITION -
MODIFIED CASH BASIS
SEPTEMBER 30, 2016 AND 2015

| | PRIMARY GOVERNMENT | |
|--|---------------------------|---------------------|
| | 2016 | 2015 |
| | Governmental | Governmental |
| | Activities | Activities |
| <u>ASSETS:</u> | | |
| Cash and Cash Equivalents | \$ 5,008,153 | \$ 4,272,267 |
| Cash and Cash Equivalents - restricted | 313,907 | 284,589 |
| Certificates of Deposit | <u>567,895</u> | <u>565,820</u> |
| Total Cash and Deposits | 5,889,955 | 5,122,676 |
| Capital Assets | | |
| Land | 182,810 | 182,810 |
| Other Capital Assets | <u>2,649,078</u> | <u>2,622,814</u> |
| Total Capital Assets | <u>2,831,888</u> | <u>2,805,624</u> |
| Total Assets | <u>8,721,843</u> | <u>7,928,300</u> |
| <u>DEFERRED OUTFLOWS</u> | <u>6,617</u> | <u>6,849</u> |
| <u>LIABILITIES:</u> | | |
| Amounts due others | 180,664 | 184,518 |
| Other liabilities | (1,959) | 11,427 |
| Long term debt | | |
| Due within one year | 5,219 | 13,917 |
| Due in more than one year | <u>5,442</u> | <u>10,661</u> |
| Total liabilities | <u>189,366</u> | <u>220,523</u> |
| <u>DEFERRED INFLOWS</u> | <u>-</u> | <u>-</u> |
| <u>NET POSITION:</u> | | |
| Net investment in capital assets | 2,821,227 | 2,781,046 |
| Restricted for: | | |
| Restricted | 106,611 | 70,280 |
| Committed | 1,318,766 | 1,162,629 |
| Assigned | 26,001 | 29,620 |
| Unrestricted | <u>4,266,489</u> | <u>3,671,051</u> |
| Total Net Position | <u>\$ 8,539,094</u> | <u>\$ 7,714,626</u> |

CULBERSON COUNTY, TEXAS
TABLE # 2
COMPARATIVE STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
YEARS ENDED SEPTEMBER 30, 2016 AND 2015

| <u>Functions/Programs</u> | <u>PRIMARY GOVERNMENT</u> | |
|---|---------------------------|---------------------|
| | <u>Governmental</u> | <u>Governmental</u> |
| | <u>Activities</u> | <u>Activities</u> |
| | <u>2016</u> | <u>2015</u> |
| REVENUES: | | |
| Property Tax | \$ 3,195,894 | \$ 3,200,515 |
| License & Permits | 126,037 | 85,222 |
| Fines and Fees | 908,906 | 770,303 |
| Public Service Fees | 61,931 | 54,150 |
| Grant Revenues | 154,089 | 90,319 |
| Intergovernmental Reimbursements | 228,066 | 194,049 |
| Charges for Services | 16,887 | 17,776 |
| Contributions | 11,903 | 11,462 |
| Corrections and rehabilitation | - | 6,255 |
| Other | <u>115,111</u> | <u>38,578</u> |
| Total revenues | <u>4,818,824</u> | <u>4,468,629</u> |
| EXPENDITURES: | | |
| Current: | | |
| General Government | 1,491,603 | 1,289,158 |
| Justice System | 534,157 | 501,495 |
| Public Safety | 785,441 | 799,002 |
| Corrections and Rehabilitation | 265,175 | 260,725 |
| Health and Human Services | 345,419 | 304,643 |
| Community and Economic Development | 120,806 | 177,818 |
| Infrastructure and Environmental Services | <u>451,755</u> | <u>539,739</u> |
| Total expenditures | <u>3,994,356</u> | <u>3,872,580</u> |
| Excess (deficiency) of revenues | | |
| over expenditures before transfers | 824,468 | 596,049 |
| Transfers | <u>-</u> | <u>4,419</u> |
| Excess (deficiency) of revenues | | |
| over expenditures after transfers | <u>824,468</u> | <u>600,468</u> |
| Net Position beginning of year - restated | <u>7,714,626</u> | <u>7,114,158</u> |
| Net Position - end of year | <u>\$ 8,539,094</u> | <u>\$ 7,714,626</u> |

FINANCIAL SECTION

GOVERNMENT WIDE FINANCIAL STATEMENTS

CULBERSON COUNTY, TEXAS
GOVERNMENT WIDE
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
AS OF SEPTEMBER 30, 2016

| | <u>Governmental Activities</u> |
|--|------------------------------------|
| <u>ASSETS</u> | |
| Cash and Cash Equivalents | \$ 5,008,153 |
| Cash and Cash Equivalents - Restricted | 313,907 |
| Certificates of Deposit | 567,895 |
| Total Cash and Bank Deposits | <u>5,889,955</u> |
| Capital Assets: | |
| Land | 182,810 |
| Other Capital Assets | 2,649,078 |
| Total Capital Assets | <u>2,831,888</u> |
| Total Assets | <u>8,721,843</u> |
| <u>DEFERRED OUTFLOWS</u> | <u>6,617</u> |
| <u>LIABILITIES</u> | |
| Amounts Due to Others | 180,664 |
| Other Liabilities | (1,959) |
| Long-Term Debt | |
| Due Within One Year | 5,219 |
| Due in More Than One Year | 5,442 |
| Total Liabilities | <u>189,366</u> |
| <u>DEFERRED INFLOWS</u> | <u>-</u> |
| <u>NET POSITION</u> | |
| Net Investment in Capital Assets | 2,821,227 |
| Restricted | 106,611 |
| Committed | 1,318,766 |
| Assigned | 26,001 |
| Unrestricted | 4,266,489 |
| Total Net Position | <u>\$ 8,539,094</u> |

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

CULBERSON COUNTY, TEXAS
GOVERNMENT WIDE
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

| Functions/Programs | Expenses | Program Revenues | | | Net (expense) Revenue and Changes in Net Assets Governmental Activities |
|---|------------------|-------------------------|--|-------------------|--|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants | |
| PRIMARY GOVERNMENT: | | | | | |
| General Government | \$ 1,491,603 | \$ 12,962 | \$ 223,618 | \$ - | \$ (1,255,023) |
| Justice System | 534,157 | - | 1,724 | - | (532,433) |
| Public Safety | 785,441 | - | 15,947 | 135,066 | (634,428) |
| Corrections and Rehabilitation | 265,175 | - | 2,400 | - | (262,775) |
| Health and Human Services | 345,419 | - | - | - | (345,419) |
| Community and Economic Development | 120,806 | - | - | - | (120,806) |
| Infrastructure and Environmental Services | 451,755 | 3,925 | 3,400 | - | (444,430) |
| Total Governmental Activities | <u>3,994,356</u> | <u>16,887</u> | <u>247,089</u> | <u>135,066</u> | <u>(3,595,314)</u> |

General Revenues:

| | |
|---|---------------------|
| Taxes: | |
| Property Taxes, Levied for General Purposes | 3,195,894 |
| Investment Earnings | 11,903 |
| License & Permits | 126,037 |
| Fines and Fees | 970,837 |
| Contributions | 1,090 |
| Other | 114,021 |
| Total General Revenues | <u>4,419,782</u> |
| Change in Net Position Before Net Transfers | 824,468 |
| Net Transfers | - |
| Change in Net Position After Net Transfers | <u>824,468</u> |
| Net Position - Beginning | <u>7,714,626</u> |
| Net Position - Ending | <u>\$ 8,539,094</u> |

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

FUND BASIS FINANCIAL STATEMENTS

CULBERSON COUNTY, TEXAS
GOVERNMENTAL FUNDS
BALANCE SHEET - MODIFIED CASH BASIS
AS OF SEPTEMBER 30, 2016

-- GOVERNMENTAL FUNDS--

| | MAJOR GENERAL FUND | Non-Major Funds SPECIAL REVENUE | CAPITAL PROJECTS | TOTAL GOVERNMENTAL FUNDS |
|--|--------------------------|---------------------------------------|---------------------|--------------------------------|
| <u>ASSETS</u> | | | | |
| Cash in Bank | \$ 5,487,577 | \$ (484,737) | \$ 5,313 | \$ 5,008,153 |
| Cash in Bank - Restricted | 179,790 | 134,117 | - | 313,907 |
| Certificates of Deposit | 567,895 | - | - | 567,895 |
| Postage Inventory | 6,269 | 348 | - | 6,617 |
| Due from Other Funds | 212,862 | - | - | 212,862 |
| TOTAL ASSETS | \$ 6,454,393 | \$ (350,272) | \$ 5,313 | \$ 6,109,434 |
| <u>LIABILITIES</u> | | | | |
| Due to Others | \$ 179,790 | \$ 15 | \$ - | \$ 179,805 |
| Due to Other Funds | 52,292 | 143,491 | 17,938 | 213,721 |
| Deferred revenue / Inflows | - | - | - | - |
| Other liabilities | (1,959) | - | - | (1,959) |
| TOTAL LIABILITIES | 230,123 | 143,506 | 17,938 | 391,567 |
| <u>FUND BALANCES</u> | | | | |
| Nonspendable | - | - | - | - |
| Restricted | - | 106,611 | - | 106,611 |
| Committed | 1,318,766 | - | - | 1,318,766 |
| Assigned | - | 26,001 | - | 26,001 |
| Unassigned | 4,905,504 | (626,390) | (12,625) | 4,266,489 |
| Total Fund Balances | 6,224,270 | (493,778) | (12,625) | 5,717,867 a) |
| TOTAL LIABILITIES AND FUND EQUITY | \$ 6,454,393 | \$ (350,272) | \$ 5,313 | \$ 6,109,434 |

Total fund balances as reported above.

\$ 5,717,867 a)

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

| | |
|--|---------------------|
| 1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund basis financial statements. | 2,831,888 |
| 2) Loans payable reported as debt. | (10,661) |
| 3) Debt payment reducing applied to debt. | - |
| 4) Loan proceeds recorded as debt | - |
| Net Assets of Governmental Activities | \$ 8,539,094 |

CULBERSON COUNTY, TEXAS
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
MODIFIED CASH BASIS
YEAR ENDED SEPTEMBER 30, 2016

| | GOVERNMENTAL FUNDS | | | |
|--|--------------------|-----------------|-------------|--------------|
| | MAJOR | NON-MAJOR FUNDS | | TOTAL |
| | GENERAL | SPECIAL | CAPITAL | GOVERNMENTAL |
| | FUND | REVENUE | PROJECTS | FUNDS |
| FUNCTIONS/PROGRAMS | | | | |
| REVENUES: | | | | |
| Property tax | \$ 3,195,894 | \$ - | \$ - | \$ 3,195,894 |
| License & Permits | 126,037 | - | - | 126,037 |
| Fines and Fees | 692,392 | 216,514 | - | 908,906 |
| Public service fees | 61,931 | - | - | 61,931 |
| Grant revenues and intergovernmental | 15,163 | 138,926 | - | 154,089 |
| Intergovernmental reimbursements | 228,066 | - | - | 228,066 |
| Charges for services | 12,962 | 3,925 | - | 16,887 |
| Investment income | 11,717 | 172 | 14 | 11,903 |
| Contributions | - | 1,090 | - | 1,090 |
| Corrections and rehabilitation | - | - | - | - |
| Other | 113,891 | 130 | - | 114,021 |
| Total revenues | 4,458,053 | 360,757 | 14 | 4,818,824 |
| EXPENDITURES: | | | | |
| Current: | | | | |
| General Government | 1,468,100 | 6,127 | - | 1,474,227 |
| Justice System | 529,441 | 2,876 | - | 532,317 |
| Public Safety | 687,437 | 135,602 | - | 823,039 |
| Corrections and Rehabilitation | 287,905 | - | - | 287,905 |
| Health and Human Services | 80,028 | 254,170 | - | 334,198 |
| Community and Economic Development | 111,632 | - | - | 111,632 |
| Infrastructure and Environmental Services | 460,839 | 10,380 | - | 471,219 |
| Total expenditures | 3,625,382 | 409,155 | - | 4,034,537 |
| Excess (deficiency) of revenues over expenditures | 832,671 | (48,398) | 14 | 784,287 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Loan Proceeds | - | - | - | - |
| Transfers in | (237,931) | - | - | (237,931) |
| Transfers (out) | 156,146 | 81,785 | - | 237,931 |
| Total other financing sources | (81,785) | 81,785 | - | - |
| Net change in fund balances | 750,886 | 33,387 | 14 | 784,287 a) |
| Fund balance - beginning of year | 5,473,384 | (527,165) | (12,639) | 4,933,580 |
| Fund balance - ending | \$ 6,224,270 | \$ (493,778) | \$ (12,625) | \$ 5,717,867 |

Reconciliation of changes in fund balances to changes in net assets

| | | | |
|---|--|-------------------|----|
| as reported in the Government Wide Statement of Activities | | | |
| Change in net assets as reported above on a fund accounting basis | | \$ 784,287 | a) |
| Capitalized - capital expenditures | | 261,330 | |
| Loan proceeds reported as other sources | | - | |
| Debt payments recorded as expenditure | | 13,917 | |
| Depreciation expense recorded | | (235,066) | |
| Changes in net assets as reported in the Government Wide Statement of Activities | | <u>\$ 824,468</u> | |

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

CULBERSON COUNTY, TEXAS
STATEMENT OF FIDUCIARY NET ASSETS - MODIFIED CASH BASIS
- TRUST AND AGENCY FUNDS
AS OF SEPTEMBER 30, 2016

| <u>ASSETS</u> | <u>REGISTRY TRUST FUND</u> |
|---|------------------------------------|
| Cash - Restricted | \$ 175,983 |
| Certificates of Deposit | 45,471 |
| Due from Other Funds | <u>-</u> |
| Total Assets | <u>221,454</u> |
| <u>LIABILITIES</u> | |
| Trust and Agency Funds Payable | 221,454 |
| Due to Other Funds | <u>-</u> |
| Total Liabilities | <u>221,454</u> |
| <u>FUND BALANCE (DEFICIT)</u> | |
| Restricted Fund Balance | <u>-</u> |
| Total Fund Balance | <u>-</u> |
| Total Liabilities and Fund Balance | <u>\$ 221,454</u> |

The accompanying notes are an integral
part of the financial statements

CULBERSON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization - Culberson County, Texas (County) is incorporated as a County Corporation under the laws of the State of Texas. The County operates under a charter that establishes management by an elected County Judge and a Commissioners' Court made up of four elected members. The accounting and reporting policies of the County relating to the funds and account groups included in the accompanying combined financial statements utilize the modified cash basis of accounting which is a comprehensive basis of accounting other than generally accepted accounting principles (GAAP) applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

Financial Reporting Entity – The County's primary government financial statements presented herein, reports only the primary government of Culberson County, Texas, which consists of all funds, organizations, institutions, agencies, departments, and offices that comprise the County's legal entity. The financial statements do not include financial data for the Culberson-Hudspeth Counties Juvenile Probation Board which is considered a separate component unit entity of the County because of the County's responsibilities as fiscal agent. Accounting principles generally accepted in the United States of America would require the financial information of the Culberson-Hudspeth Counties Juvenile Probation Board District to be reported with the financial data of the County's primary government as a component unit. As a result, the primary government financial statements presented do not purport to, and do not, present fairly the financial position of the reporting entity of the Culberson County, Texas, as of September 30, 2016, the changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America. The Culberson-Hudspeth Counties Juvenile Probation Board has issued separate reporting entity financial statements as of and for the year ended August 31, 2016, in accordance with accounting practices prescribed or permitted by the Texas Juvenile Justice Department (TJJD). Culberson-Hudspeth Counties Juvenile Probation's financial statements are available upon request of the County Treasurer's office P.O. Box 1302, Van Horn, TX 79855.

Basic Financial Statements—Government-Wide Statements

The County's basic financial statements include both government wide (reporting the County as a whole) and fund financial statements (reporting the County's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The County's law enforcement, fire protection, parks, recreation, roads and bridges, jail, and general administrative services are classified as governmental activities.

CULBERSON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS

NOTE 1: *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued*

In the government-wide Statement of Net Assets, the governmental activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a modified cash basis of accounting which represents a comprehensive basis of accounting different from generally accepted accounting principles. The modified cash basis of accounting, records expenses when paid without regard to economic resources. Revenues are recognized when received therefore receivables and accounts payables are not recorded in the balance sheet. The County's net assets are reported in three parts: investment in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The County first utilizes restricted resources to finance qualifying activities.

The Government - Wide Statement of Activities reports both the gross and net cost of each of the County's financial activities by function (law enforcement, parks, airport, roads & bridges, etc.). The functions are also supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (public safety, roads & bridges, community services, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property, fines, licenses and fees, intergovernmental revenues, interest income, etc). The County does not allocate indirect costs.

This government-wide focus is on the County's ability to sustain as an entity and the change in the County's net assets resulting from the current year's activities.

Basic Financial Statements — Fund Financial Statements

The financial transactions of the County are reported by fund types in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

CULBERSON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

The following fund group types are used by the County:

Governmental Funds - The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the County:

- **General fund** is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.
- **Special revenue funds** are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
- **Debt service funds** are used to account for the accumulation of funds for the periodic payment of principal and interest on bonds payable. This fund group was not used in 2016 since the County had no bonds payable outstanding during the year.
- **Capital projects funds** are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Proprietary Funds - The focus of proprietary fund measurement is upon determination of operating income, changes in net assets, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The County does not currently operate any funds as proprietary funds.

Fiduciary Funds - Fiduciary Funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support County programs. Since by definition these assets are being held for the benefit of a third party (other local governments, private parties etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

Major – Nonmajor Fund Group Classifications - The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Non major funds by category are typically summarized into a single column. GASB No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The County electively segregated and reported non-major funds into two columns in the fund financial statements which represent combined non-major special revenue, and separate column presentation of capital project funds.

Basis of Accounting - Basis of accounting refers to the point at which revenues or expenditures/ expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

CULBERSON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

- Modified Cash basis - All the financial statements have been presented on the modified cash basis of accounting (also referred to as the cash basis of accounting) which is a comprehensive basis of accounting other than generally accepted accounting principles. Revenues are recognized when received and expenses are recognized when paid. The County has reported depreciation only in the government wide financial statements in accordance with generally accepted accounting principles for state and local governments.

Financial Statement Amounts:

Cash and Cash Equivalents - The County has defined cash and cash equivalents to include cash on hand, demand deposits, and cash with fiscal agents.

Investments - Investments, when applicable, are stated at the lower of cost or market. The County primarily invests in certificates of deposit which are reported at cost which approximates market value.

Inventories - The County does not inventory supplies. Supplies are expensed when purchased and the effect to the financial statements is not considered to be material. Prepaid and unused postage purchases are inventoried and reported with County assets in the fund basis financial statements and are reported as deferred outflows in the government wide financial statements.

Capital Assets - Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed when paid.

Capital assets are depreciated in the government wide financial statements using the straight line depreciation method of the following estimated depreciable lives by asset category:

| <u>Assets</u> | <u>Estimated Depreciable Lives</u> |
|-------------------------|--|
| Buildings | 40 |
| Furniture and Equipment | 10--15 |
| Vehicles | 10 |
| Improvements | 9--20 |
| Infrastructure | 15--35 |

GASB No. 34 requires the County to also report and depreciate infrastructure assets. Infrastructure assets consist primarily of roads, bridges, and airport runways. The County elected to implement the general provisions of GASB No. 34 in 2004 and elected to implement the infrastructure provisions on a retroactive basis for infrastructure investments occurring prior to October 1, 2003.

CULBERSON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Compensated Absences – The County's accounting policy provides employees the option to be paid unused vacation. The County continues to expense vacation leave and associated employee-related costs when paid. As of September 30, 2016, accrued vacation and accrued compensation time totaled \$52,219, which are not reported as liabilities in the cash basis financial statements but are expensed when paid. Employees also earn sick leave benefits based on time of service. As of September 30, 2016, the County's contingent liability for employee accrued sick and emergency leave benefits totaled \$65,116, which would only be expensed when paid.

Interfund Activity - Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables, as appropriate, and are subject to elimination upon consolidation in the government wide financial statement presentation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses.

Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

Accounting Estimates - The preparation of financial statements using the modified cash basis of accounting requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

Fund Balance Classification Policies and Procedures – The County has adopted the fund balance classifications prescribed by GASB 54. Fund balances are classified as nonspendable, restricted, committed, assigned and unassigned based on the circumstances that apply. In accordance with County policy:

- Nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- Restricted fund balance classification includes funds with constraints placed on the use of resources are either: a. Externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b. Imposed by law through constitutional provisions or enabling legislation.
- Committed fund balances include amounts that can only be used for specific purposes pursuant to constraints imposed by court resolution/formal action of the commissioners' court which is the government's highest level of decision-making authority.
- Assigned fund balances include amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the commissioners' court action or (b) by a county judge who is the official delegated by the commissioners' court with the authority to assign amounts to be used for specific purposes.

CULBERSON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

- Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

For the classification of fund balances the County considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available and (2) the County considered committed and assigned amounts to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Minimum Fund Balance Policies – The County has not formally adopted a minimum fund balance policy; however, in practice deficit special revenue funds are classified as unassigned since the deficits are typically paid through pooled cash overdraft or other unassigned funds.

Encumbrances - The County does not encumber or reserve an appropriation for future expenditures. Appropriations lapse at fiscal year end and must be appropriated in the next fiscal year budget.

Subsequent Events – Management has conducted a review of subsequent events through the date of the auditor's report. The financial statements were available for distribution February 2, 2017.

NOTE 2: PROPERTY TAX

The County's annual ad valorem property tax is required to be levied by October 1, or as soon thereafter as practicable, on the assessed value listed as of the prior January 1 for all real and certain personal property. Taxes are due on January 31, of the year following the year of the levy before penalties and interest are assessed.

All taxes are assessed based on 100% of the actual value of property. The State Constitution and the County Charter set a maximum tax rate per \$100 valuation of \$.80 for general fund, and \$.15 for road and bridge maintenance. There is no debt limit or margin set by State Law or County Charter. The tax rate for 2015/2016 tax year was \$.38064 per \$100 valuation.

The Texas Property Tax Code (Code), with certain exceptions, exempts intangible personal property, household goods, and family-owned automobiles from taxation. In addition, the Code provides for the establishment of county-wide appraisal districts. The appraisal of property within the County is the responsibility of the county-wide appraisal district.

CULBERSON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS

NOTE 2: *PROPERTY TAX – continued*

The appraisal district is required under the Code to appraise all taxable property within the appraisal district on the basis of 100% of its appraised value and is prohibited from applying any assessment ratios. The value of real property within the appraisal district must be reviewed every four years; however, the County may, at its own expense, require annual reviews of appraised values. The County may challenge appraised values established by the appraisal district through various appeals and, if necessary, legal action.

Current and delinquent tax payments, received throughout the year, are recognized as revenue in the year received. Property tax receivables, which are not reported in the financial statements under the modified cash basis of accounting, consisted of the following at September 30, 2016:

| | |
|-----------------------------|----------------------|
| Current taxes receivable | \$ - |
| Delinquent taxes receivable | <u>546,379</u> |
| | <u>\$ 546,379</u> |
| Delinquent taxes by year: | |
| 2015 | \$ 69,129 |
| 2014 | 63,022 |
| 2013 | 51,650 |
| 2012 | 42,561 |
| 2011 | 46,966 |
| 2010 | 38,142 |
| 2009 and prior | <u>234,909</u> |
| Total delinquent taxes | <u>\$ 546,379</u> |

NOTE 3: *DUE TO/FROM OTHER FUNDS*

Current and prior year transactions resulted in the following amounts due (to) from other funds which have been reported in the cash basis balance sheet:

| | <u>Due from</u> | <u>Due to</u> |
|--|----------------------|----------------------|
| General Fund due from Nutrition Center | \$ 138,077 | \$ - |
| General Fund due from Capital Projects | 17,938 | - |
| General Fund due from Funds 35 and 30 | 56,847 | - |
| Road and Bridges due from General Fund | 82,051 | - |
| Fund 30 due to General Fund | - | 4,555 |
| Fund 35 due to General Fund | - | 52,292 |
| Capital Projects due to General Fund | - | 17,938 |
| General Fund due to Road and Bridges | - | 82,051 |
| Nutrition Center due to General Fund | - | <u>138,077</u> |
| | <u>\$ 294,913</u> | <u>\$ 294,913</u> |

CULBERSON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS

NOTE 4: CASH AND CASH EQUIVALENTS

Deposit Risk - As of September 30, 2016, the carrying amount of the County's deposits held in one depository bank was \$5,889,955 for governmental funds and \$221,454 for trust and agency funds. Of the banks' balances, \$250,000 of the governmental funds and \$221,484 of the registry trust funds were insured by the Federal Deposit Insurance Corporation. The County's depository bank also has pledged bank owned securities with a fair market value of \$7,901,412 to secure County deposits in excess of FDIC insurance limits. Amounts in excess of FDIC insurance limits are considered unsecured for financial reporting purposes considering the custody arrangements.

Restricted Cash - Restricted cash primarily represents amounts due others from registry trust funds and amounts held for special revenue funds which are restricted by grant contract or law.

Pooled Cash - The County operates two pooled accounts, a primary checking account and an interest-bearing money market account, to accomplish cash transactions for a number of funds and sub-funds. Following is a summary of pooled cash as of September 30, 2016:

| | | Operating <u>Checking</u> | Payroll <u>Clearing</u> |
|------------|-----------------------------|------------------------------|----------------------------|
| 10-100-110 | General | \$ 720,404 | \$ - |
| 20-100-110 | Road and Bridge | 1,236,715 | - |
| 30-100-110 | Attorney Hot Checks | (679) | - |
| 40-100-110 | Due from Juvenile Probation | - | - |
| 43-100-110 | JAG ARRA Grant | 128 | - |
| 45-100-110 | Senior Nutrition | - | - |
| 85-100-110 | Linebacker | (1,240) | - |
| 87-100-110 | CJD | (96,809) | - |
| 89-100-110 | LBSP 08 | (251,506) | - |
| 90-100-110 | JAG Grant | (134,503) | - |
| | | <u>\$ 1,472,510</u> | <u>\$ -</u> |

CULBERSON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS

NOTE 5: CHANGES IN FIXED ASSETS

A summary of changes in fixed assets reported in the government wide financial statements follows:

| | <u>Balance</u> <u>9/30/2015</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance</u> <u>9/30/2016</u> |
|--------------------------------|------------------------------------|------------------|------------------|------------------------------------|
| Primary Government Unit: | | | | |
| Land | \$ 182,810 | \$ - | \$ - | \$ 182,810 |
| Buildings and Improvements | 2,533,062 | 95,824 | - | 2,628,886 |
| Furniture and Equipment | 2,148,491 | 140,832 | 24,000 | 2,265,323 |
| Vehicles | 900,432 | - | 21,215 | 879,217 |
| Infrastructure - Airport | 363,645 | 24,674 | - | 388,319 |
| Infrastructure - Streets | 3,272,517 | - | - | 3,272,517 |
| | <u>9,400,957</u> | <u>261,330</u> | <u>45,215</u> | <u>9,617,072</u> |
| Less Accumulated Depreciation: | | | | |
| Buildings and Improvements | 1,118,582 | 48,067 | - | 1,166,649 |
| Furniture and Equipment | 1,482,044 | 83,307 | 24,000 | 1,541,351 |
| Vehicles | 684,392 | 46,847 | 21,215 | 710,024 |
| Infrastructure - Airport | 383,568 | 6,296 | - | 389,864 |
| Infrastructure - Streets | 2,926,747 | 50,549 | - | 2,977,296 |
| | <u>6,595,333</u> | <u>235,066</u> | <u>45,215</u> | <u>6,785,184</u> |
| Net Fixed Assets | <u>\$ 2,805,624</u> | <u>\$ 26,264</u> | <u>\$ -</u> | <u>\$ 2,831,888</u> |

Following is a recap of Changes by function:
(For the Year Ended 9/30/2016)

| | <u>Capital</u> <u>Additions</u> | <u>Retirements</u> | <u>Depreciation</u> |
|---|------------------------------------|--------------------|---------------------|
| General Government | \$ 9,720 | \$ - | \$ 27,096 |
| Justice System | - | - | 1,839 |
| Public Safety | 139,069 | 21,215 | 110,382 |
| Corrections and Rehabilitation | 27,050 | - | 4,320 |
| Health and Human Services | - | - | 11,221 |
| Community and Economic Development | - | 24,000 | 14,180 |
| Infrastructure and Environmental Services | 85,491 | - | 66,028 |
| | <u>\$ 261,330</u> | <u>\$ 45,215</u> | <u>\$ 235,066</u> |

NOTE 6: LONG-TERM DEBT

Following is a schedule of changes in long term debt.

| | <u>9/30/2015</u> | <u>Additions</u> | <u>Retired</u> | <u>9/30/2016</u> |
|------------------------------------|------------------|------------------|------------------|------------------|
| 1) Note Payable - Nutrition Center | \$ 15,667 | - | 5,006 | \$ 10,661 |
| 2) Note Payable - Public Safety | 8,911 | - | 8,911 | - |
| Total | <u>\$ 24,578</u> | <u>\$ -</u> | <u>\$ 13,917</u> | <u>\$ 10,661</u> |

CULBERSON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS

NOTE 6: LONG-TERM DEBT - continued

- 1) The County entered into a financing agreement to finance the purchase of a cargo van to be used in the nutrition center. The note dated May 21, 2016 required a down payment of \$5,673 and three subsequent annual payments of \$5,673. The note bears interest at 4.259%. The outstanding balance at September 30, 2016 was \$10,661.
- 2) The County entered into a financing agreement to finance the purchase a police vehicle. The note dated July 8, 2013 required a down payment of \$6,000 and three annual payments of \$9,294. The note bears interest at 3.85%. The outstanding balance at September 30, 2016 was \$-0-.

Following is a schedule of future maturities of long term debt:

| <u>Fiscal Year</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|------------------------|------------------|-----------------|------------------|
| 2017 | \$ 5,219 | \$ 454 | \$ 5,673 |
| 2018 | 5,442 | 232 | 5,674 |
| 2019 | - | - | - |
| Total | <u>\$ 10,661</u> | <u>\$ 686</u> | <u>\$ 11,347</u> |

NOTE 7: CONCENTRATIONS OF CREDIT RISK

Property tax receivables are from residences and businesses primarily located in the County. Collection of such taxes is directly related to the general economic conditions of the County. Refer to Note 3 for disclosures relevant to concentration of credit risk for bank deposits.

As of September 30, 2016, the Senior Nutrition Fund 45 owed the general fund \$138,077. Uncertainty exists as to the program's ability to repay the General fund from operations in the near future. No provision for collection loss has been recorded in the general fund in the modified cash basis financial statements. As of September 30, 2016 the Senior Nutrition Fund reported a deficit fund balance of (\$138,380).

As of September 30, 2016 Linebacker fund 87, Linebacker fund 89 and JAG fund 90 reported deficit fund balances of \$(96,809), \$(251,900), and \$(134,067), respectively, of which \$96,809, \$251,900 and \$134,527 represents prior period activities posted to funds in excess of grant revenues and transfers received. No provision for collection loss has been recorded in the general fund in the modified cash basis financial statements.

CULBERSON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS

NOTE 8: FUND BALANCE CLASSIFICATIONS

The following schedule discloses the details of fund balance classifications at September 30, 2016:

| | GOVERNMENTAL FUNDS | | | TOTAL GOVERNMENTAL FUNDS |
|--------------------------------------|--------------------------|---------------------------------------|---------------------|--------------------------------|
| | MAJOR GENERAL FUND | NON-MAJOR FUNDS SPECIAL REVENUE | CAPITAL PROJECTS | |
| Fund Balance Classifications: | | | | |
| Restricted | | | | |
| JAG ARRA Fund 43 | \$ - | \$ 128 | \$ - | \$ 128 |
| Law Enforcement Fund 47 | - | 3,300 | - | 3,300 |
| Constable Fund 49 | - | 302 | - | 302 |
| Records Preservation Fund 50 | - | 11,314 | - | 11,314 |
| Records Preservation Fund 60 | - | 17,238 | - | 17,238 |
| Child Welfare Board | - | 5,543 | - | 5,543 |
| Homeland Security Fund 77 | - | 1 | - | 1 |
| Border Colonia Fund 80 | - | 4,018 | - | 4,018 |
| Linebacker Fund 81 | - | 1 | - | 1 |
| Justice Tech Fund 84 | - | 17,418 | - | 17,418 |
| Block Grant Fund 86 | - | 1,724 | - | 1,724 |
| Clerk Archive Fund 87 | - | 45,281 | - | 45,281 |
| Commissary Fund 88 | - | 343 | - | 343 |
| | - | 106,611 | - | 106,611 |
| Committed | | | | |
| Roads & Bridges | 1,318,766 | - | - | 1,318,766 |
| Assigned | | | | |
| Airport Improvements | - | 26,001 | - | 26,001 |
| Unassigned | | | | |
| Fund 10 - General Fund | 1,513,522 | - | - | 1,513,522 |
| Fund 91 Contingency | 3,281,531 | - | - | 3,281,531 |
| Criminal Justice Fund 35 | 110,451 | - | - | 110,451 |
| Fund Deficits: | | | | |
| Capital Projects | - | - | (12,625) | (12,625) |
| Hot Checks Fund 30 | - | (5,234) | - | (5,234) |
| Senior Nutrition Fund 45 | - | (138,380) | - | (138,380) |
| Linebacker Fund 87 | - | (96,809) | - | (96,809) |
| Linebacker Fund 89 | - | (251,900) | - | (251,900) |
| JAG Fund 90 | - | (134,067) | - | (134,067) |
| | 4,905,504 | (626,390) | (12,625) | 4,266,489 |
| Fund Balance - Ending | \$ 6,224,270 | \$ (493,778) | \$ (12,625) | \$ 5,717,867 |

CULBERSON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS

NOTE 9: EMPLOYEE PENSION AND RETIREMENT PROGRAMS

Plan Description The County provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional, joint contributory, defined contribution plan in the state-wide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for administration of the statewide agent multiple-employer public employee retirement system. TCDRS in the aggregate issues a comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon written request from TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034 or <http://TCDRS.org>.

The plan provisions are adopted by the governing body of the employer, within the options available in the Texas state statutes governing TCDRS (TCDRS Act).

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.

Funding Policy. The employer has elected to use the annually determined contribution rate (Variable- Rate) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. It was 7% and 7% for calendar year 2016 and 2015, respectively. The contribution rate payable by the employee members was 7% as adopted by the governing body of the employer. The employee contribution rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act. The County's financial statements are presented using the modified cash basis of accounting whereby employer contributions are expenses when paid.

CULBERSON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS

NOTE 9: EMPLOYEE PENSION AND RETIREMENT PROGRAM - continued

At September 30, 2016 there were 61 active plan members, 33 retirees and beneficiaries receiving benefits, and 30 former employees entitled to but not yet receiving benefits.

Net pension liability (asset) is not reported in the modified cash basis financial statements; however, the following table provides a recap of net pension liability/(asset) as determined in accordance with GASB 68:

| | <u>Dec. 31, 2015</u> |
|--|----------------------|
| Net Pension Liability/(Asset): | |
| Total Pension Liability | 7,162,654 |
| Fiduciary net position | 6,838,907 |
| Net Pension Liability (asset) | 323,747 |
| Fiduciary net position as a percentage of total pension liability | 95.48% |
| Pensionable covered payroll | 1,828,903 |
| Net Pension Liability as a percentage of covered payroll | 17.70% |

The total pension liability was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below:

| | |
|---|-------|
| Discount Rate: | |
| Discount Rate | 8.10% |
| Long-term expected rate of return, net of investment expense | 8.10% |
| Economic Assumptions: | |
| Real rate of return | 5.00% |
| Inflation | 3.00% |
| Long-term investment return | 8.00% |
| Employer -specific economic assumptions: | |
| Growth in membership | 0.00% |
| Payroll growth | 3.50% |

Other Key Actuarial Assumptions

The actuarial assumptions used in the December 31, 2015 valuation were based on the results of an actuarial experience study for the year then ended.

In addition mortality rates in 2015 were based on assumed life expectancies adjusted as a result of adopting a new projection scale (110%) of the MP-2014 Ultimate Scale) for 2014 and later. Previously Scale AA had been used. The base table is the RP-2000 table projected with Scale AA to 2014.

CULBERSON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS

NOTE 9: EMPLOYEE PENSION AND RETIREMENT PROGRAM - continued

Discount Rate. The discount rate used to measure the total pension liability was 8.10 percent. 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 contributions from employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active, inactive, and retired employees. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Long-Term Expected Rate of Return

The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The valuation assumption for long-term expected return is re-assessed at a minimum of every four years, and is set based on a 30-year time horizon. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

| Asset Class | Target Allocation | Geometric Real Rate of Return (Expected minus Inflation) |
|------------------------------------|-------------------|--|
| US Equities | 14.50% | 5.45% |
| Private Equity | 14.00% | 8.45% |
| Global Equities | 1.50% | 5.75% |
| International Equities - Developed | 10.00% | 5.45% |
| International Equities - Emerging | 8.00% | 6.45% |
| Investment-Grade Bonds | 3.00% | 1.00% |
| High-Yield Bonds | 3.00% | 5.10% |
| Opportunistic Credit | 2.00% | 5.09% |
| Direct Lending | 5.00% | 6.40% |
| Distressed Debt | 3.00% | 8.10% |
| REIT Equities | 3.00% | 4.00% |
| Master Limited Partnerships (MLPs) | 3.00% | 6.80% |
| Private Real Estate Partnerships | 5.00% | 6.90% |
| Hedge Funds | <u>25.00%</u> | 5.25% |
| | <u>100.00%</u> | |

CULBERSON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS

NOTE 9: EMPLOYEE PENSION AND RETIREMENT PROGRAM - continued

Changes in Net Pension Liability/ (Asset)

Following is a table of changes in net pension liability (asset) for the year ended December 31, 2015:

| | Total Pension Liability (a) | Fiduciary Net Position (b) | Net Pension Liability/(Asset) (a) - (b) |
|--|--------------------------------|-------------------------------|---|
| Balances as of December 31, 2014 | \$ 6,638,120 | \$ 6,893,454 | \$ (255,334) |
| Changes for the Year: | | | |
| Service Cost | 198,912 | - | 198,912 |
| Interest on Total Pension Liability (1) | 535,817 | - | 535,817 |
| Effect of Plan Changes (2) | (42,069) | - | (42,069) |
| Effect of Economic/Demographic Gains or Losses | 35,830 | - | 35,830 |
| Effect of Assumptions Changes or Inputs | 80,408 | - | 80,408 |
| Refund of Contributions | (841) | (841) | - |
| Benefit Payments | (283,523) | (283,523) | - |
| Administrative Expenses | - | (4,936) | 4,936 |
| Member Contributions | - | 128,023 | (128,023) |
| Net Investment Income | - | (37,401) | 37,401 |
| Employer Contributions | - | 128,023 | (128,023) |
| Other (3) | - | 16,107 | (16,107) |
| Net Changes | <u>524,534</u> | <u>(54,548)</u> | <u>579,082</u> |
| Balances as of December 31, 2015 | <u>\$ 7,162,654</u> | <u>\$ 6,838,906</u> | <u>\$ 323,748</u> |

- (1) - Reflects the change in the liability due to the time value of money.
(2) - Reflects new annuity purchase rates applicable to all TCDRS employers effective 1/1/2018.
(3) - Relates to allocation of system-wide items.

Sensitivity Analysis

The following presents the net pension liability of the county, calculated using the discount rate of 8.10 percent, as well as what the Culberson County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.10 percent) or 1-percentage-point higher (9.10 percent) than the current rate:

| | 1% Decrease 7.10% | Current Discount Rate 8.10% | 1% Increase 9.10% |
|--------------------------------|----------------------|-----------------------------------|----------------------|
| Total pension liability | \$ 8,079,840 | \$ 7,162,654 | \$ 6,397,042 |
| Fiduciary net position | <u>6,838,907</u> | <u>6,838,907</u> | <u>6,838,907</u> |
| Net pension liability/ (asset) | <u>\$ 1,240,933</u> | <u>\$ 323,747</u> | <u>\$ (441,865)</u> |

CULBERSON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS

NOTE 9: EMPLOYEE PENSION AND RETIREMENT PROGRAM - continued

Pension Expense

The County financial statements are prepared and presented using the modified cash basis of accounting, whereby pension expense is reported when paid. For the employer's accounting year ending September 30, 2016, the annual pension contributions and expense for the TCDRS plan for the County and employees was \$140,806 and \$140,806, respectively. The December 31, 2015 actuarial valuation is the most recent valuation.

NOTE 10: CONTINGENCIES

Litigation - In the normal course of providing services to the public the County from time to time is subjected to litigation claims. The County defends itself against such claims based on internal assessment of liability and risk. Litigation expenses and damages are recorded as an expense in the period when paid. No liabilities have been accrued in the modified cash basis financial statements relative to litigation in process.

Federal Grants -The County participates in a number of federal and state assisted programs which are periodically audited by grantor agencies. Historically these audits have not resulted in identification of material disallowed costs. It is the County's policy to record reimbursements when paid under the modified cash basis of accounting.

REQUIRED SUPPLEMENTARY INFORMATION

Budget to Actual – Modified Cash Basis

(Unaudited)

CULBERSON COUNTY, TEXAS
FUNDS 10, 20 AND 45 GENERAL GOVERNMENT
COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET TO ACTUAL - MODIFIED CASH BASIS
YEAR ENDED SEPTEMBER 30, 2016

| | ORIGINAL BUDGET | AMENDED BUDGET | MODIFIED CASH BASIS ACTUAL | VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE) |
|---|--------------------|-------------------|----------------------------------|--|
| 300 GENERAL FUND REVENUE | | | | |
| === | | | | |
| 10-300-100 CURRENT TAXES | 2,654,715 | 2,654,715 | 2,676,529 | \$ 21,814 |
| 10-300-110 DELINQUENT TAXES | 100,000 | 100,000 | 90,082 | (9,918) |
| 10-300-111 VEHICLE INVENTORY TAX | - | - | 11 | 11 |
| 10-300-120 FEES OF OFFICE-CLERK | 80,000 | 80,000 | 102,824 | 22,824 |
| 10-300-121 FEES OF OFFICE-TAX OFFICE | 6,000 | 6,000 | 9,471 | 3,471 |
| 10-300-122 VAN HORN CEMETARY PAY OUT FEES | - | - | 2,650 | 2,650 |
| 10-300-141 REIMBURSEMENTS | - | - | 2,724 | 2,724 |
| 10-300-143 LEASE PAYMENT-LOBO LAND | 450 | 450 | 450 | - |
| 10-300-144 QRTERLY REIMB. JUROR PAYMENTS | - | - | 1,190 | 1,190 |
| 10-300-145 H&HS OFF. RENT | 10,643 | 10,643 | 11,610 | 967 |
| 10-300-162 MIXED BEVERAGE TAX ALLOCATION | - | - | 2,616 | 2,616 |
| 10-300-165 INMATE HOUSING (REEVES COUNTY) | - | - | - | - |
| 10-300-170 MOTOR VEHICLE REGISTRATION | 5,000 | 5,000 | 780 | (4,220) |
| 10-300-175 J. P. COURT | 220,000 | 220,000 | 393,007 | 173,007 |
| 10-300-180 INTEREST REVENUE | 5,000 | 5,000 | 6,790 | 1,790 |
| 10-300-181 ADMIN FEES FOR COBRA INSURANCE | - | - | - | - |
| 10-300-185 AUCTION PROCEEDS | - | - | 14,020 | 14,020 |
| 10-300-190 IN LIEU OF TAXES- STATE COMPTROLLE | 130,000 | 130,000 | 167,543 | 37,543 |
| 10-300-191 IN LIEU OF TAXES | 1,000 | 1,000 | 1,276 | 276 |
| 10-300-200 STATE SALARY SUPPLEMENT | 48,533 | 48,533 | 48,533 | - |
| 10-300-202 LEOSE FUND/ CONSTABLE | - | - | - | - |
| 10-300-204 LEOSE FUND/S.O. | - | - | 1,216 | 1,216 |
| 10-300-205 J.P. COURT SECURITY FEE | 1,000 | 1,000 | 2,918 | 1,918 |
| 10-300-206 COURTHOUSE SECURITY FEE | 5,000 | 5,000 | 10,188 | 5,188 |
| 10-300-207 LAW LIBRARY REVENUE | 800 | 800 | 1,725 | 925 |
| 10-300-208 COUNTY FINES/CLERK | 20,000 | 20,000 | 34,979 | 14,979 |
| 10-300-214 LBSP GRANT REVENUE | - | - | 15,163 | 15,163 |
| 10-300-20X SCAAP GRANT REVENUES | - | - | - | - |
| 10-300-215 OMNI FEE - COUNTY REVENUE | 800 | 800 | 1,929 | 1,129 |
| 10-300-220 WORKERS COMP REIMBURSEMENT | - | - | 7,131 | 7,131 |
| 10-300-222 UTILITIES PERMITS | - | - | 45,840 | 45,840 |
| 10-300-224 INDIGENT FORMULA GRANT | - | - | 4,987 | 4,987 |
| 10-300-225 BOND FORFEITURE FEES | - | - | - | - |
| 10-300-330 COMMISSARY SALES REVENUE | - | - | - | - |
| 10-300-331 CD REVENUE | 1,000 | 1,000 | 2,075 | 1,075 |
| 10-300-333 JAIL-PAY PHONE REVENUE/CALLING CAR | - | - | 673 | 673 |
| 10-300-334 VENDING MACHINES REVENUE | 400 | 400 | 229 | (171) |
| 10-300-335 SCAAP AWARD | - | - | - | - |
| 10-300-336 STATE EXCESS CONTRIBUTIONS | - | - | 89 | 89 |
| 10-300-338 FAX/COPIES REVENUE - CO.JUDGE | 10 | 10 | - | (10) |
| 10-300-339 FEES OF OFFICE - SHERIFF | 500 | 500 | 2,432 | 1,932 |
| 10-300-340 CONSTABLE CIVIL PORCESS FEES | - | - | 315 | 315 |
| 10-300-341 INSURANCE CLAIM FUNDS | - | - | 22,021 | 22,021 |
| 10-300-346 UNBUDGETED REVENUE | - | - | 70,719 | 70,719 |
| 10-300-505 CASH PROCEEDS FROM TAX SALE OF LAN | - | - | - | - |
| 10-300-510 SALES TAX COMMISSION REVENUE | - | - | 5,859 | 5,859 |
| 10-300-515 REFUND REVENUE | - | - | 732 | 732 |
| 10-300-518 U.S. DISTRICT COURT RESTITUTION | - | - | 1,724 | 1,724 |
| 10-300-517 CARRY OVER REVENUE | 407,354 | 407,354 | - | (407,354) |
| GENERAL FUND REVENUE | 3,698,205 | 3,698,205 | 3,765,050 | 66,845 |

CULBERSON COUNTY, TEXAS
FUNDS 10, 20 AND 45 GENERAL GOVERNMENT
COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET TO ACTUAL - MODIFIED CASH BASIS
YEAR ENDED SEPTEMBER 30, 2016

| | | ORIGINAL BUDGET | AMENDED BUDGET | MODIFIED CASH BASIS ACTUAL | VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE) |
|------------|------------------------------------|--------------------|-------------------|----------------------------------|--|
| 400 | COUNTY JUDGE | | | | |
| === | ===== | | | | |
| 10-400-100 | SALARY - COUNTY JUDGE | 54,725 | 54,725 | 56,753 | (2,028) |
| 10-400-103 | STATE SALARY SUPPLEMENT E | 25,200 | 25,200 | 25,392 | (192) |
| 10-400-104 | LONGEVITY | - | 400 | 400 | - |
| 10-400-105 | SALARY - SECRETARY | 32,892 | 32,892 | 34,073 | (1,181) |
| 10-400-118 | CELL PHONE ALLOTMENT | 600 | 600 | 600 | - |
| 10-400-200 | FICA EXPENSE | 8,677 | 8,677 | 8,966 | (289) |
| 10-400-205 | TCDRS EXPENSE | 7,939 | 7,939 | 8,748 | (809) |
| 10-400-215 | MEDICAL INSURANCE EXPENSE | 13,795 | 13,795 | 13,741 | 54 |
| 10-400-300 | TELEPHONE EXPENSE | 1,250 | 1,250 | 687 | 563 |
| 10-400-305 | POSTAGE EXPENSE | 300 | 300 | 432 | (132) |
| 10-400-310 | CAPITAL OUTLAY | 1,500 | 1,500 | 249 | 1,251 |
| 10-400-315 | CONTINUING EDUCATION | 2,300 | 2,300 | 1,388 | 912 |
| 10-400-900 | BOOK CASE | - | - | - | - |
| | COUNTY JUDGE | <u>149,178</u> | <u>149,578</u> | <u>151,429</u> | <u>(1,851)</u> |
| 401 | COMMISSIONERS COURT | | | | |
| === | ===== | | | | |
| 10-401-101 | SALARY-COMMISSIONER PCT 1 | 25,287 | 25,287 | 26,183 | (896) |
| 10-401-102 | SALARY-COMMISSIONER PCT 2 | 25,287 | 25,287 | 26,183 | (896) |
| 10-401-103 | SALARY-COMMISSIONER PCT 3 | 25,288 | 25,288 | 26,183 | (895) |
| 10-401-104 | SALARY-COMMISSIONER PCT 4 | 25,288 | 25,288 | 26,183 | (895) |
| 10-401-105 | LONGEVITY | - | 1,400 | 1,400 | - |
| 10-401-200 | FICA EXPENSE | 7,738 | 7,738 | 8,596 | (858) |
| 10-401-205 | TCDRS EXPENSE | 7,080 | 7,080 | 8,101 | (1,021) |
| 10-401-215 | MEDICAL INSURANCE EXPENSE | 25,981 | 25,981 | 20,612 | 5,369 |
| 10-401-220 | SALARY-RABIES CONTROL | 2,400 | 2,400 | 2,400 | - |
| 10-401-310 | CAPITAL OUTLAY | 15,000 | 15,000 | - | 15,000 |
| 10-401-450 | JUVENILE PROBATION BOARD | 4,800 | 4,800 | 3,600 | 1,200 |
| 10-401-600 | BOYS & GIRLS CLUB UTILITIES | 4,000 | 4,000 | 1,324 | 2,676 |
| 10-401-700 | INDEPENDENT AUDIT CONTRACT | 30,000 | 30,000 | 26,232 | 3,768 |
| 10-401-701 | HEALTH OFFICER | 4,800 | 4,800 | 4,800 | - |
| 10-401-702 | UNEMPLOYMENT | 10,000 | 10,000 | 5,679 | 4,321 |
| 10-401-703 | COMPUTER TECHNICIAN | 14,500 | 14,500 | 2,670 | 11,830 |
| 10-401-704 | PRINTING & ADVERTISING | 4,000 | 4,000 | 3,188 | 812 |
| 10-401-705 | CITY - COUNTY LIBRARY | 66,000 | 66,000 | 66,250 | (250) |
| 10-401-706 | LAW LIBRARY | 10,000 | 10,000 | 7,532 | 2,468 |
| 10-401-707 | HISTORICAL MUSEUM | 1,000 | 1,000 | 1,000 | - |
| 10-401-708 | HISTORICAL COMMISSION | 1,000 | 1,000 | 1,000 | - |
| 10-401-709 | CHRISTIAN SHELTER | 6,000 | 6,000 | 6,000 | - |
| 10-401-710 | LIABILITY INSURANCE | 100,000 | 100,000 | 75,778 | 24,222 |
| 10-401-711 | FIRE MARSHALL | 600 | 600 | 600 | - |
| 10-401-712 | FIRE DEPT. WORKER'S COMP | 2,000 | 2,000 | - | 2,000 |
| 10-401-713 | CHILD WELFARE BOARD | 1,000 | 1,000 | 1,000 | - |
| 10-401-714 | GENERAL FUND CONTINGENCY | 45,000 | 45,000 | 28,111 | 16,889 |
| 10-401-715 | BANK FEES | 1,000 | 1,000 | 1,241 | (241) |
| 10-401-718 | MEMBERSHIP DUES | 8,000 | 8,000 | 8,163 | (163) |
| 10-401-719 | BANK CHGS FOR STOP PAYMENTS | 1,000 | 1,000 | - | 1,000 |
| 10-401-720 | COURTHOUSE SECURITY | 2,000 | 2,000 | - | 2,000 |
| 10-401-721 | HIGH POINT SOIL & WATER CONS.D.#23 | 1,000 | 1,000 | 1,000 | - |
| 10-401-722 | COMMUNITY CENTER | 7,500 | 7,500 | 7,500 | - |
| 10-401-725 | JUVENILE PROBATION MATCH | 18,739 | 18,739 | 18,739 | - |
| 10-401-726 | JUVENILE PROB-CAR LEASE | - | - | - | - |
| | COMMISSIONERS COURT | <u>503,288</u> | <u>504,688</u> | <u>417,248</u> | <u>87,440</u> |

CULBERSON COUNTY, TEXAS
FUNDS 10, 20 AND 45 GENERAL GOVERNMENT
COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET TO ACTUAL - MODIFIED CASH BASIS
YEAR ENDED SEPTEMBER 30, 2016

| | | ORIGINAL BUDGET | AMENDED BUDGET | MODIFIED CASH BASIS ACTUAL | VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE) |
|------------|---------------------------------|--------------------|-------------------|----------------------------------|--|
| 402 | HIGHWAY PATROL | | | | |
| ===== | ===== | | | | |
| 10-402-110 | SALARY - PART-TIME HELP | 20,156 | 20,156 | 17,160 | 2,996 |
| 10-402-200 | FICA EXPENSE | 1,542 | 1,542 | 1,303 | 239 |
| 10-402-205 | TCDRS EXPENSE | 1,411 | 1,411 | 1,281 | 130 |
| 10-402-300 | TELEPHONE EXPENSE | 2,000 | 2,000 | 1,681 | 319 |
| 10-402-305 | POSTAGE EXPENSE | - | - | - | - |
| 10-402-310 | CAPITAL OUTLAY | 3,000 | 3,000 | 96 | 2,904 |
| | HIGHWAY PATROL | <u>28,109</u> | <u>28,109</u> | <u>21,521</u> | <u>6,588</u> |
| 403 | COUNTY SHERIFF | | | | |
| === | ===== | | | | |
| 10-403-100 | SALARY-COUNTY SHERIFF | 50,067 | 50,067 | 51,916 | (1,849) |
| 10-403-101 | SALARY-DEPUTY 6 | 33,000 | 33,000 | 34,192 | (1,192) |
| 10-403-102 | SALARY-DEPUTY 5 | 40,305 | 40,305 | 41,779 | (1,474) |
| 10-403-103 | SALARY-DEPUTY 1 | 41,455 | 41,455 | 42,972 | (1,517) |
| 10-403-104 | SALARY-DEPUTY 2 | 34,550 | 34,550 | 35,802 | (1,252) |
| 10-403-105 | SALARY-DEPUTY 3 | 40,306 | 40,306 | 41,779 | (1,473) |
| 10-403-106 | SALARY-DEPUTY 4 | 40,306 | 40,306 | 41,779 | (1,473) |
| 10-403-107 | SALARY-JAIL ADMIN. | 34,550 | 34,550 | 35,802 | (1,252) |
| 10-403-108 | SALARY-DISPATCH ADMIN. | 34,550 | 34,550 | 35,802 | (1,252) |
| 10-403-109 | SALARY-JAIL-DISP 1 | 28,335 | 28,335 | 29,348 | (1,013) |
| 10-403-110 | SALARY-JAIL-DISP 2 | 25,887 | 25,887 | 26,805 | (918) |
| 10-403-111 | SALARY-P/T DISPATCH 1 | 20,419 | 20,419 | 18,602 | 1,817 |
| 10-403-112 | SALARY-P/T DISPATCH 2 | 21,419 | 21,419 | 16,892 | 4,527 |
| 10-403-113 | SALARY-P/T DISPATCH 3 | 27,061 | 27,061 | 12,547 | 14,514 |
| 10-403-114 | SALARY-COOK | 36,220 | 36,220 | 37,536 | (1,316) |
| 10-403-115 | SALARY-P/T COOK 1 | 17,046 | 17,046 | 3,348 | 13,698 |
| 10-403-116 | SALARY-P/T COOK 2 | 14,946 | 14,946 | 16,260 | (1,314) |
| 10-403-117 | COMP. TIME SHERIFF'S DEPT. | 6,834 | 12,834 | 12,437 | 397 |
| 10-403-118 | CELL PHONE ALLOTMENT | 600 | 600 | 600 | - |
| 10-403-119 | SALARY - SECRETARY | 24,749 | 24,749 | 25,529 | (780) |
| 10-403-120 | LONGEVITY | - | 3,150 | 3,150 | - |
| 10-403-121 | SALARY - DEPUTY 7 | - | - | 6,879 | (6,879) |
| 10-403-122 | SALARY - JAIL DISP 3 | - | - | 3,276 | (3,276) |
| 10-403-200 | FICA EXPENSE | 43,804 | 43,804 | 43,408 | 396 |
| 10-403-205 | TCDRS EXPENSE | 40,083 | 40,083 | 41,264 | (1,181) |
| 10-403-215 | MEDICAL INSURANCE EXPENSE | 89,668 | 89,668 | 89,894 | (226) |
| 10-403-300 | TELEPHONE EXPENSE | 6,000 | 6,000 | 5,945 | 55 |
| 10-403-301 | INMATE CALLING CARD EXPENSE | 500 | 500 | - | 500 |
| 10-403-302 | CAR LEASE PAYMENTS | 9,294 | 9,294 | 9,276 | 18 |
| 10-403-303 | PRINTER/INK | - | - | - | - |
| 10-403-305 | POSTAGE EXPENSE | 500 | 500 | 242 | 258 |
| 10-403-310 | CAPITAL OUTLAY | 2,000 | 5,910 | 10,028 | (4,118) |
| 10-403-315 | CONT. EDUCATION-SHERIFF'S DEPT. | 4,000 | 4,000 | 5,862 | (1,862) |
| 10-403-316 | ANSEL SYSTEM | - | - | - | - |
| 10-403-320 | INDIGENT PRISONERS MED. EXPENSE | 20,000 | 20,000 | 12,646 | 7,354 |
| 10-403-322 | BODY ARMOR | 6,000 | 6,000 | 1,330 | 4,670 |
| 10-403-323 | UNIFORMS - SHERIFF'S DEPT. | 3,000 | 3,000 | 3,182 | (182) |
| 10-403-350 | MAINT. & SUPPLIES | 16,000 | 17,050 | 18,212 | (1,162) |
| 10-403-351 | JAIL SUPPLIES | 19,000 | 16,125 | 11,350 | 4,775 |
| 10-403-365 | PRISONERS' FOOD EXPENSE | 50,000 | 50,000 | 30,537 | 19,463 |
| 10-403-400 | FUEL & TRAVEL SHERIFF | 35,000 | 26,915 | 15,002 | 11,913 |
| 10-403-401 | AUTO REPAIRS | 13,000 | 13,000 | 8,888 | 4,112 |
| 10-403-402 | LEOSE-SHERIFF DEPT. | - | - | - | - |
| 10-403-403 | SUPPLIMENTAL BUDGET (REEVES CO) | - | - | - | - |
| 10-403-404 | SCAAP AWARD EXPENSE | - | - | - | - |
| | COUNTY SHERIFF | <u>930,454</u> | <u>933,604</u> | <u>882,098</u> | <u>51,506</u> |

CULBERSON COUNTY, TEXAS
FUNDS 10, 20 AND 45 GENERAL GOVERNMENT
COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET TO ACTUAL - MODIFIED CASH BASIS
YEAR ENDED SEPTEMBER 30, 2016

| | | ORIGINAL BUDGET | AMENDED BUDGET | MODIFIED CASH BASIS ACTUAL | VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE) |
|------------|---------------------------------|--------------------|-------------------|----------------------------------|--|
| 404 | COUNTY-DISTRICT CLERK | | | | |
| ===== | ===== | | | | |
| 10-404-100 | SALARY - COUNTY-DISTRICT CLERK | 50,067 | 50,067 | 51,916 | (1,849) |
| 10-404-105 | SALARY - CHIEF DEPUTY | 34,892 | 34,892 | 36,157 | (1,265) |
| 10-404-106 | SALARY - DEPUTY | 30,720 | 30,720 | 31,825 | (1,105) |
| 10-404-107 | SALARY - DEPUTY | 28,336 | 28,336 | 21,049 | 7,287 |
| 10-404-108 | LONGEVITY | - | 2,450 | 2,450 | - |
| 10-404-200 | FICA EXPENSE | 11,017 | 11,017 | 10,811 | 206 |
| 10-404-205 | TCDRS EXPENSE | 10,081 | 10,081 | 10,702 | (621) |
| 10-404-215 | MEDICAL INSURANCE EXPENSE | 27,590 | 27,590 | 25,758 | 1,832 |
| 10-404-300 | TELEPHONE EXPENSE | 500 | 500 | 125 | 375 |
| 10-404-302 | E-RECORDS CONVERSION | 10,000 | 10,000 | 5,001 | 4,999 |
| 10-404-305 | POSTAGE EXPENSE | 5,000 | 5,000 | 5,680 | (680) |
| 10-404-310 | CAPITAL OUTLAY | 4,000 | 4,000 | 548 | 3,452 |
| 10-404-315 | CONT. EDUCATION | 5,000 | 5,000 | 3,336 | 1,664 |
| 10-404-900 | CMS ANNUAL SUPPORT FEE | 4,000 | 4,000 | - | 4,000 |
| | COUNTY-DISTRICT CLERK | <u>221,203</u> | <u>223,653</u> | <u>205,358</u> | <u>18,295</u> |
| 405 | TAX ASSESSOR COLLECTOR | | | | |
| ==== | ===== | | | | |
| 10-405-100 | SALARY - TAX ASSESSOR COLLECTOR | 50,067 | 50,067 | 51,916 | (1,849) |
| 10-405-105 | SALARY - CHIEF DEPUTY | 34,892 | 34,892 | 36,157 | (1,265) |
| 10-405-106 | SALARY - DEPUTY | - | - | - | - |
| 10-405-110 | SALARY - PART-TIME HELP | 2,000 | 1,000 | - | 1,000 |
| 10-05-111 | LONGEVITY | - | 1,400 | 1,400 | - |
| 10-405-200 | FICA EXPENSE | 6,653 | 6,653 | 6,670 | (17) |
| 10-405-205 | TCDRS EXPENSE | 6,087 | 6,087 | 6,678 | (591) |
| 10-405-215 | MEDICAL INSURANCE EXPENSE | 13,795 | 13,795 | 13,741 | 54 |
| 10-405-300 | TELEPHONE EXPENSE | 350 | 350 | 264 | 86 |
| 10-405-305 | POSTAGE EXPENSE | 6,000 | 6,000 | 4,446 | 1,554 |
| 10-405-306 | VOTER REGISTRATION EXPENSE | 1,780 | 1,780 | 523 | 1,257 |
| 10-405-310 | CAPITAL OUTLAY | 1,500 | 1,500 | 495 | 1,005 |
| 10-405-312 | PRITCHARD & ABBOTT CONTRACT | 21,495 | 21,495 | 20,225 | 1,270 |
| 10-405-313 | MAINT. AGREEMENT - COPIER | - | - | - | - |
| 10-405-315 | CONT. EDUCATION | 4,500 | 5,500 | 5,006 | 494 |
| | TAX ASSESSOR COLLECTOR | <u>149,119</u> | <u>150,519</u> | <u>147,521</u> | <u>2,998</u> |
| 406 | COUNTY ATTORNEY | | | | |
| ==== | ===== | | | | |
| 10-406-100 | SALARY - COUNTY ATTORNEY | 50,067 | 50,067 | 51,916 | (1,849) |
| 10-406-105 | SALARY-PARA/CT.COORDINATOR | 36,044 | 36,044 | 37,353 | (1,309) |
| 10-406-106 | LONGEVITY | - | 2,000 | 2,000 | - |
| 10-406-200 | FICA EXPENSE | 8,526 | 8,526 | 8,813 | (287) |
| 10-406-205 | TCDRS EXPENSE | 7,801 | 7,801 | 8,620 | (819) |
| 10-406-215 | MEDICAL INSURANCE EXPENSE | 13,795 | 13,795 | 13,741 | 54 |
| 10-406-300 | TELEPHONE EXPENSE | 350 | 350 | 189 | 161 |
| 10-406-305 | POSTAGE EXPENSE | 150 | 150 | 22 | 128 |
| 10-406-310 | CAPITAL OUTLAY | 1,500 | 1,500 | 694 | 806 |
| 10-406-315 | CONT. EDUCATION | 6,000 | 6,000 | 3,944 | 2,056 |
| 10-406-320 | STATE SALARY-H.B.804 | 23,333 | 23,333 | 24,230 | (897) |
| | COUNTY ATTORNEY | <u>147,566</u> | <u>149,566</u> | <u>151,522</u> | <u>(1,956)</u> |

CULBERSON COUNTY, TEXAS
FUNDS 10, 20 AND 45 GENERAL GOVERNMENT
COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET TO ACTUAL - MODIFIED CASH BASIS
YEAR ENDED SEPTEMBER 30, 2016

| | | ORIGINAL BUDGET | AMENDED BUDGET | MODIFIED CASH BASIS ACTUAL | VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE) |
|------------|-----------------------------|--------------------|-------------------|----------------------------------|--|
| 407 | COUNTY TREASURER | | | | |
| === | ===== | | | | |
| 10-407-100 | SALARY-COUNTY TREASURER | 50,067 | 50,067 | 51,916 | (1,849) |
| 10-407-110 | SALARY-ASSISTANT TREASURER | 34,892 | 34,892 | 36,157 | (1,265) |
| 10-407-111 | LONGEVITY | - | 1,400 | 1,400 | - |
| 10-407-200 | FICA EXPENSE | 6,500 | 6,500 | 6,717 | (217) |
| 10-407-205 | TCDRS EXPENSE | 5,947 | 5,947 | 6,678 | (731) |
| 10-407-215 | MEDICAL INSURANCE EXPENSE | 13,795 | 13,795 | 13,741 | 54 |
| 10-407-300 | TELEPHONE EXPENSE | 300 | 300 | 225 | 75 |
| 10-407-305 | POSTAGE EXPENSE | 500 | 500 | 215 | 285 |
| 10-407-310 | CAPITAL OUTLAY | 1,500 | 1,500 | 985 | 515 |
| 10-407-313 | MAINT.AGREEMENT-COPIER | - | - | - | - |
| 10-407-314 | MAINT. AGREEMENT SOFTWARE | 3,738 | 2,890 | 2,582 | 308 |
| 10-407-315 | CONTINUING EDUCATION | 3,000 | 3,848 | 3,848 | - |
| | COUNTY TREASURER | <u>120,239</u> | <u>121,639</u> | <u>124,464</u> | <u>(2,825)</u> |
| 408 | COUNTY AUDITOR | | | | |
| ===== | ===== | | | | |
| 10-408-100 | SALARY - COUNTY AUDITOR | 48,067 | 48,067 | 49,916 | (1,849) |
| 10-408-105 | SALARY-ASSISTANT AUDITOR | 27,300 | 27,300 | 28,350 | (1,050) |
| 10-408-110 | SALARY-PART/TIME ASST. | - | - | - | - |
| 10-408-111 | LONGEVITY | - | 450 | 450 | - |
| 10-408-200 | FICA EXPENSE | 5,766 | 5,766 | 6,012 | (246) |
| 10-408-205 | TCDRS EXPENSE | 5,619 | 5,619 | 5,875 | (256) |
| 10-408-215 | MEDICAL INSURANCE EXPENSE | 13,795 | 13,795 | 13,741 | 54 |
| 10-408-300 | TELEPHONE EXPENSE | 300 | 300 | 234 | 66 |
| 10-408-305 | POSTAGE EXPENSE | 500 | 500 | 496 | 4 |
| 10-408-310 | CAPITAL OUTLAY | 1,500 | 1,500 | 1,273 | 227 |
| 10-408-314 | MAINT. AGREEMENT SOFTWARE | 3,738 | 3,738 | 2,150 | 1,588 |
| 10-408-315 | CONT. EDUCATION | 3,000 | 3,000 | 2,520 | 480 |
| | COUNTY AUDITOR | <u>109,585</u> | <u>110,035</u> | <u>111,017</u> | <u>(982)</u> |
| 409 | JUDICIAL LAW | | | | |
| ===== | ===== | | | | |
| 10-409-101 | SALARY-JP 1 | 46,067 | 46,067 | 47,606 | (1,539) |
| 10-409-102 | SALARY-JP 2 | 19,952 | 19,952 | 20,642 | (690) |
| 10-409-103 | SALARY JP 3 | 24,860 | 24,860 | 25,739 | (879) |
| 10-409-104 | SALARY JP 4 | 19,951 | 19,951 | 20,642 | (691) |
| 10-409-105 | SALARY - CLERK JP1 | 32,000 | 32,000 | 33,013 | (1,013) |
| 10-409-110 | SALARY - CLERK II JP1 | 24,749 | 24,749 | 25,436 | (687) |
| 10-409-115 | SALARY-CLERK JP3 | 10,400 | 10,400 | 8,528 | 1,872 |
| 10-409-116 | LONGEVITY | - | 1,550 | 1,550 | - |
| 10-409-200 | FICA EXPENSE | 13,616 | 13,616 | 13,847 | (231) |
| 10-409-205 | TCDRS EXPENSE | 12,459 | 12,459 | 13,670 | (1,211) |
| 10-409-215 | MEDICAL INSURANCE EXPENSE | 34,488 | 34,488 | 34,353 | 135 |
| 10-409-300 | TELEPHONE EXPENSE | 6,000 | 6,000 | 3,451 | 2,549 |
| 10-409-305 | POSTAGE EXPENSE | 6,000 | 6,000 | 6,343 | (343) |
| 10-409-310 | CAPITAL OUTLAY JP#1 | 700 | 700 | 539 | 161 |
| 10-409-311 | CAPITAL OUTLAY JP#2 | 1,200 | 1,200 | 432 | 768 |
| 10-409-312 | CAPITAL OUTLAY JP#3 | 1,800 | 1,800 | 1,798 | 2 |
| 10-409-313 | CAPITAL OUTLAY JP#4 | 1,200 | 1,200 | - | 1,200 |
| 10-409-314 | JP 1 CONT. ED. | 4,200 | 4,200 | 3,141 | 1,059 |
| 10-409-315 | JP 2 CONT. ED. | 2,000 | 2,000 | 947 | 1,053 |
| 10-409-316 | JP 3 CONT. ED. | 3,000 | 3,000 | 1,077 | 1,923 |
| 10-409-317 | JP 4 CONT. ED. | 2,000 | 2,000 | 979 | 1,021 |
| 10-409-360 | AUTOPSY EXPENSE | 20,000 | 20,000 | 14,803 | 5,197 |
| 10-409-365 | EDOTEC SOFTWARE MAINTENANCE | 15,000 | 15,000 | 7,000 | 8,000 |
| 10-409-366 | CONST.PRCT.#4 FUEL | - | - | - | - |
| 10-409-367 | CONST.PRCT.#2 FUEL | - | - | - | - |

CULBERSON COUNTY, TEXAS
FUNDS 10, 20 AND 45 GENERAL GOVERNMENT
COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET TO ACTUAL - MODIFIED CASH BASIS
YEAR ENDED SEPTEMBER 30, 2016

| | | ORIGINAL BUDGET | AMENDED BUDGET | MODIFIED CASH BASIS ACTUAL | VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE) |
|--------------------------------|-----------------------------------|--------------------|-------------------|----------------------------------|--|
| 10-409-368 COPIER LEASE - JP 1 | | 3,000 | 3,000 | 3,904 | (904) |
| JUDICIAL LAW | | 304,642 | 306,192 | 289,440 | 16,752 |
| | | | | | |
| 410 | JURY | | | | |
| === | ===== | | | | |
| | | 15,000 | 15,000 | 10,500 | 4,500 |
| 10-410-100 | SALARY - DISTRICT ATTORNE | 665 | 665 | - | 665 |
| 10-410-111 | SALARY - BAILIFFS | 2,000 | 2,000 | - | 2,000 |
| 10-410-112 | SALARY - COURT REPORTER | 700 | 700 | 25 | 675 |
| 10-410-113 | SALARY - COURT ADMINISTRA | - | - | - | - |
| 10-410-114 | SALARY - COURT APPOINTED | 11,000 | 11,000 | 5,788 | 5,212 |
| 10-410-115 | INDIGENT ATTYS/FORMAL GR | 200 | 200 | 2 | 198 |
| 10-410-200 | FICA EXPENSE | 10,000 | 10,000 | 1,998 | 8,002 |
| 10-410-365 | COURT COSTS | 8,000 | 8,000 | 4,840 | 3,160 |
| 10-410-366 | JURIES & RELATED EXPENSES | | | | |
| | JURY | 47,565 | 47,565 | 23,153 | 24,412 |
| | | | | | |
| 411 | BUILDING MAINTENANCE | | | | |
| === | ===== | | | | |
| 10-411-105 | SALARIES - BUILDING MAINTENANCE 1 | 27,924 | 27,924 | 28,921 | (997) |
| 10-411-106 | SALARIES - BUILDING MAINTENANCE 2 | 34,366 | 34,366 | 35,611 | (1,245) |
| 10-411-110 | SALARIES - BUILDING MAINTENANCE 3 | 31,000 | 31,000 | 32,115 | (1,115) |
| 10-411-111 | SALARIES - PART/TIME | 17,288 | 17,288 | 10,754 | 6,534 |
| 10-411-112 | LONGEVITY | - | 700 | 700 | - |
| 10-411-200 | FICA EXPENSE | 8,459 | 8,459 | 8,191 | 268 |
| 10-411-205 | TCDRS EXPENSE | 7,741 | 7,741 | 8,068 | (327) |
| 10-411-215 | MEDICAL INSURANCE EXPENSE | 20,693 | 20,693 | 20,612 | 81 |
| 10-411-310 | CAPITAL OUTLAY | 1,000 | 1,000 | 1,047 | (47) |
| 10-411-350 | SUPPLIES - JANITORIAL | 3,000 | 3,000 | 2,068 | 932 |
| 10-411-355 | REPAIRS & REPLACEMENTS | 16,000 | 16,000 | 19,197 | (3,197) |
| 10-411-370 | UTILITIES | 60,000 | 60,000 | 61,122 | (1,122) |
| 10-411-400 | FUEL - BUILDING MAINTENANCE | 8,000 | 8,000 | 6,105 | 1,895 |
| | BUILDING MAINTENANCE | 235,471 | 236,171 | 234,511 | 1,660 |
| | | | | | |
| 412 | 394TH DISTRICT COURT | | | | |
| === | ===== | | | | |
| 10-412-105 | SALARY - 394TH DIST. JUDGE | 2,700 | 2,700 | 2,700 | - |
| 10-412-110 | SALARY - COURT REPORTER | 10,130 | 10,130 | 10,442 | (312) |
| 10-412-115 | SALARY - COURT COORDINATOR | 7,774 | 7,774 | 7,775 | (1) |
| 10-412-200 | FICA EXPENSE | 1,576 | 1,576 | 1,600 | (24) |
| 10-412-205 | TCDRS EXPENSE | 1,442 | 1,442 | 1,561 | (119) |
| 10-412-210 | WORKER'S COMP. | 53 | 53 | - | 53 |
| 10-412-215 | MEDICAL INSURANCE EXPENSE | 1,865 | 1,865 | 1,422 | 443 |
| 10-412-220 | LIBILITY INS. | 330 | 330 | - | 330 |
| 10-412-225 | UNEMPLOYMENT FUND | 580 | 580 | - | 580 |
| 10-412-300 | TELEPHONE EXPENSE | 750 | 750 | 496 | 254 |
| 10-412-305 | POSTAGE EXPENSE | 200 | 200 | 30 | 170 |
| 10-412-310 | CAPITAL OUTLAY | 389 | 389 | - | 389 |
| 10-412-312 | JUDGE'S LIBRARY | 700 | 700 | 163 | 537 |
| 10-412-314 | VISITING JUDGES | 1,015 | 1,015 | - | 1,015 |
| 10-412-315 | CONT. EDUCATION | 388 | 388 | 268 | 120 |
| 10-412-350 | SUPPLIES | 250 | 250 | 278 | (28) |
| 10-412-370 | UTILITIES | 385 | 385 | 385 | - |
| 10-412-400 | COURT REPORTER EXPENSES | 1,860 | 1,860 | 807 | 1,053 |
| 10-412-401 | TECHNOLOGY MAINTENANCE | 135 | 135 | - | 135 |
| 10-412-402 | JUDICIAL ADMIN. DISTRICT | 340 | 340 | 284 | 56 |
| 10-412-900 | MISCELLANEOUS EXPENSE | 350 | 350 | 385 | (35) |
| | 394TH DISTRICT COURT | 33,212 | 33,212 | 28,596 | 4,616 |

CULBERSON COUNTY, TEXAS
FUNDS 10, 20 AND 45 GENERAL GOVERNMENT
COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET TO ACTUAL - MODIFIED CASH BASIS
YEAR ENDED SEPTEMBER 30, 2016

| | | ORIGINAL BUDGET | AMENDED BUDGET | MODIFIED CASH BASIS ACTUAL | VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE) |
|------------|------------------------------|--------------------|-------------------|----------------------------------|--|
| 413 | EXTENSION SERVICE | | | | |
| === | ===== | | | | |
| 10-413-105 | SALARY - EXTENSION AGENT | 13,568 | 13,568 | 13,992 | (424) |
| 10-413-110 | SALARY - PART-TIME HELP | 12,789 | 12,789 | 8,785 | 4,004 |
| 10-413-200 | FICA EXPENSE | 2,017 | 2,017 | 1,724 | 293 |
| 10-413-205 | TCDRS EXPENSE | 950 | 950 | 655 | 295 |
| 10-413-300 | TELEPHONE EXPENSE | 200 | 200 | 85 | 115 |
| 10-413-305 | POSTAGE EXPENSE | 200 | 200 | 87 | 113 |
| 10-413-310 | CAPITAL OUTLAY | 1,668 | 1,668 | 1,560 | 108 |
| 10-413-311 | TRAVEL | 4,000 | 4,000 | 3,632 | 368 |
| 10-413-315 | CONT. EDUCATION | 2,000 | 2,000 | 1,576 | 424 |
| 10-413-316 | PROMO/EDU EXPENSE | 1,000 | 1,000 | 352 | 648 |
| | EXTENSION SERVICE | <u>38,392</u> | <u>38,392</u> | <u>32,448</u> | <u>5,944</u> |
| 414 | CONSTABLES | | | | |
| === | ===== | | | | |
| 10-414-100 | SALARY - CONSTABLE 2 | - | - | - | - |
| 10-414-105 | SALARY - CONSTABLE 3 | 14,600 | 14,600 | 14,607 | (7) |
| 10-414-106 | SALARY - CONSTABLE 1 | - | - | - | - |
| 10-414-200 | FICA EXPENSE | 1,116 | 1,116 | 1,117 | (1) |
| 10-414-205 | TCDRS EXPENSE | 1,022 | 1,022 | - | 1,022 |
| 10-414-300 | FUEL/AUTO REPAIR CONST. 2 | - | - | - | - |
| 10-414-301 | FUEL/AUTO REPAIR CONST. 3 | 5,000 | 5,000 | 1,549 | 3,451 |
| 10-414-302 | FUEL/AUTO REPAIR CONST. 1 | - | - | - | - |
| | EXTENSION SERVICE | <u>21,738</u> | <u>21,738</u> | <u>17,273</u> | <u>4,465</u> |
| 415 | AIRPORT | | | | |
| === | ===== | | | | |
| 10-415-353 | IMPROVEMENTS - AIRPORT | 1,750 | 3,230 | 1,543 | 1,687 |
| 10-415-370 | UTILITIES - AIRPORT | 6,000 | 4,520 | 3,879 | 641 |
| 10-415-900 | MISCELLANEOUS EXPENSES | 500 | 500 | 95 | 405 |
| | AIRPORT | <u>8,250</u> | <u>8,250</u> | <u>5,517</u> | <u>2,733</u> |
| 417 | VETERANS MEMORIAL PARK | | | | |
| === | ===== | | | | |
| 10-417-353 | IMPROVEMENTS - VET.MEM.PARK | 5,500 | 2,116 | 2,246 | (130) |
| 10-417-370 | UTILITIES - VET.MEM.PARK | 9,700 | 13,084 | 17,239 | (4,155) |
| | VETERANS MEMORIAL PARK | <u>15,200</u> | <u>15,200</u> | <u>19,485</u> | <u>(4,285)</u> |
| 421 | CEMETERY | | | | |
| === | ===== | | | | |
| 10-421-110 | PART-TIME HELP | 10,400 | 10,400 | 7,073 | 3,327 |
| 10-421-200 | FICA EXPENSE | 796 | 796 | 541 | 255 |
| 10-421-350 | SUPPLIES - CEMETERY | 2,500 | 2,500 | 1,584 | 916 |
| 10-421-353 | IMPROVEMENTS - CEMETERY | 2,000 | 2,000 | 5,330 | (3,330) |
| 10-421-370 | UTILITIES - CEMETERY | 14,000 | 14,000 | 14,710 | (710) |
| 10-421-400 | PEST CONTROL | 2,000 | 2,000 | 2,250 | (250) |
| 10-421-900 | MONTHLY ALLOTMENT-GATEKEEPER | 3,720 | 3,720 | 2,540 | 1,180 |
| | CEMETERY | <u>35,416</u> | <u>35,416</u> | <u>34,028</u> | <u>1,388</u> |
| 423 | VETERANS OFFICER | | | | |
| === | ===== | | | | |
| 10-423-105 | SALARY - VETERANS OFFICER | - | - | - | - |
| 10-423-200 | FICA EXPENSE | - | - | - | - |

CULBERSON COUNTY, TEXAS
FUNDS 10, 20 AND 45 GENERAL GOVERNMENT
COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET TO ACTUAL - MODIFIED CASH BASIS
YEAR ENDED SEPTEMBER 30, 2016

| | | ORIGINAL BUDGET | AMENDED BUDGET | MODIFIED CASH BASIS ACTUAL | VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE) |
|------------|------------------------------------|--------------------|-------------------|----------------------------------|--|
| 10-423-350 | SUPPLIES - VETERANS OFFICE | 1,200 | 1,200 | 1,049 | 151 |
| 10-423-315 | CONT. EDUCATION - VETERANS OFFICER | - | - | - | - |
| | VETERANS OFFICER | 1,200 | 1,200 | 1,049 | 151 |
| 425 | EMERGENCY MANAGEMENT | | | | |
| === | ===== | | | | |
| 10-425-100 | SALARY-EMERGENCY MGNT. | 7,500 | 7,500 | 6,000 | 1,500 |
| 10-425-105 | CONSULTANT SALARY | 1,200 | 1,200 | 1,200 | - |
| 10-425-200 | FICA EXPENSE | 819 | 819 | 551 | 268 |
| 10-425-205 | TCDRS EXPENSE | - | - | 90 | (90) |
| 10-425-350 | SUPPLIES EXPENSE | 500 | 500 | 1,639 | (1,139) |
| 10-425-400 | FUEL EXPENSE | 1,000 | 1,000 | 317 | 683 |
| 10-425-500 | EMERGENCY MGNT. EXPENSE | 3,500 | 3,500 | 1,800 | 1,700 |
| | EMERGENCY MANAGEMENT | 14,519 | 14,519 | 11,597 | 2,922 |
| 435 | 205TH DIST. COURT | | | | |
| === | ===== | | | | |
| 10-435-105 | SALARY- 205TH DIST. JUDGE | 2,700 | 2,700 | 2,550 | 150 |
| 10-435-110 | SALARY- COURT REPORTER | 8,130 | 8,130 | 2,292 | 5,838 |
| 10-435-111 | SALARY- BAILIF | 1,000 | 1,000 | 665 | 335 |
| 10-435-115 | SALARY- COURT COORDINATOR | 5,000 | 5,000 | 275 | 4,725 |
| 10-435-200 | FICA EXPENSE | 1,300 | 1,300 | 442 | 858 |
| 10-435-205 | TCDRS EXPENSE | 1,200 | 1,200 | - | 1,200 |
| 10-435-900 | MISC. EXPENSE - RMP | 670 | 670 | 1,391 | (721) |
| | 205TH DIST. COURT | 20,000 | 20,000 | 7,615 | 12,385 |
| 436 | BOYS & GIRLS CLUB | | | | |
| === | ===== | | | | |
| 10-436-105 | PART-TIME HELP | - | 10,742 | 3,317 | 7,425 |
| 10-436-106 | PART-TIME HELP | - | 10,472 | 3,531 | 6,941 |
| 10-436-200 | FICA EXPENSE | - | 1,604 | 524 | 1,080 |
| 10-436-205 | TCDRS EXPENSE | - | 1,500 | - | 1,500 |
| 10-436-300 | TELEPHONE EXPENSE | - | 2,500 | - | 2,500 |
| 10-436-310 | CAPITAL OUTLAY | - | 5,000 | - | 5,000 |
| 10-436-350 | SUPPLIES | - | 5,000 | 546 | 4,454 |
| 10-436-355 | REPAIRS & REPLACEMENTS | - | 8,000 | - | 8,000 |
| 10-436-370 | UTILITIES | - | 5,182 | 5,344 | (162) |
| | BOYS & GIRLS CLUB | - | 50,000 | 13,262 | 36,738 |
| 440 | NON-DEPATMENTAL | | | | |
| === | ===== | | | | |
| 10-440-114 | SYSTEM IMAGING - LEASE | 15,000 | 15,000 | 11,413 | 3,587 |
| 10-440-200 | FICA EXPENSE | 1,000 | 1,000 | 602 | 398 |
| 10-440-205 | TCDRS EXPENSE | 500 | 500 | 313 | 187 |
| 10-440-300 | COURTHOUSE TELEPHONE EXPENSE | 10,500 | 10,500 | 10,333 | 167 |
| 10-440-312 | INTERNET EXPENSE | 25,500 | 25,500 | 10,352 | 15,148 |
| 10-440-314 | VENDING MACHINE SUPPLIES EXPENSE | 3,000 | 3,000 | 2,474 | 526 |
| 10-440-601 | ELECTION EXPENSE | 25,000 | 25,000 | 12,120 | 12,880 |
| 10-440-602 | HAVA-ELECTION EXPENSE | 9,715 | 9,715 | - | 9,715 |
| 10-440-603 | CHARITY EXPENSE | 6,000 | 6,000 | 6,402 | (402) |
| 10-440-604 | MARLIN LEASING | 6,000 | 6,000 | - | 6,000 |
| 10-440-605 | APPRAISAL DISTRICT | 67,914 | 67,914 | 67,146 | 768 |
| 10-440-606 | REPEATER LEASE SITE | 7,433 | 7,433 | 1,613 | 5,820 |
| 10-440-607 | POST OFFICE BOX RENTALS | 1,000 | 1,000 | 814 | 186 |
| 10-440-608 | EMPLOYEE APPRECIATION DINNER | 3,500 | 3,500 | 3,496 | 4 |
| 10-440-609 | PRIMARY ELECTION EXPENSE | 1,000 | 1,000 | 3,648 | (2,648) |
| 10-440-610 | LEASE POSTAGE METER | 4,320 | 4,320 | 3,054 | 1,266 |

CULBERSON COUNTY, TEXAS
FUNDS 10, 20 AND 45 GENERAL GOVERNMENT
COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET TO ACTUAL - MODIFIED CASH BASIS
YEAR ENDED SEPTEMBER 30, 2016

| | ORIGINAL BUDGET | AMENDED BUDGET | MODIFIED CASH BASIS ACTUAL | VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE) |
|---|--------------------|-------------------|----------------------------------|--|
| 10-440-611 TRAPPER | 28,800 | 28,800 | 28,800 | - |
| 10-440-612 HH&H OFFICE MAINT. | 4,750 | 4,750 | 4,500 | 250 |
| 10-440-617 ADULT PROBATION | 1,500 | 1,500 | 1,401 | 99 |
| 10-440-621 OFFICE SUPPLIES | 18,500 | 18,500 | 16,891 | 1,609 |
| 10-440-623 CHRISTMAS DECORATIONS | 2,000 | 2,000 | 762 | 1,238 |
| 10-440-625 RECORDS MANAGEMENT | 7,500 | 7,500 | 4,375 | 3,125 |
| 10-440-627 PUBLIC TRAINING SERVICE EXPENSE | 300 | 300 | 469 | (169) |
| 10-440-628 EMPLOYEE FLU VACCINATIONS | 1,550 | 1,550 | 850 | 700 |
| 10-440-629 SHERIFF'S TAX SALE | - | - | 2,170 | (2,170) |
| 10-440-631 COUNTY FOOD BANK | 3,000 | 3,000 | 3,000 | - |
| 10-440-633 INSURANCE TAX PAYOUTS | 20,410 | 5,510 | 1,880 | 3,630 |
| NON-DEPATMENTAL | 275,692 | 260,792 | 198,878 | 61,914 |
| 450 CAPITAL PROJECTS | | | | |
| === | ===== | | | |
| 10-450-700 Project 1 JP Software/Center | - | - | - | - |
| 10-450-700b Project 1 Mower Purchase | 12,000 | 12,000 | 12,597 | (597) |
| 10-450-710 Project 2 Red Sox Field Improv. | - | - | - | - |
| 10-450-710b Project 2 JP Door Replacement | 4,500 | 4,500 | 4,310 | 190 |
| 10-450-720 Project 3 CCFC WALL REPAIR | 10,000 | 10,000 | - | 10,000 |
| 10-450-730 Project 4 NC Freezer | - | - | - | - |
| 10-450-730b Project 4 Shop Fence | 15,000 | 15,000 | 6,518 | 8,482 |
| 10-450-731 Project 5 Boys & Girls Club | 50,000 | - | - | - |
| 10-450-732 Project 6 COURTHOUSE LANDSCAPING | 5,000 | 5,000 | - | 5,000 |
| 10-450-733 Project 7 Park Plygrnd Eqp/Platfor | - | - | - | - |
| 10-450-733b Project 7 COURTHOUSE SECURITY | 20,000 | 20,000 | 19,720 | 280 |
| 10-450-734 Project 8 Dike Cleanup | - | - | - | - |
| 10-450-734 Project 8 Jail Improvements | 18,000 | 18,000 | 18,000 | - |
| 10-450-735 Project 9 Airport Lighting /AWOS | 21,200 | 21,200 | 17,874 | 3,326 |
| 10-450-736 Project 10 DAYCARE PLYGRND | - | - | - | - |
| | 155,700 | 105,700 | 79,019 | 26,681 |
| GENERAL FUND | | | | |
| INCOME TOTALS | 3,698,205 | 3,698,205 | 3,765,050 | 66,845 |
| EXPENSE TOTALS | 3,565,738 | 3,565,738 | 3,208,049 | 357,689 |
| NET REVENUE OVER EXPENSE | 132,467 | 132,467 | 557,001 | 424,534 |
| BEFORE TRANSFERS and other | | | | |
| 10-401-724 NUTRITION CENTER MATCH | (132,467) | (132,467) | (81,785) | 50,682 |
| 10-200-200 TRANSFERS IN -- posted at P&L | - | - | 156,146 | 156,146 |
| 10-200-220 TRANSFERS WITHIN | - | - | - | - |
| 10-300-xxx LOAN PROCEEDS | - | - | - | - |
| 10-200-210 TRANSFERS OUT -- posted with P&L | - | - | (1,109,954) | (1,109,954) |
| | - | - | (478,592) | (478,592) |

Expenses Grouped by Uniform Chart of Accounts:

| | |
|---|------------------|
| General government | 1,468,100 |
| Justice System | 529,441 |
| Public Safety | 687,437 |
| Corrections and Rehabilitation | 287,905 |
| Health and Human Services | 80,028 |
| Community and Economic Development | 111,632 |
| Infrastructure and Environmental Services | 43,506 |
| | <u>3,208,049</u> |

CULBERSON COUNTY, TEXAS
FUNDS 10, 20 AND 45 GENERAL GOVERNMENT
COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET TO ACTUAL - MODIFIED CASH BASIS
YEAR ENDED SEPTEMBER 30, 2016

| | | ORIGINAL BUDGET | AMENDED BUDGET | MODIFIED CASH BASIS ACTUAL | VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE) |
|------------|----------------------------------|--------------------|-------------------|----------------------------------|--|
| 300 | R & B REVENUES | | | | |
| === | ===== | | | | |
| 20-300-100 | ROAD & BRIDGE CURRENT TAXES | 411,548 | 411,548 | 405,568 | (5,980) |
| 20-300-110 | ROAD & BRIDGE DELINQUENT TAXES | 10,000 | 10,000 | 23,715 | 13,715 |
| 20-300-150 | MISCELLANEOUS REVENUE - R & B | - | - | - | - |
| 20-300-170 | MOTOR VEHICLE REG. - R & B | 90,000 | 90,000 | 123,990 | 33,990 |
| 20-300-180 | INTEREST REVENUE - R & B | - | - | - | - |
| 20-300-185 | AUCTION PROCEEDS | - | - | - | - |
| 20-300-190 | LATERAL ROAD - STATE COMPTROLLER | 50,000 | 50,000 | 80,197 | 30,197 |
| 20-300-192 | REIMB. ST/PROJ. #721841 | - | - | - | - |
| 20-300-517 | CARRY OVER REVENUE | 42,935 | 42,935 | - | (42,935) |
| | R & B REVENUES | 604,483 | 604,483 | 633,470 | 28,987 |
| 500 | COUNTY BARN | | | | |
| === | ===== | | | | |
| 20-500-101 | SALARIES - COUNTY BARN | 44,743 | 44,743 | 46,387 | (1,644) |
| 20-500-102 | SALARY | 41,008 | 41,008 | 42,509 | (1,501) |
| 20-500-103 | SALARY | 33,367 | 33,367 | 34,573 | (1,206) |
| 20-500-104 | SALARY | 28,335 | 28,335 | 29,348 | (1,013) |
| 20-500-105 | SALARY | 33,366 | 33,366 | 34,573 | (1,207) |
| 20-500-106 | SALARY | 24,750 | 24,750 | 25,624 | (874) |
| 20-500-107 | SALARY | - | - | - | - |
| 20-500-110 | SALARY-PART TIME | - | - | - | - |
| 20-500-111 | LONGEVITY | - | - | 2,900 | (2,900) |
| 20-500-115 | SOLID WASTE MGMT COORDINATOR | 2,075 | 2,075 | 1,800 | 275 |
| 20-500-118 | CELL PHONE ALLOTMENT | 1,200 | 1,200 | 1,200 | - |
| 20-500-200 | FICA EXPENSE | 15,976 | 15,976 | 16,453 | (477) |
| 20-500-205 | TCDRS EXPENSE | 14,619 | 14,619 | 16,338 | (1,719) |
| 20-500-215 | MEDICAL INSURANCE EXPENSE | 41,385 | 41,385 | 41,224 | 161 |
| 20-500-300 | TELEPHONE | 1,700 | 1,700 | 1,044 | 656 |
| 20-500-310 | CAPITAL OUTLAY | 7,000 | 7,000 | - | 7,000 |
| 20-500-315 | CONT. EDUCATION | 1,000 | 1,000 | - | 1,000 |
| 20-500-350 | MAINT. & SUPPLIES | 8,000 | 8,000 | 4,437 | 3,563 |
| 20-500-351 | SAFETY SUPPLIES | 2,000 | 2,000 | 137 | 1,863 |
| 20-500-370 | UTILITIES | 6,000 | 6,000 | 4,759 | 1,241 |
| 20-500-271 | UNIFORMS | 3,000 | 3,000 | 1,521 | 1,479 |
| 20-500-400 | FUEL - COUNTY BARN | 10,000 | 10,000 | 3,902 | 6,098 |
| | COUNTY BARN | 319,524 | 319,524 | 308,729 | 10,795 |
| 505 | PRECINCT # 1 | | | | |
| === | ===== | | | | |
| 20-505-310 | CAPITAL OUTLAY | 1,500 | 1,500 | - | 1,500 |
| 20-505-315 | PREC.1 CONT. ED. | 3,500 | 3,500 | 2,560 | 940 |
| 20-505-350 | MAINT. & SUPPLIES | 1,500 | 1,500 | 1,390 | 110 |
| 20-505-400 | FUEL - PREC. #1 | 10,300 | 10,300 | 4,421 | 5,879 |
| | PRECINCT #1 | 16,800 | 16,800 | 8,371 | 8,429 |
| 510 | PRECINCT #2 | | | | |
| === | ===== | | | | |
| 20-510-310 | CAPITAL OUTLAY | - | - | - | - |
| 20-510-315 | PREC.2 CONT. ED. | 3,000 | 3,000 | 2,217 | 783 |
| 20-510-350 | MAINT. & SUPPLIES | 4,500 | 4,500 | 5,488 | (988) |
| 20-510-400 | FUEL - PREC. #2 | 7,800 | 7,800 | 2,467 | 5,333 |
| | PRECINCT #2 | 15,300 | 15,300 | 10,172 | 5,128 |

CULBERSON COUNTY, TEXAS
FUNDS 10, 20 AND 45 GENERAL GOVERNMENT
COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET TO ACTUAL - MODIFIED CASH BASIS
YEAR ENDED SEPTEMBER 30, 2016

| | | ORIGINAL BUDGET | AMENDED BUDGET | MODIFIED CASH BASIS ACTUAL | VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE) |
|------------|-----------------------------------|--------------------|-------------------|----------------------------------|--|
| 515 | PRECINCT #3 | | | | |
| === | ===== | | | | |
| 20-515-200 | FICA EXPENSE | - | - | - | - |
| 20-515-310 | CAPITAL OUTLAY | 1,000 | 1,000 | - | 1,000 |
| 20-515-315 | PREC.3 CONT. ED. | 3,000 | 3,000 | 1,734 | 1,266 |
| 20-515-350 | MAINT. & SUPPLIES | 1,000 | 1,000 | 210 | 790 |
| 20-515-400 | FUEL - PREC. #3 | 10,300 | 10,300 | 5,439 | 4,861 |
| | PRECINCT #4 | 15,300 | 15,300 | 7,383 | 7,917 |
| 520 | PRECINCT #4 | | | | |
| === | ===== | | | | |
| 20-520-110 | PART/TIME HELP | - | - | - | - |
| 20-520-200 | FICA EXPENSE | - | - | - | - |
| 20-520-310 | CAPITAL OUTLAY | 1,000 | 1,000 | - | 1,000 |
| 20-520-315 | PREC.4 CONT. ED. | 3,000 | 3,000 | 1,961 | 1,039 |
| 20-520-350 | MAINT. & SUPPLIES | 1,000 | 1,000 | 567 | 433 |
| 20-520-370 | UTILITIES | - | - | - | - |
| 20-515-400 | FUEL - PREC. #4 | 10,300 | 10,300 | 3,528 | 6,772 |
| | PRECINCT #4 | 15,300 | 15,300 | 6,056 | 9,244 |
| 540 | NON-DEPARTMENTAL | | | | |
| === | ===== | | | | |
| 20-540-310 | CAPITAL OUTLAY - NEW EQUIPMENT | 53,716 | 53,716 | 48,220 | 5,496 |
| 20-540-600 | R & B SUPPLIES | 28,543 | 28,543 | 27,309 | 1,234 |
| 20-540-601 | WATER SHED REPAIRS | 7,000 | 7,000 | - | 7,000 |
| 20-540-603 | HEAVY EQUIPMENT | 70,000 | 70,000 | - | 70,000 |
| 20-540-702 | UNEMPLOYMENT | 3,000 | 3,000 | 1,093 | 1,907 |
| | NON-DEPARTMENTAL | 162,259 | 162,259 | 76,622 | 85,637 |
| | ROAD & BRIDGE FUND | | | | |
| | INCOME TOTALS | 604,483 | 604,483 | 633,470 | 28,987 |
| | EXPENSE TOTALS | 544,483 | 544,483 | 417,333 | 127,150 |
| | INCOME AND EXPENSE BEFORE: | 60,000 | 60,000 | 216,137 | 156,137 |
| 20-540-302 | SAVINGS REIMBURSEMENT TRANSFER | (60,000) | (60,000) | (60,000) | - |
| 20-540-302 | TRANSFER OUT | - | - | - | - |
| | | - | - | 156,137 | 156,137 |
| 300 | NUTRITION CENTER REVENUE -45 | | | | |
| === | ===== | | | | |
| 45-300-110 | CONTRACT INCOME - TITLE III RGCOG | 140,000 | 140,000 | 170,606 | 30,606 |
| 45-300-111 | TDA GRANT INCOME | - | - | - | - |
| 45-300-115 | COUNTY MATCHING NUT. CENTER | - | - | - | - |
| 45-300-120 | PROGRAM INCOME - DOOR | 150 | 150 | 111 | (39) |
| 45-300-130 | PROGRAM INCOME - DELIVERY | 100 | 100 | - | (100) |
| 45-300-140 | CENTER RENTAL | 200 | 200 | 625 | 425 |
| 45-300-210 | DONATIONS | 200 | 200 | 90 | (110) |
| 45-300-500 | TRANSFER IN GENERAL FUND | - | - | - | - |
| 45-300-901 | TRANSFER FROM GENERAL FUND | - | - | - | - |
| | NUTRITION CENTER REVENUE -45 | 140,650 | 140,650 | 171,432 | 30,782 |
| 550 | NUTRITION CENTER EXPENSES -45 | | | | |
| === | ===== | | | | |
| 45-550-105 | SALARY - N/C DIRECTOR | 27,000 | 27,000 | 25,130 | 1,870 |
| 45-550-106 | SALARY-PART-TIME HELP A | 20,147 | 20,147 | 16,399 | 3,748 |
| 45-550-107 | SALARY-PART-TIME HELP B | 20,147 | 20,147 | 19,748 | 399 |

CULBERSON COUNTY, TEXAS
FUNDS 10, 20 AND 45 GENERAL GOVERNMENT
COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET TO ACTUAL - MODIFIED CASH BASIS
YEAR ENDED SEPTEMBER 30, 2016

| | ORIGINAL BUDGET | AMENDED BUDGET | MODIFIED CASH BASIS ACTUAL | VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE) |
|--|--------------------|-------------------|----------------------------------|--|
| 45-550-108 SALARY-PART-TIME HELP C | 20,147 | 20,147 | 19,181 | 966 |
| 45-550-109 SALARY-PART-TIME HELP D | 20,147 | 20,147 | 18,218 | 1,929 |
| 45-550-110 SALARY-PART-TIME HELP E | 14,560 | 14,560 | 13,276 | 1,284 |
| 45-550-200 FICA EXPENSE | 9,344 | 9,344 | 8,562 | 782 |
| 45-550-205 TCDRS EXPENSE | 8,550 | 8,550 | 7,352 | 1,198 |
| 45-550-215 MEDICAL INSURANCE EXPENSE | 6,897 | 6,897 | 5,748 | 1,149 |
| 45-550-300 TELEPHONE EXPENSE | 2,500 | 2,500 | 1,109 | 1,391 |
| 45-550-305 POSTAGE | 100 | 100 | 143 | (43) |
| 45-550-310 CAPITAL OUTLAY | 500 | 500 | 6,523 | (6,023) |
| 45-550-315 CONT. EDUCATION - N/C | 350 | 350 | 339 | 11 |
| 45-550-350 N/C SUPPLIES | 17,000 | 17,000 | 15,333 | 1,667 |
| 45-550-355 REPAIRS & REPLACEMENTS | 1,900 | 1,900 | - | 1,900 |
| 45-550-370 UTILITIES EXPENSE | 12,000 | 12,000 | 10,516 | 1,484 |
| 45-550-380 FOOD EXPENSE | 80,500 | 80,500 | 83,574 | (3,074) |
| 45-550-400 FUEL/AUTO EXPENSE | 3,218 | 3,218 | 1,520 | 1,698 |
| 45-550-702 UNEMPLOYMENT EXPENSE | 500 | 500 | 546 | (46) |
| 45-550-703 WORKER'S COMP. EXPENSE | - | - | - | - |
| 45-550-704 RENTAL DEPOSIT RETURN | - | - | - | - |
| NUTRITION CENTER EXPENSES -45 | <u>265,507</u> | <u>265,507</u> | <u>253,217</u> | <u>12,290</u> |
| INCOME TOTALS | 140,650 | 140,650 | 171,432 | 30,782 |
| EXPENSE TOTALS | <u>265,507</u> | <u>265,507</u> | <u>253,217</u> | <u>12,290</u> |
| INCOME AND EXPENSE BEFORE: | (124,857) | (124,857) | (81,785) | 43,072 |
| 45-300-500 TRANSFER TO DEBT SERVICE FUND | - | - | - | - |
| 45-300-901 TRANSFERS OTHER | - | - | - | - |
| 45-300-115 TRANSFERS FROM GENERAL FUND | <u>124,857</u> | <u>124,857</u> | <u>81,785</u> | <u>(43,072)</u> |
| INCOME OVER (UNDER) EXPENSES | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |

REQUIRED SUPPLEMENTARY INFORMATION

Employee Retirement Plan Supplementary Schedules

CULBERSON COUNTY, TEXAS
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
LAST 10 YEARS

| | Year Ended December 31 | | | | | | | | | |
|--|------------------------|--------------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 |
| Total Pension Liability | | | | | | | | | | |
| Service Cost | \$198,912 | \$194,054 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Interest on Total Pension Liability | 535,817 | 499,911 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Effect of Plan Changes | (42,069) | - | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Effect of Assumption Changes or Inputs | 80,408 | - | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Effect of Economic/Demographic (gains) or losses | 35,830 | 29,830 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Benefit Payments/Refunds of Contributions | <u>(284,364)</u> | <u>(318,369)</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> |
| Net Change in Total Pension Liability | 524,534 | 405,426 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Total Pension Liability, Beginning | <u>6,638,120</u> | <u>6,232,694</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> |
| Total Pension Liability, Ending (a) | <u>\$7,162,654</u> | <u>\$6,638,120</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> |
| Fiduciary Net Position | | | | | | | | | | |
| Employer Contributions | \$128,023 | \$116,937 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Member Contributions | 128,023 | 115,936 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Investment Income Net of Investment Expenses | (37,401) | 441,378 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Benefit Payments/Refunds of Contributions | (284,364) | (318,369) | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Administrative Expenses | (4,936) | (5,167) | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Other | <u>16,107</u> | <u>17,698</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> |
| Net Change in Fiduciary Net Position | (\$54,548) | \$368,413 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Fiduciary Net Position, Beginning | <u>6,893,454</u> | <u>6,525,041</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> |
| Fiduciary Net Position, Ending (b) | <u>\$6,838,906</u> | <u>\$6,893,454</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> |
| Net Pension Liability / (Asset), Ending = (a) - (b) | <u>\$323,748</u> | <u>(\$255,334)</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> |
| Fiduciary Net Position as a % of Total Pension Liability | 95.48% | 103.85% | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Pensionable Covered Payroll | \$1,828,903 | \$1,656,221 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Net Pension Liability as a % of Covered Payroll | 17.70% | -15.42% | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and since prior years have not been calculated with standards of GASB 67/68, they are not shown. Therefore, only years for which the new GASB statements have been implemented.

CULBERSON COUNTY, TEXAS
SCHEDULE OF EMPLOYER CONTRIBUTIONS
LAST TEN YEARS

| Year Ending December 31 | Actuarially Determined Contribution | Actual Employer Contribution | Contribution Deficiency (Excess) | Pensionable Covered Payroll | Actual Contribution as a % of Covered Payroll |
|----------------------------|---|------------------------------------|--|-----------------------------------|--|
| 2006 | 58,725 | 86,361 | (27,636) | 1,233,728 | 7.0% |
| 2007 | 99,708 | 107,377 | (7,669) | 1,533,962 | 7.0% |
| 2008 | 86,195 | 110,305 | (24,110) | 1,575,782 | 7.0% |
| 2009 | 92,842 | 120,574 | (27,732) | 1,722,483 | 7.0% |
| 2010 | 106,292 | 112,564 | (6,272) | 1,608,053 | 7.0% |
| 2011 | 101,262 | 111,629 | (10,367) | 1,594,678 | 7.0% |
| 2012 | 104,051 | 109,199 | (5,148) | 1,559,992 | 7.0% |
| 2013 | 115,446 | 115,446 | - | 1,629,843 | 7.1% |
| 2014 | 116,929 | 116,937 | (8) | 1,656,221 | 7.1% |
| 2015 | 124,731 | 128,023 | (3,292) | 1,828,903 | 7.0% |

Notes to Schedule

Valuation Date: December 31, 2015

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

Methods and assumptions used to determine contribution rates:

| | |
|-------------------------------|---|
| Actuarial cost method | Entry Age Normal |
| Amortization method | Level percentage of payroll, closed |
| Remaining amortization period | 9.9 years |
| Asset valuation method | 5-yr smoothed market |
| Inflation | 3.00% |
| Salary increases | Varies by age and service. 4.9% avgas over career |
| Investment rate of return | 8.00% |
| Retirement age | |

Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.

Mortality

In the 2015 actuarial valuation, assumed life expectancies were adjusted as a result of adopting a new projection scale (110%) of the MP-2014 Ultimate Scale) for 2014 and later. Previously Scale AA had been used. The base table is the RP-2000 table projected with Scale AA to 2014.

**Changes in Plan Provisions
Reflected in the Schedule***

No changes in plan provisions are reflected in the Schedule of Employer Contributions

* - Only changes effective 2015 and later are shown in the notes to Schedule.

GENERAL FUND
Combining Schedules

CULBERSON COUNTY, TEXAS
COMBINING BALANCE SHEET - MODIFIED CASH BASIS
GENERAL FUND
AS OF SEPTEMBER 30, 2016

| | <u>General Government</u> | <u>Roads & Bridges</u> | <u>Contingency Fund 91</u> | <u>Criminal Justice</u> | <u>Combined</u> |
|--|-------------------------------|--------------------------------|--------------------------------|-----------------------------|---------------------|
| <u>ASSETS</u> | | | | | |
| Cash - Checking | \$ 720,404 | \$ 1,236,715 | \$ - | \$ 210,506 | \$ 2,167,625 |
| Cash - Payroll Clearing | - | - | - | - | - |
| Cash - Checking Clerk | 147,690 | - | - | - | 147,690 |
| Cash - Checking Tax Assessor | 29,191 | - | - | - | 29,191 |
| Cash - JP Accounts | 41,330 | - | - | - | 41,330 |
| Cash - Savings | - | - | 3,281,531 | - | 3,281,531 |
| Certificates of Deposit | 567,895 | - | - | - | 567,895 |
| Postage Inventory | 6,269 | - | - | - | 6,269 |
| Due from (to) Other Funds | 212,862 | - | - | - | 212,862 |
| Total Assets | <u>1,725,641</u> | <u>1,236,715</u> | <u>3,281,531</u> | <u>210,506</u> | <u>6,454,393</u> |
| <u>LIABILITIES</u> | | | | | |
| Other Liabilities | (1,959) | - | - | - | (1,959) |
| Deferred Revenue | - | - | - | - | - |
| Due to Others | 132,027 | - | - | 47,763 | 179,790 |
| Due to Other Funds | 82,051 | (82,051) | - | 52,292 | 52,292 |
| Total Liabilities | <u>212,119</u> | <u>(82,051)</u> | <u>-</u> | <u>100,055</u> | <u>230,123</u> |
| <u>FUND EQUITY (DEFICIT)</u> | | | | | |
| Nonspendable | - | - | - | - | - |
| Restricted | - | - | - | - | - |
| Committed | - | 1,318,766 | - | - | 1,318,766 |
| Assigned | - | - | - | - | - |
| Unassigned | 1,513,522 | - | 3,281,531 | 110,451 | 4,905,504 |
| Total Fund Equity (Deficit) | <u>1,513,522</u> | <u>1,318,766</u> | <u>3,281,531</u> | <u>110,451</u> | <u>6,224,270</u> |
| Total Liabilities and Fund Equity | <u>\$ 1,725,641</u> | <u>\$ 1,236,715</u> | <u>\$ 3,281,531</u> | <u>\$ 210,506</u> | <u>\$ 6,454,393</u> |

CULBERSON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - MODIFIED CASH BASIS

GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2016

| | GENERAL GOVERNMENT | ROAD & BRIDGE | CONTINGENCY FUND 91 | CRIMINAL JUSTICE | COMBINED |
|---|-----------------------|---------------------|------------------------|---------------------|---------------------|
| REVENUE | | | | | |
| 10-300-100 CURRENT TAXES | \$ 2,676,529 | \$ 405,568 | \$ - | \$ - | \$ 3,082,097 |
| 10-300-110 DELINQUENT TAXES | 90,082 | 23,715 | - | - | 113,797 |
| 10-300-111 VEHICLE INVENTORY TAX | 11 | - | - | - | 11 |
| 10-300-120 FEES OF OFFICE-CLERK | 102,824 | - | - | - | 102,824 |
| 10-300-121 FEES OF OFFICE-TAX OFFICE | 9,471 | - | - | - | 9,471 |
| 10-300-122 VAN HORN CEMETARY PAY OUT FEES | 2,650 | - | - | - | 2,650 |
| 91-300-140 INTEREST ON SAVINGS | - | - | 2,852 | - | 2,852 |
| 10-300-141 REIMBURSEMENTS | 2,724 | - | - | - | 2,724 |
| 10-300-143 LEASE PAYMENT-LOBO LAND | 450 | - | - | - | 450 |
| 10-300-144 QRTERLY REIMB. JUROR PAYMENTS | 1,190 | - | - | - | 1,190 |
| 10-300-145 H&HS OFF RENT | 11,610 | - | - | - | 11,610 |
| 10-300-162 MIXED BEVERAGE TAX ALLOCATION | 2,616 | - | - | - | 2,616 |
| 10-300-170 MOTOR VEHICLE REGISTRATIO | 780 | 123,990 | - | - | 124,770 |
| 10-300-175 J. P. COURT | 393,007 | - | - | - | 393,007 |
| 10-300-180 INTEREST REVENUE | 6,790 | - | - | - | 6,790 |
| 10-300-185 AUCTION PROCEEDS | 14,020 | - | - | - | 14,020 |
| 10-300-190 IN LIEU OF TAXES- STATE C | 167,543 | - | - | - | 167,543 |
| 10-300-191 IN LIEU OF TAXES | 1,276 | - | - | - | 1,276 |
| 10-300-200 STATE SALARY SUPPLEMENT | 48,533 | - | - | - | 48,533 |
| 10-300-204 LEOSE FUND/S.O. | 1,216 | - | - | - | 1,216 |
| 10-300-205 J.P. COURT SECURITY FEE | 2,918 | - | - | - | 2,918 |
| 10-300-206 COURTHOUSE SECURITY FEE | 10,188 | - | - | - | 10,188 |
| 10-300-207 LAW LIBRARY REVENUE | 1,725 | - | - | - | 1,725 |
| 10-300-208 COUNTY FINES/CLERK | 34,979 | - | - | - | 34,979 |
| 10-300-214 LBSP GRANT REVENUE | 15,163 | - | - | - | 15,163 |
| 10-300-215 OMNI FEE - COUNTY REVENUE | 1,929 | - | - | - | 1,929 |
| 10-300-220 WORKERS COMP REIMBURSEMENT | 7,131 | - | - | - | 7,131 |
| 10-300-222 UTILITIES PERMITS | 45,840 | - | - | - | 45,840 |
| 10-300-224 INDIGENT FORMULA GRANT | 4,987 | - | - | - | 4,987 |
| 10-300-331 CD REVENUE | 2,075 | - | - | - | 2,075 |
| 10-300-333 JAIL-PAY PHONE REVENUE | 673 | - | - | - | 673 |
| 10-300-334 VENDING MACHINES REVENUE | 229 | - | - | - | 229 |
| 10-300-336 STATE EXCESS CONTRIBUTION | 89 | - | - | - | 89 |
| 10-300-339 FEES OF OFFICE - SHERIFF | 2,432 | - | - | - | 2,432 |
| 10-300-340 CONSTABLE CIVIL PORCESS FEES | 315 | - | - | - | 315 |
| 10-300-341 INSURANCE CLAIM FUNDS | 22,021 | - | - | - | 22,021 |
| 10-300-346 UNBUDGETED REVENUE | 70,719 | - | - | - | 70,719 |
| 10-300-510 SALES TAX COMMISSION REVENUE | 5,859 | - | - | - | 5,859 |
| 10-300-515 REFUND REVENUE | 732 | - | - | - | 732 |
| 10-300-518 U.S. DISTRICT COURT RESTITUTION | 1,724 | - | - | - | 1,724 |
| 20-300-190 LATERAL ROAD - STATE COMP | - | 80,197 | - | - | 80,197 |
| 35-300-300 CRIMINAL JUSTICE REVENUE | - | - | - | 56,681 | 56,681 |
| TOTAL REVENUE | 3,765,050 | 633,470 | 2,852 | 56,681 | 4,458,053 |
| EXPENDITURES | | | | | |
| General government | \$ 1,468,100 | \$ - | \$ - | \$ - | \$ 1,468,100 |
| Justice System | 529,441 | - | - | - | 529,441 |
| Public Safety | 687,437 | - | - | - | 687,437 |
| Corrections and Rehabilitation | 287,905 | - | - | - | 287,905 |
| Health and Human Services | 80,028 | - | - | - | 80,028 |
| Community and Economic Development | 111,632 | - | - | - | 111,632 |
| Infrastructure and Environmental Services | 43,506 | 417,333 | - | - | 460,839 |
| Total Expenditures | 3,208,049 | 417,333 | - | - | 3,625,382 |
| Revenue Over (Under) Expenditures | 557,001 | 216,137 | 2,852 | 56,681 | 832,671 |
| Other Source and Uses: | | | | | |
| LOAN PROCEEDS | - | - | - | - | - |
| TRANSFERS IN (OUT) | (1,191,739) | - | 953,808 | - | (237,931) |
| TRANSFERS IN (OUT) | 156,146 | (60,000) | 60,000 | - | 156,146 |
| | (1,035,593) | (60,000) | 1,013,808 | - | (81,785) |
| Revenue and Other Sources Over (Under) | | | | | |
| Expenditures and Other (Uses) | (478,592) | 156,137 | 1,016,660 | 56,681 | 750,886 |
| Fund Balance Beginning of Year | 1,992,114 | 1,162,629 | 2,264,871 | 53,770 | 5,473,384 |
| Fund Balance End of Year | \$ 1,513,522 | \$ 1,318,766 | \$ 3,281,531 | \$ 110,451 | \$ 6,224,270 |

Special Revenue Funds

Combining Schedules

CULBERSON COUNTY, TEXAS
COMBINING BALANCE SHEET - MODIFIED CASH BASIS
SPECIAL REVENUE FUNDS
AS OF SEPTEMBER 30, 2016

| | HOT CHECK FUND - 30 | JAG ARRA Fund 43 | SENIOR NUTRITION FUND - 45 | LAW ENFORCEMENT FUND-47 | AIRPORT IMPROV. FUND - 48 | CONSTABLE PCT#2 Fund -49 | RECORDS PRESERVATION FUND - 50 | RECORDS PRESERVATION FUND - 60 | CHILD WELFARE BRD FUND - 61 | HOMELAND SECURITY FUND 77 |
|---|---------------------------|------------------------|----------------------------------|-------------------------------|---------------------------------|--------------------------------|--------------------------------------|--------------------------------------|-----------------------------------|---------------------------------|
| ASSETS | | | | | | | | | | |
| Cash in Bank | \$ - | \$ 128 | \$ - | \$ 3,300 | \$ 26,001 | \$ 302 | \$ 11,314 | \$ 16,587 | \$ 5,543 | \$ 1 |
| Pooled Cash Overdraft | (679) | - | - | - | - | - | - | - | - | - |
| Payroll Clearing | - | - | - | - | - | - | - | - | - | - |
| Postage Inventory and Other | - | - | (303) | - | - | - | - | 651 | - | - |
| Due from Other Funds | - | - | - | - | - | - | - | - | - | - |
| Total Assets | (679) | 128 | (303) | 3,300 | 26,001 | 302 | 11,314 | 17,238 | 5,543 | 1 |
| LIABILITIES | | | | | | | | | | |
| Due to Others | - | - | - | - | - | - | - | - | - | - |
| Due to Other Funds | 4,555 | - | 138,077 | - | - | - | - | - | - | - |
| Deferred Revenue | - | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - | - | - |
| Total Liabilities | 4,555 | - | 138,077 | - | - | - | - | - | - | - |
| FUND BALANCE | | | | | | | | | | |
| Nonspendable | - | - | - | - | - | - | - | - | - | - |
| Restricted | - | 128 | - | 3,300 | - | 302 | 11,314 | 17,238 | 5,543 | 1 |
| Committed | - | - | - | - | - | - | - | - | - | - |
| Assigned | - | - | - | - | 26,001 | - | - | - | - | - |
| Unassigned | (5,234) | - | (138,380) | - | - | - | - | - | - | - |
| Total Fund Balance | (5,234) | 128 | (138,380) | 3,300 | 26,001 | 302 | 11,314 | 17,238 | 5,543 | 1 |
| Total Liabilities and Fund Balance | \$ (679) | \$ 128 | \$ (303) | \$ 3,300 | \$ 26,001 | \$ 302 | \$ 11,314 | \$ 17,238 | \$ 5,543 | \$ 1 |

CULBERSON COUNTY, TEXAS
 COMBINING BALANCE SHEET - MODIFIED CASH BASIS
 SPECIAL REVENUE FUNDS
 AS OF SEPTEMBER 30, 2016

| | BORDER COLONIA FUND 80 | LINEBACKER FEDERAL FUND 81 | JUSTICE TEC FUND FUND 84 | LINEBACKER STATE FUND 85 | HOME PROG GRANT FUND 86 | ARCHIVE FUND 87 | COMMISSARY FUND 88 | LINEBACKER FUND 89 | JAG FUND 90 | TOTAL COMBINED |
|---|------------------------------|----------------------------------|--------------------------------|--------------------------------|-------------------------------|--------------------|-----------------------|-----------------------|---------------------|---------------------|
| ASSETS | | | | | | | | | | |
| Cash in Bank | \$ 4,018 | \$ 1 | \$ 17,418 | \$ 1,240 | \$ 1,724 | \$ 45,281 | \$ 358 | \$ 1 | \$ 900 | \$ 134,117 |
| Pooled Cash Overdraft | - | - | - | (1,240) | - | (96,809) | - | (251,506) | (134,503) | (484,737) |
| Payroll Clearing | - | - | - | - | - | - | - | - | - | - |
| Postage Inventory and Other | - | - | - | - | - | - | - | - | - | - |
| Due from Other Funds | - | - | - | - | - | - | - | - | - | 348 |
| Total Assets | 4,018 | 1 | 17,418 | - | 1,724 | (51,528) | 358 | (251,505) | (133,603) | (350,272) |
| LIABILITIES | | | | | | | | | | |
| Due to Others | - | - | - | - | - | - | 15 | - | - | 15 |
| Due to Other Funds | - | - | - | - | - | - | - | 395 | 464 | 143,491 |
| Deferred Revenue | - | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - | - | - |
| Total Liabilities | - | - | - | - | - | - | 15 | 395 | 464 | 143,506 |
| FUND BALANCE | | | | | | | | | | |
| Nonspendable | - | - | - | - | - | - | - | - | - | - |
| Restricted | 4,018 | 1 | 17,418 | - | 1,724 | 45,281 | 343 | - | - | 106,611 |
| Committed | - | - | - | - | - | - | - | - | - | - |
| Assigned | - | - | - | - | - | - | - | - | - | - |
| Unassigned | - | - | - | - | - | (96,809) | - | (251,900) | (134,067) | (626,390) |
| Total Fund Balance | 4,018 | 1 | 17,418 | - | 1,724 | (51,528) | 343 | (251,900) | (134,067) | (493,778) |
| Total Liabilities and Fund Balance | \$ 4,018 | \$ 1 | \$ 17,418 | \$ - | \$ 1,724 | \$ (51,528) | \$ 358 | \$ (251,505) | \$ (133,603) | \$ (350,272) |

CULBERSON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES AND
EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
SPECIAL REVENUES FUNDS
YEAR ENDED SEPTEMBER 30, 2016

| | HOT CHECK FUND - 30 | JAG ARRA Fund 43 | SENIOR NUTRITION FUND - 45 | LAW ENFORCEMENT FUND-47 | AIRPORT IMPROV. FUND - 48 | CONSTABLE PCT#2 Fund -49 | RECORDS PRESERVATION FUND - 50 |
|--|---------------------------|------------------------|----------------------------------|-------------------------------|---------------------------------|--------------------------------|--------------------------------------|
| REVENUE | | | | | | | |
| Grants | \$ - | \$ - | \$ - | \$ - | \$ 3,400 | \$ - | \$ - |
| Fees | 215 | - | 170,606 | - | - | 657 | 10,165 |
| Intergovernmental | - | - | - | - | - | - | - |
| Seizures | - | - | - | 19 | - | - | - |
| Contributions | - | - | 90 | - | - | - | - |
| Miscellaneous Revenue | - | - | 111 | - | - | - | - |
| Rent | - | - | 625 | - | 3,300 | - | - |
| Interest | - | - | - | 10 | 61 | - | 27 |
| Other | - | - | - | - | - | - | - |
| Total Revenue | 215 | - | 171,432 | 29 | 6,761 | 657 | 10,192 |
| EXPENDITURES | | | | | | | |
| Federal/State: | | | | | | | |
| Administration | - | - | - | - | - | - | - |
| Engineering/Consulting | - | - | - | - | - | - | - |
| Construction | - | - | - | - | - | - | - |
| Local: | | | | | | | |
| Salary and Benefits | - | - | 133,614 | - | - | - | - |
| Law Enforcement Expenses | - | - | - | 536 | - | - | - |
| Records Management | - | - | - | - | - | - | 6,127 |
| Juvenile Probation | - | - | - | - | - | - | - |
| Senior Nutrition Services | - | - | 119,603 | - | - | - | - |
| Communications | - | - | - | - | - | - | - |
| Technology Expenses | - | - | - | - | - | - | - |
| Training | - | - | - | - | - | 1,240 | - |
| Miscellaneous Expense | - | - | - | - | - | - | - |
| Capital Outlay | - | - | - | - | 10,380 | - | - |
| Total Expenditures | - | - | 253,217 | 536 | 10,380 | 1,240 | 6,127 |
| Revenue Over (Under) Expenditures | 215 | - | (81,785) | (507) | (3,619) | (583) | 4,065 |
| Transfer from (to) Other Funds | - | - | - | - | - | - | - |
| Transfer from (to) Other Funds | - | - | 81,785 | - | - | - | - |
| Revenue Over (Under) Expenditures and Transfers | 215 | - | - | (507) | (3,619) | (583) | 4,065 |
| Fund Balance Beginning of Year | (5,449) | 128 | (138,380) | 3,807 | 29,620 | 885 | 7,249 |
| Fund Balance End of Year | \$ (5,234) | \$ 128 | \$ (138,380) | \$ 3,300 | \$ 26,001 | \$ 302 | \$ 11,314 |
| Expenditures grouped by function: | | | | | | | |
| General government | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 6,127 |
| Justice System | - | - | - | - | - | 1,240 | - |
| Public Safety | - | - | - | 536 | - | - | - |
| Corrections and Rehabilitation | - | - | - | - | - | - | - |
| Health and Human Services | - | - | 253,217 | - | - | - | - |
| Community and Economic Development | - | - | - | - | - | - | - |
| Infrastructure and Environmental Services | - | - | - | - | 10,380 | - | - |
| Total Expenditures by Function | \$ - | \$ - | \$ 253,217 | \$ 536 | \$ 10,380 | \$ 1,240 | \$ 6,127 |

CULBERSON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES AND
EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
SPECIAL REVENUES FUNDS
YEAR ENDED SEPTEMBER 30, 2016

| RECORDS PRESERVATION FUND - 60 | CHILD WELFARE BRD FUND - 61 | HOMELAND SECURITY FUND 77 | BORDER COLONIA FUND 80 | LINEBACKER FEDERAL FUND 81 | JUSTICE TEC FUND FUND 84 |
|--------------------------------------|-----------------------------------|---------------------------------|------------------------------|----------------------------------|--------------------------------|
|--------------------------------------|-----------------------------------|---------------------------------|------------------------------|----------------------------------|--------------------------------|

REVENUE

| | | | | | |
|-----------------------|-------|-------|-----------|------|--------|
| Grants | \$ - | \$ - | \$ 39,242 | \$ - | \$ - |
| Fees | 2,105 | - | - | - | 12,486 |
| Intergovernmental | - | - | - | - | - |
| Seizures | - | - | - | - | - |
| Contributions | - | 1,000 | - | - | - |
| Miscellaneous Revenue | - | - | - | - | - |
| Rent | - | - | - | - | - |
| Interest | 40 | - | - | - | 34 |
| Other | - | - | - | - | - |
| Total Revenue | 2,145 | 1,000 | 39,242 | - | 12,520 |

EXPENDITURES

| | | | | | |
|--|-----------|----------|--------|----------|-----------|
| Federal/State: | | | | | |
| Administration | - | - | - | - | - |
| Engineering/Consulting | - | - | - | - | - |
| Construction | - | - | - | - | - |
| Local: | | | | | |
| Salary and Benefits | - | - | - | - | - |
| Law Enforcement Expenses | - | - | - | - | - |
| Records Management | - | - | - | - | - |
| Juvenile Probation | - | - | - | - | - |
| Senior Nutrition Services | - | - | - | - | - |
| Communications | - | - | - | - | - |
| Technology Expenses | - | - | - | - | 1,636 |
| Training | - | - | - | - | - |
| Miscellaneous Expense | - | 953 | - | - | - |
| Capital Outlay | - | - | 39,242 | - | - |
| Total Expenditures | - | 953 | 39,242 | - | 1,636 |
| Revenue Over (Under) Expenditures | 2,145 | 47 | - | - | 10,884 |
| Transfer from (to) Other Funds | - | - | - | - | - |
| Transfer from (to) Other Funds | - | - | - | - | - |
| Revenue Over (Under) Expenditures and Transfers | 2,145 | 47 | - | - | 10,884 |
| Fund Balance Beginning of Year | 15,093 | 5,496 | 1 | 4,018 | 6,534 |
| Fund Balance End of Year | \$ 17,238 | \$ 5,543 | \$ 1 | \$ 4,018 | \$ 17,418 |

Expenditures grouped by function:

| | | | | | |
|---|------|--------|-----------|------|----------|
| General government | \$ - | \$ - | \$ - | \$ - | \$ - |
| Justice System | - | - | - | - | 1,636 |
| Public Safety | - | - | 39,242 | - | - |
| Corrections and Rehabilitation | - | - | - | - | - |
| Health and Human Services | - | 953 | - | - | - |
| Community and Economic Development | - | - | - | - | - |
| Infrastructure and Environmental Services | - | - | - | - | - |
| Total Expenditures by Function | \$ - | \$ 953 | \$ 39,242 | \$ - | \$ 1,636 |

CULBERSON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES AND
EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
SPECIAL REVENUES FUNDS
YEAR ENDED SEPTEMBER 30, 2016

| | LINEBACKER STATE FUND 85 | HOME PROG GRANT FUND 86 | ARCHIVE FUND 87 | COMMISSARY FUND 88 | LINEBACKER FUND 89 | JAG FUND 90 | TOTAL COMBINED |
|--|--------------------------------|-------------------------------|--------------------|-----------------------|-----------------------|----------------|-------------------|
| REVENUE | | | | | | | |
| Grants | \$ - | \$ 95,824 | \$ - | \$ - | \$ - | \$ 460 | \$ 138,926 |
| Fees | - | - | 20,280 | - | - | - | 216,514 |
| Intergovernmental | - | - | - | - | - | - | - |
| Seizures | - | - | - | - | - | - | 19 |
| Contributions | - | - | - | - | - | - | 1,090 |
| Miscellaneous Revenue | - | - | - | - | - | - | 111 |
| Rent | - | - | - | - | - | - | 3,925 |
| Interest | - | - | - | - | - | - | 172 |
| Other | - | - | - | - | - | - | - |
| Total Revenue | - | 95,824 | 20,280 | - | - | 460 | 360,757 |
| EXPENDITURES | | | | | | | |
| Federal/State: | - | - | - | - | - | - | - |
| Administration | - | - | - | - | - | - | 2,000 |
| Engineering/Consulting | - | 2,000 | - | - | - | - | 93,824 |
| Construction | - | 93,824 | - | - | - | - | - |
| Local: | - | - | - | - | - | - | 133,614 |
| Salary and Benefits | - | - | - | - | - | - | 536 |
| Law Enforcement Expenses | - | - | - | - | - | - | 6,127 |
| Records Management | - | - | - | - | - | - | - |
| Juvenile Probation | - | - | - | - | - | - | 119,603 |
| Senior Nutrition Services | - | - | - | - | - | - | - |
| Communications | - | - | - | - | - | - | 1,636 |
| Technology Expenses | - | - | - | - | - | - | 1,240 |
| Training | - | - | - | - | - | - | 953 |
| Miscellaneous Expense | - | - | - | - | - | - | 49,622 |
| Capital Outlay | - | - | - | - | - | - | - |
| Total Expenditures | - | 95,824 | - | - | - | - | 409,155 |
| Revenue Over (Under) Expenditures | - | - | 20,280 | - | - | 460 | (48,398) |
| Transfer from (to) Other Funds | - | - | - | - | - | - | - |
| Transfer from (to) Other Funds | - | - | - | - | - | - | 81,785 |
| Revenue Over (Under) Expenditures and Transfers | - | - | 20,280 | - | - | 460 | 33,387 |
| Fund Balance Beginning of Year | - | 1,724 | (71,808) | 343 | (251,900) | (134,527) | (527,165) |
| Fund Balance End of Year | \$ - | \$ 1,724 | \$ (51,528) | \$ 343 | \$ (251,900) | \$ (134,067) | \$ (493,778) |
| Expenditures grouped by function: | | | | | | | |
| General government | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 6,127 |
| Justice System | - | - | - | - | - | - | 2,876 |
| Public Safety | - | 95,824 | - | - | - | - | 135,602 |
| Corrections and Rehabilitation | - | - | - | - | - | - | - |
| Health and Human Services | - | - | - | - | - | - | 254,170 |
| Community and Economic Development | - | - | - | - | - | - | - |
| Infrastructure and Environmental Services | - | - | - | - | - | - | 10,380 |
| Total Expenditures by Function | \$ - | \$ 95,824 | \$ - | \$ - | \$ - | \$ - | \$ 409,155 |

Texas Department of Agriculture

Contract Schedule

CULBERSON COUNTY, TEXAS
TEXAS DEPARTMENT OF AGRICULTURE
COMMUNITY DEVELOPEMENT BLOCK GRANT SCHEDULE
YEAR ENDED SEPTEMBER 30, 2016

FEDERAL/STATE FINANCIAL ASSISTANCE
 FEDERAL GRANTOR: U.S. DEPARTMENT OF
 HOUSING AND URBAN DEVELOPMENT (HUD)
 PASS THROUGH GRANTOR: TEXAS DEPARTMENT OF AGRICULTURE

COMMUNITY DEVELOPMENT BLOCK GRANT
 CFDA NUMBER: 14.228
 CONTRACT NUMBER: 713119
 CONTRACT PERIOD: 11/12/13 TO 11/11/15

| | FEDERAL/STATE | | | | | |
|---|----------------|----------------|-----------------|-------------|----------------|-------------|
| | BUDGET | PRIOR YEARS | CURRENT YEAR | LOCAL | TOTAL | VARIANCE |
| <u>REVENUE</u> | | | | | | |
| Federal/State | \$ 168,637 | \$ 72,813 | \$ 95,824 | \$ - | \$ 168,637 | \$ - |
| State: | - | - | - | - | - | - |
| Local: | - | - | - | - | - | - |
| Total Revenue | <u>168,637</u> | <u>72,813</u> | <u>95,824</u> | <u>-</u> | <u>168,637</u> | <u>-</u> |
| <u>EXPENDITURES</u> | | | | | | |
| Federal/State: | | | | | | |
| Administration | 15,000 | 11,250 | - | - | 11,250 | 3,750 |
| Architectural and Engineering | 6,000 | 4,500 | 2,000 | - | 6,500 | (500) |
| Fire Stations/Equipment | 147,637 | 57,063 | 93,824 | - | 150,887 | (3,250) |
| Local: | | | | | | |
| Engineering/Architectural Services | - | - | - | - | - | - |
| Construction - neighborhood Facilities | - | - | - | - | - | - |
| Administration | - | - | - | - | - | - |
| Total Expenditures | <u>168,637</u> | <u>72,813</u> | <u>95,824</u> | <u>-</u> | <u>168,637</u> | <u>-</u> |
| Excess Revenue Over (Under) Expenditures | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

GOVERNMENTAL REPORTING SECTION

CULBERSON COUNTY, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
 YEAR ENDED SEPTEMBER 30, 2016

| GRANT TITLE | FEDERAL CFDA NUMBER | AWARD AMOUNT | PASS-THROUGH CONTRACT NUMBER | AUDIT PERIOD EXPENDITURES |
|---|---------------------------|-----------------|------------------------------------|---------------------------------|
| U.S. Department of Housing and Urban Development (HUD) | | | | |
| Pass Through: | | | | |
| Texas Department of Agriculture | 14.228 | \$ 451,975 | 713119 | \$ 95,824 |
| Community Development Block Grant | | | | |
| U.S. Department of Homeland Security | | | | |
| Public Safety Answering Point PSAP Digital Com | 97.067 | \$ 39,242 | 2950201 | 39,242 |
| U.S. Department of Transportation | | | | |
| Pass Through: | | | | |
| Texas Department of Transportation | 20.106 | \$ 3,400 | 21727315 | 3,400 |
| Airport Ramp Grant | | | | 138,466 |
| Total Federal Financial Assistance | | | | |
| State Grants: | | | | |
| Local Boarder Security Program -2015 | n/a | \$ 65,822 | LBSP-15 | 15,163 |
| | | | | 15,163 |
| | | | | \$ 153,629 |
| Total Federal and State Financial Assistance | | | | |

CULBERSON COUNTY, TEXAS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL/STATE AWARDS

1. GENERAL

The Schedule of Expenditures of Federal and State Awards present the activity of all applicable federal and state awards of Culberson County, Texas. State and federal financial assistance received directly from state and federal agencies as well as federal financial assistance passed through other governmental agencies are included on the Schedule of Expenditures of Federal and State Awards.

2. BASIS OF ACCOUNTING

The Schedule of Expenditures of Federal and State Awards is prepared on the modified cash basis of accounting. Expenditures are recognized when paid and revenues when received. Capital expenditures are expended in the schedule of Federal and State Awards in the period of the cash payment.

The format for the Schedule of Expenditures of Federal and State Awards has been prescribed by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Such format includes revenue recognized in the County's general purpose financial statements.

KNAPP & COMPANY, P.C.
P.O. Box 820669
DALLAS, TEXAS 75382
(214) 343-3777 // RICK_KNAPP@SBCGLOBAL.NET

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

To the Honorable Judge Carlos Urias and
Members of the Commissioners Court of
Culberson 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 Culberson County, Texas, as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise Culberson County, Texas' basic financial statements and have issued our report thereon dated February 2, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Culberson County, Texas' 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 Culberson County, Texas' internal control. Accordingly, we do not express an opinion on the effectiveness of Culberson County, Texas' internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a deficiency in internal control, described in the accompanying schedule of significant deficiencies that we consider to be a significant deficiency. Reference number 2016-1.

Compliance and Other Matters

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

County's Response to Significant Deficiency

Culberson County's response to the Significant Deficiency identified in our audit is described in the accompanying schedule of Management's Response to Reported Significant Deficiency was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Knapp & Company, P.C.

Dallas, Texas,
February 2, 2017

CULBERSON COUNTY, TEXAS

SCHEDULE OF SIGNIFICANT DEFICIENCY

For Fiscal Year Ended September 30, 2016

2016-1 Significant Deficiency – Budget Management, Monitoring and Control Procedures

Grant Program - None

Questioned Cost – None

Condition – The line item descriptions of budgeted projects as reported in the monthly budget analysis reports to the commissioners court did not accurately describe the nature of the Court approved budgets and related expenditures. Also we noted two instances where the finance office posted expense transactions to multiple accounts in an effort to use available budget. The matters were resolved with management approved audit reclassification entries.

Reason Improvement is Needed – The County's internally generated budget analysis report should accurately present expense by nature categories to provide the Commissioners Court sufficient information to monitor and manage the County's expenditures.

Recommendation - We recommend the County auditor monitor interim financial reports and correct presentation errors and/or request budget amendments to properly reflect the intentions of the Commissioners Court.

CULBERSON COUNTY, TEXAS

MANAGEMENT RESPONSE TO REPORTED SIGNIFICANT DEFICIENCY

For Fiscal Year Ended September 30, 2016

2016-1 Budget Management, Monitoring and Control

Management will take greater care in the review of interim budget analysis reports and amendments and corrections will be proposed as needed on an ongoing basis.

CULBERSON COUNTY, TEXAS

STATUS OF PRIOR YEAR FINDINGS

For Fiscal Year Ended September 30, 2016

Not applicable