

CORYELL COUNTY, TEXAS

**FINANCIAL
STATEMENTS**

AND

**INDEPENDENT AUDITOR'S
REPORT**

YEAR ENDED

SEPTEMBER 30, 2015

Roberts, & McGee CPA
104 Pine Street, Suite 610
Abilene, Texas 79601
(325) 701-9502

CORYELL COUNTY, TEXAS
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ROBERTS & MCGEE, CPA

104 PINE STREET, SUITE 610
ABILENE, TEXAS 79601
(325) 701-9502

Becky Roberts, CPA
becky.roberts@rm-cpa.net
Cell: 325-665-5239

Stacey McGee, CPA
stacey.mcgee@rm-cpa.net
Cell: 325-201-7244

INDEPENDENT AUDITOR'S REPORT

To the Honorable County Judge and
Members of the Commissioners Court of
Coryell County, Texas:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Coryell County, Texas, as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Coryell County, Texas, as of September 30, 2015, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 5 to the basic financial statements, the County implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, during the year ended September 30, 2015, which required recognition of its net pension liability and a more comprehensive measure of pension expense. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis, budgetary comparison information, and pension information on pages 3–8 and 31-35 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Coryell County, Texas’ basic financial statements. The other supplementary schedules on pages 36-46 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The other supplementary schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

Roberts + McGee, CPA
Roberts & McGee, CPA

Abilene, Texas
April 20, 2016

**CORYELL COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015**

As management of Coryell County, we offer readers of Coryell County's financial statements this narrative overview and analysis of the financial activities of the Coryell County for the fiscal year ended September 30, 2015.

Financial Highlights

Government-Wide Financial Statements

- The assets of Coryell County exceeded its liabilities at the close of the most recent fiscal year by \$16,331,078 (net position). Of this amount, \$6,503,624 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors. \$2,621,519 of the County's equity is restricted for debt service, capital improvement, and special revenue funds, and \$7,205,935 is invested in capital assets, net of related debt.
- The County's total debt outstanding at September 30, 2015 is \$1,148,967.
- The total net position (*equity*) of the County increased by \$515,732 during the 2015 fiscal year and prior to the adjustment of prior year net position of \$167,470.

Fund Financial Statements

- As of the close of the current fiscal year, Coryell County's governmental funds reported combined ending fund balances of \$8,623,276. Approximately 67% of the total fund balance amount, \$5,795,554, is unassigned and available for spending at the government's discretion. The fund balance in the general fund reflects an increase of \$339,419 from the prior year.
- At the end of the current fiscal year, restricted fund balance for debt service, capital improvement and special revenue funds was \$2,621,519, which is an increase of \$293,814 from the prior year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Coryell County's basic financial statements. Coryell County's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements

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

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

The government-wide financial statements reflect functions of Coryell County that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of Coryell County include general administration, judicial, legal, financial administration, public

**CORYELL COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015**

facilities, public safety, health and welfare, conservation, other supported services, and road and bridge. The government-wide financial statements can be found on pages 9-10 of this report.

Fund Financial Statements

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

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

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

Coryell County has four governmental fund types which are the general fund, special revenue funds, debt service fund and capital projects fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and the debt service fund, which are considered to be major funds. Data from the other non-major governmental funds are combined into the aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. The governmental fund financial statements can be found on pages 11-14 of this report.

Coryell County adopts an annual appropriated budget for its general fund, road and bridge fund, debt service fund, and various other special revenue funds. A budgetary comparison statement has been provided for the general fund and the debt service fund to demonstrate compliance with these budgets on pages 31-32.

Fiduciary funds. Fiduciary funds are used to account for assets held by the County in a trustee capacity or as an agent for other governmental units. The County's fiduciary funds are all reported as Agency Funds. Agency funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's basic programs. The basic agency fund financial statement can be found on page 15, and the schedule of changes in the agency assets and liabilities can be found on pages 45-46 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 16-30 of this report.

**CORYELL COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015**

Other information. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. Combining statements can be found on pages 36-44 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Coryell County, assets exceeded liabilities by \$16,331,078 at the close of the most recent fiscal year.

Coryell County's net position reflect its investment in capital assets (e.g., land, buildings, machinery and equipment, and infrastructure); less any related debt used to acquire those assets that is outstanding of \$7,205,935. Coryell County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Coryell County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Coryell County's Net Position

	Governmental Activities	
	2015	2014
Current assets	\$ 9,301,841	\$ 8,783,138
Capital assets	8,365,939	8,721,484
Deferred outflows of resources	756,836	
Total Assets	18,424,616	17,504,622
Current liabilities	823,265	942,859
Long-term liabilities	1,270,273	913,887
Total Liabilities	2,093,538	1,856,746
Net investment in capital assets	7,205,935	7,447,448
Restricted	2,621,519	2,327,705
Unrestricted	6,503,624	5,872,723
Total net position	\$ 16,331,078	\$ 15,647,876

The government's net position increased by \$683,202 during the current fiscal year. Of this amount, \$167,470 is due to the prior period adjustment to recognize the pension liability and related deferred outflows of resources as of September 30, 2014.

**CORYELL COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015**

Coryell County's Changes in Net Position

	Governmental Activities	
	2015	2014
Revenues:		
Program Revenues:		
Charges for Services	\$ 2,875,759	\$ 2,857,401
Operating Grants and Contributions	1,342,237	813,105
Capital Grants and Contributions		
General Revenues		
Property and Other Taxes	12,503,603	11,760,577
Investment Income	53,972	49,388
Gain (loss) on disposal of assets	(1,422)	5,910
Miscellaneous Income	156,624	140,724
Total Revenues	16,930,773	15,627,105
Expenses		
General Administration	1,408,292	1,397,851
Judicial	2,175,425	1,989,905
Legal	1,099,269	991,526
Financial Administration	1,038,224	977,804
Public Facilities	3,079,710	2,634,749
Public Safety	3,075,775	2,931,333
Health and Welfare	1,156,618	922,019
Conservation	143,585	136,573
Other Supported Services	741,509	672,281
Road and Bridge	2,473,610	2,399,077
Interest on Long-term Debt	23,024	28,696
Total expenditures	16,415,041	15,081,814
Increase in net assets	515,732	545,291
Net Assets - Beginning of Year	15,647,876	15,102,585
Prior period adjustment	167,470	
Net Assets - End of Year	\$ 16,331,078	\$ 15,647,876

FINANCIAL ANALYSIS OF THE GOVERNMENTS FUNDS

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

Governmental funds. The focus of Coryell County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing

**CORYELL COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015**

Coryell County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, Coryell County's governmental funds reported combined ending fund balances of \$8,623,276. Approximately 67 percent of this total amount, \$5,795,554 constitutes unassigned fund balance, which is available for spending at the government's discretion. Nonspendable fund balance for prepaid assets is \$235,303 at year end, and the remainder of fund balance is restricted for capital improvements, special revenue and debt service purposes to indicate that it is not available for new spending because it has already been committed.

The general fund is the chief operating fund of the County. \$5,795,554 of the general fund's fund balance is unassigned. The unassigned fund balance represents 47% of the total general fund expenditures or approximately 5 1/2 months of operating equity.

Fund Budgetary Highlights

The amended budget for the General Fund reflects a deficit of \$996,051, which would draw upon the fund balance. Budget amendments to expenditures were made during the year within the general fund departments. The actual expenditures were \$1,061,998 less than the final budgeted amounts, and actual revenues were \$141,309 more than was budgeted. This resulted in a favorable budget variance of \$1,203,307 before other financing sources and uses.

In the Debt Service fund, the original and amended budgets reflect a decrease in fund balance of \$50,266. The actual expenditures were \$779 less than the budgeted amounts, and actual revenues were \$5,653 more than was budgeted. This resulted in a favorable budget variance of \$6,432.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. Coryell County's investment in capital assets for its governmental activities as of September 30, 2015, amounts to \$8,365,939 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, vehicles, machinery and equipment, and infrastructure.

**Coryell County's Capital Assets
(net of depreciation)**

	Governmental Activities	
	2015	2014
Land	\$ 138,596	\$ 11,634
Buildings and improvements	3,954,618	4,066,711
Machinery and equipment	404,994	661,426
Vehicles	580,143	618,427
Infrastructure	3,287,588	3,363,286
Total	\$ 8,365,939	\$ 8,721,484

**CORYELL COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015**

Capital Assets - Continued

Current year additions to capital outlays amounted to \$402,960 and \$44,237 of capital assets were disposed of. Depreciation expense was \$746,408 and 700,410 for the years ended September 30, 2015 and 2014, respectively.

Debt Administration

- **Notes Payable.** The County obtained \$235,080 in new debt during the current year to finance the purchase of land and sheriff vehicles. \$360,149 was paid during the year on the County's outstanding debt, and the balance of the County's notes payables at September 30, 2015 and 2014 was \$1,148,967 and \$1,274,036, respectively.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- The tax rate for the 2016 fiscal year decreased slightly from the prior year rate of .4592 per \$100 valuation to .458447 per \$100 valuation.
- The County's 2016 fiscal year general fund budget proposed an increase in total budgeted revenues of approximately \$563,000 or a 4.5% increase, and the budgeted expenditures were also increased approximately \$630,000 or a 4.7% increase.

Requests for Information

This financial report is designed to provide a general overview of Coryell County's finances for those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Coryell County Auditor, 800 E. Main, Suite A, Gatesville, Texas 76528.

BASIC FINANCIAL STATEMENTS

CORYELL COUNTY, TEXAS
STATEMENT OF NET POSITION

SEPTEMBER 30, 2015

	Primary Government Governmental Activities
ASSETS:	
Cash and cash investments	\$ 6,457,243
Investments	1,195,257
Receivables:	
Property tax, net	242,374
Sales tax	318,814
Fines, net	354,056
Intergovernmental	498,794
Prepaid insurance	235,303
Capital assets net of accumulated depreciation	8,365,939
TOTAL ASSETS	17,667,780
DEFERRED OUTFLOWS OF RESOURCES:	
Deferred outflows - pensions	756,836
	18,424,616
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
	18,424,616
LIABILITIES:	
Accounts payable	128,453
Deposits payable	100,000
Due to state	78,711
Compensated absences	150,349
Accrued interest payable	11,037
Notes payable - current	354,715
Noncurrent liabilities:	
Notes payable - noncurrent	794,252
Pension liability	476,021
TOTAL LIABILITIES	2,093,538
NET POSITION:	
Net investment in capital assets	7,205,935
Restricted for debt service	11,414
Restricted for special revenue and capital improvements	2,610,105
Unrestricted	6,503,624
TOTAL NET POSITION	\$ 16,331,078

The accompanying notes are an integral part of this statement.

CORYELL COUNTY, TEXAS
STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2015

Function/Program	Expenses	Program Revenues			Primary Government
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary Government:					
Governmental activities:					
General administration	\$ 1,408,292	\$ 475,095	\$ 17,468		\$ (915,729)
Judicial	2,175,425	557,683	86,880		(1,530,862)
Legal	1,099,269	45,282	133,193		(920,794)
Financial administration	1,038,224	411,572	14,000		(612,652)
Public facilities	3,079,710	32,322			(3,047,388)
Public safety	3,075,775	269,629	401,609		(2,404,537)
Health and welfare	1,156,618		396,058		(760,560)
Conservation	143,585				(143,585)
Other supported services	741,509		91,703		(649,806)
Road and bridge	2,473,610	1,084,176	201,326		(1,188,108)
Interest on long-term debt	23,024				(23,024)
	<u>16,415,041</u>	<u>2,875,759</u>	<u>1,342,237</u>		<u>(12,197,045)</u>
Total governmental activities					
Total primary government	<u>\$ 16,415,041</u>	<u>\$ 2,875,759</u>	<u>\$ 1,342,237</u>	<u>\$</u>	<u>(12,197,045)</u>
General revenues:					
Property taxes					10,476,002
Sales tax					2,027,601
Investment income					53,972
Gain (loss) on disposal of assets					(1,422)
Miscellaneous income					156,624
					<u>12,712,777</u>
Total general revenues					
Change in net position					515,732
Net position - beginning of year					15,647,876
Prior period adjustment					167,470
					<u>16,331,078</u>
Net position - end of year					<u>\$ 16,331,078</u>

The accompanying notes are an integral part of this statement.

CORYELL COUNTY, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS

SEPTEMBER 30, 2015

	General Fund	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash investments	\$ 4,168,018	\$ 11,414	\$ 2,277,811	\$ 6,457,243
Investments	1,195,257			1,195,257
Receivables:				
Property tax, net	242,374			242,374
Sales tax	318,814			318,814
Fines, net	354,056			354,056
Intergovernmental	74,523		424,271	498,794
Prepaid insurance	206,203		29,100	235,303
TOTAL ASSETS	\$ 6,559,245	\$ 11,414	\$ 2,731,182	\$ 9,301,841
LIABILITIES				
Accounts payable	\$ 107,376		\$ 21,077	\$ 128,453
Deposits payable			100,000	100,000
Due to state	78,711			78,711
Compensated absences	150,349			150,349
TOTAL LIABILITIES	336,436		121,077	457,513
DEFERRED INFLOWS OF RESOURCES				
Deferred revenue	221,052			221,052
TOTAL DEFERRED INFLOWS	221,052			221,052
FUND BLANCE				
Nonspendable for prepaids	206,203		29,100	235,303
Restricted for debt service		11,414		11,414
Restricted for special revenue and capital			2,581,005	2,581,005
Unassigned	5,795,554			5,795,554
TOTAL FUND BALANCE	6,001,757	11,414	2,610,105	8,623,276
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 6,559,245	\$ 11,414	\$ 2,731,182	\$ 9,301,841

The accompanying notes are an integral part of this statement.

CORYELL COUNTY, TEXAS
RECONCILIATION OF THE BALANCE SHEET
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION

SEPTEMBER 30, 2015

Total Fund Balances - Governmental Funds	\$ 8,623,276
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds balance sheet. The net effect is an increase in net position.	8,365,939
Other long-term assets are not available to pay for current-period expenditures, therefore, are deferred in the governmental funds. Deferred revenue is recognized in the government-wide financial statements. This results in an increase in net position.	221,052
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds. The net effect is a decrease in net position.	(1,160,004)
Included on the government-wide financial statements is the recognition of the County's proportionate share of the net pension liability of \$476,021, and a deferred resources of \$756,836. The net effect is to increase net position	<u>280,815</u>
Net Position of Governmental Activities	\$ <u><u>16,331,078</u></u>

The accompanying notes are an integral part of this statement.

CORYELL COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2015

	General Fund	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES:				
Property taxes	\$ 8,341,895	\$ 340,546	\$ 1,795,138	\$ 10,477,579
Sales tax	2,027,601			2,027,601
Licenses and permits			999,415	999,415
Fees and charges for services	899,380		368,504	1,267,884
Intergovernmental	476,193		866,044	1,342,237
Investment earnings	53,779		193	53,972
Other miscellaneous	335,782		95,037	430,819
Fines, forfeitures and settlements	334,265			334,265
	<u>12,468,895</u>	<u>340,546</u>	<u>4,124,331</u>	<u>16,933,772</u>
EXPENDITURES:				
Current:				
General administration	1,202,083		101,055	1,303,138
Judicial	2,139,592		52,190	2,191,782
Legal	932,282		171,600	1,103,882
Financial administration	1,043,437		5,248	1,048,685
Public facilities	2,419,836		667,668	3,087,504
Public safety	2,670,760		122,588	2,793,348
Health and welfare	935,372		224,872	1,160,244
Conservation	144,053			144,053
Other supported services	743,589			743,589
Road and bridge			2,182,729	2,182,729
Debt service		384,380		384,380
Capital outlay	143,127		259,833	402,960
	<u>12,374,131</u>	<u>384,380</u>	<u>3,787,783</u>	<u>16,546,294</u>
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	94,764	(43,834)	336,548	387,478
OTHER FINANCING SOURCES (USES):				
Transfers in	30,000		31,100	61,100
Transfers out	(31,100)		(30,000)	(61,100)
Proceeds from financing agreements	235,080			235,080
Proceeds from sale of property	10,675			10,675
Total Other Financing Sources (Uses)	<u>244,655</u>		<u>1,100</u>	<u>245,755</u>
CHANGE IN FUND BALANCE	339,419	(43,834)	337,648	633,233
FUND BALANCE - BEGINNING OF YEAR	<u>5,662,338</u>	<u>55,248</u>	<u>2,272,457</u>	<u>7,990,043</u>
FUND BALANCE - END OF YEAR	<u>\$ 6,001,757</u>	<u>\$ 11,414</u>	<u>\$ 2,610,105</u>	<u>\$ 8,623,276</u>

The accompanying notes are an integral part of this statement.

CORYELL COUNTY, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2015

Net Change in Fund Balances - Governmental Funds	\$	633,233
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>Current year capital outlays are expenditures in the fund financial statements, but they are shown as increases in capital assets in the government-wide financial statements. The net effect of including capital outlays net of disposals is to increase net position.</p>		390,863
<p>Depreciation expense is not reflected in the governmental funds, but is recorded in the government-wide financial statements as an expense and an increase to accumulated depreciation. The net effect of current year depreciation expense is to decrease net position.</p>		(746,408)
<p>Revenue from property taxes and court fines recognized in the fund financial statements on the modified accrual basis but are recognized on the accrual basis in the government-wide financial statements. The net effect is to decrease net position.</p>		(1,577)
<p>Current year payments on long-term debt are expenditures in the fund financial statements, but are shown as reductions of the debt in the government-wide financial statements. The net effect is to increase net position.</p>		361,356
<p>Current year proceeds from issuance of debt is not shown as revenue in the government-wide financial statements. The net effect is to decrease net position.</p>		(235,080)
<p>Certain expenditures for pension that are recorded to the fund financial statements must be recorded as deferred outflows of resources. Contributions made after the measurement date caused the change in net position to increase in the amount of \$471,045. The County's share of the unrecognized deferred inflows and outflows for TCDRS as of the measurement date must be amortized and the County's proportionate share of the pension expense must be recognized. These cause the change in net position to decrease in the amount of \$357,700. The net effect is an increase in net position.</p>		<u>113,345</u>
Change in Net Position of Governmental Activities	\$	<u><u>515,732</u></u>

The accompanying notes are an integral part of this statement.

CORYELL COUNTY, TEXAS

BALANCE SHEET

FIDUCIARY FUNDS

SEPTEMBER 30, 2015

ASSETS	Agency Funds
	<u> </u>
Cash and cash investments held by:	
County Clerk	\$ 57,283
District Clerk	206,632
Justice of the Peace Pct #1	200
Justice of the Peace Pct #2	200
Justice of the Peace Pct #3	0
Justice of the Peace Pct #4	0
Jail	5,974
Sheriff	34,552
Tax Assessor Collector	623,883
Hot check fund	0
Investments held by:	
County Clerk	120,774
District Clerk	<u>228,945</u>
 TOTAL ASSETS	 \$ <u><u>1,278,443</u></u>
 LIABILITIES	
Due to others	\$ <u>1,278,443</u>
 TOTAL LIABILITIES	 \$ <u><u>1,278,443</u></u>

The accompanying notes are an integral part of this statement.

CORYELL COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The authority of county governments and their specific functions and responsibilities are created by and dependent upon laws and legal regulations of the Texas State Constitution and Vernon's Annotated Civil Statutes. The County was established on March 15, 1854 and operates under a county judge/commissioners' court type government as provided by state statute. The Commissioners' Court has governance responsibilities over all activities related to Coryell County, Texas. The County is not included in any other governmental reporting entity, and there are no component units included within the reporting entity.

The County provides the following services to its citizens: public safety, public transportation (roads and bridges), health and welfare, recreation facilities, judicial and legal, and general administrative services.

The financial and reporting policies of the County conform to U.S. generally accepted accounting principles ("GAAP") applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board ("GASB"), which includes all statements and interpretations of the National Council on Governmental Accounting unless modified by the GASB and those principles prescribed by the American Institute of Certified Public Accountants. The following is a summary of the more significant practices used by the County.

Government-Wide and Fund Financial Statements

Government-wide financial statements. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements.

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

CORYELL COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Governmental Funds

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

Property taxes, fines, interest revenue, and revenue received from various governmental entities associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Sales taxes collected and held by the state at year-end on behalf of the County also are recognized as revenue. All other revenue items are considered to be measurable and available only when cash is received by the government.

The government reports the following major governmental funds:

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

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Additionally, the government reports the following nonmajor governmental fund types:

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.

Capital Projects Fund - The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Fiduciary Funds

Agency Funds - Agency Funds are used to account for assets held by the County as an agent for individuals, private organizations, other governments, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement or results of operations. Formal budgetary accounting is not required for fiduciary funds. Since by definition, these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated in the government-wide statements.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the *option* of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

CORYELL COUNTY, TEXAS

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues*. Likewise, general revenues include all taxes.

In the fund financial statements, governmental special revenue and debt service funds report restrictions of fund balances for amounts that are not available for appropriation or are legally restricted by outside parties for use for specific purposes.

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: 1) restricted; 2) committed; 3) assigned; and 4) unassigned.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reported period. Actual results could differ from those estimates.

Budget Policies

The County follows these procedures in establishing budgetary data reflected in the financial statements:

Public hearings are conducted at the Coryell County Courthouse to obtain taxpayer comments. Prior to October 1, the budget is legally enacted through adoption of an order by the Commissioners' Court. Budgets are adopted for the general fund, debt service fund, and most special revenue funds. All budget amendments are approved by the Commissioners' Court.

The budgeted amounts presented in these statements are as originally adopted and as amended by the Commissioners' Court during the year ended September 30, 2015. All appropriations lapse at year end.

Assets, Liabilities, and Net position or Equity

Deposits and Investments

Policies and legal and contractual provisions governing deposits: The County's funds are required to be deposited and invested under the terms of a depository contract. The depository bank deposits for safekeeping and trust with the County's agent bank, approved pledged securities in an amount sufficient to protect county funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation (FDIC).

Custodial credit risk: Deposits in financial institutions are carried at cost which approximates fair value. At September 30, 2015, the County had cash and cash investments, which represents cash on hand, demand deposits and savings accounts at federally insured local banks. At September 30, 2015, the County was fully insured by federal depository insurance and pledged securities held by the County's agent bank.

CORYELL COUNTY, TEXAS

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Statutes authorize the County to invest in 1) obligations of the U.S. Treasury or the State of Texas, 2) certificates of deposit, 3) certain municipal securities, 4) money market savings accounts, 5) repurchase agreements, 6) bankers acceptances, 7) mutual funds, 8) investment pools, 9) guaranteed investment contracts, and 10) common trust funds. The County is required by Governmental Code Chapter 2256, Public Funds Investment Act (PFIA), to adopt, implement, and publicize an investment policy. That policy must address the following areas: 1) safety or principal and liquidity, 2) portfolio diversification, 3) allowable investments, 4) acceptable risk levels, 5) expected rates of return, 6) maximum allowable stated maturity of portfolio investments, 7) maximum average dollar weighted maturity allowed based on the stated maturity date for the portfolio, 8) investment staff quality and capabilities, and 9) bid solicitation preferences for certificates of deposit.

Interest rate risk: For short term liquidity investment requirements, the County utilizes money market accounts with its depository bank.

Credit Risk: State law and County policy limits investments in local government investment pools to those rated no lower than AAA or an equivalent rating by at least one nationally recognized rating service. As of September 30, 2015, the County did not have any investments in public fund investment pools.

Concentration of credit risk: The County’s investment policy does not limit investments in any one issuer except that the investment portfolio shall be diversified in terms of investment instruments, maturity scheduling, and financial institutions to reduce risk of loss resulting from overconcentration of assets in a specific class of investments, specific maturity, or specific issuer.

As of September 30, 2015, Coryell County had the following investments:

	<u>Cost Basis</u>	<u>Fair Value</u>
Money Markets-Primary Government	\$ 6,022,202	\$ 6,022,202
Certificates of Deposit-Primary Government	1,195,257	1,195,257
Money Markets-Fiduciary Funds	65,417	65,417
Certificates of Deposit-Fiduciary Funds	349,719	349,719

Receivables and Payables

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

Property taxes are levied on October 1 in conformity with Subtitle E, Texas Property Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1. Property taxes attach as an enforceable lien as of January 1 to secure the payment of all taxes, penalties, and interest ultimately imposed. The Coryell Central Appraisal District assesses the property taxes for the County and the Coryell County Tax Assessor Collector collects the property taxes for the County. The County is permitted by the Municipal Finance Law of the State to levy taxes up to \$1.20 per \$100 of appraised valuation for general services, permanent improvements, lateral road, and jury fund purposes other than the payment of principal established by the Attorney General of the State of Texas. The tax rate for the year ended September 30, 2015 was \$.4592 per \$100 valuation.

All receivables are shown net of an allowance for uncollectibles.

CORYELL COUNTY, TEXAS

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. The County’s policy is to capitalize assets costing \$5,000 or more and having an estimated life of two years or more. All capital assets are valued at their historical cost or estimated historical cost if actual historical cost is not available.

Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments which materially extend the useful lives of the capital assets are capitalized. Depreciable capital assets are depreciated using the straight-line method over the asset’s estimated useful life as follows:

Buildings and improvements	10-50 years
Infrastructure	50-60 years
Machinery and equipment	5-7 years
Vehicles	5-7 years

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has deferred outflows of resources for the differences between projected and actual earnings for its pension plan and contributions made to the pension plan after the measurement date, but before the end of the fiscal year.

In addition to liabilities, the statement of net position will report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County had no deferred inflows of resources on the statement of net position for the year ended September 30, 2015.

Long-Term Debt

In the government-wide financial statements, long-term debt is reported as a liability in the governmental activities. The long-term debt of the County includes notes payable.

Compensated Absences

The County’s policy does not permit employees to accumulate earned but unused vacation. Unused sick time can be accumulated; however, there is no liability for unpaid accumulated sick leave as the County does not have a policy to pay unused sick time when employees separate from service. Certain employees can accrue compensated time off for overtime worked. The amount accrued at September 30, 2015 is \$150,349 and is considered a short-term liability of the County.

CORYELL COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The County had \$235,303 classified as nonspendable at September 30, 2015.

Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. Federal or state funds are restricted for use only for a specific use.

The County had \$768,478 restricted for road and bridge repairs, \$668,203 for special revenue projects, \$1,144,324 for capital improvements, and \$11,414 for future debt service requirements.

Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Trustees. These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned – This classification includes amounts that are constrained by the County Commissioners' intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Commissioners or through the Commissioners delegating this responsibility to management through the budgetary process. The County has no funds classified as assigned at September 30, 2015.

Unassigned – This classification includes the residual fund balance for the General Fund. The unassigned also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

The County would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

Pensions

The fiduciary net position of the Texas County & District Retirement System (TCDRS) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net pension liabilities, deferred outflows of resources, and deferred inflows of resources related to pensions, pension expense, and information about assets, liabilities and additions to/deductions from TCERS's fiduciary net position. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

CORYELL COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 2: DEFERRED INFLOWS OF RESOURCES - GOVERNMENTAL FUNDS

In addition to liabilities, the governmental funds balance sheet reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of fund balance that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources reported in the governmental funds as unavailable revenues from tax revenue in the amount of \$221,052.

NOTE 3: CAPITAL ASSET ACTIVITY

The changes in capital assets for the year ended September 30, 2015 are as follows:

Capital Assets	Balance October 1, 2014	Additions	Retirements	Balance September 30, 2015
Land (not depreciated)	\$ 11,634	\$ 126,962	\$	\$ 138,596
Buildings and improvements	7,430,863	88,965		7,519,828
Machinery and equipment	4,149,787	19,434		4,169,221
Vehicles	3,015,258	167,599	(44,237)	3,138,620
Infrastructure	<u>18,317,951</u>			<u>18,317,951</u>
Total capital assets	<u>32,925,493</u>	<u>402,960</u>	<u>(44,237)</u>	<u>33,284,216</u>
Less accumulated depreciation for:				
Buildings and improvements	3,364,152	201,058		3,565,210
Machinery and equipment	3,488,361	275,866		3,764,227
Vehicles	2,396,831	193,786	(32,140)	2,558,477
Infrastructure	<u>14,954,665</u>	<u>75,698</u>		<u>15,030,363</u>
Total accumulated depreciation	<u>24,204,009</u>	<u>746,408</u>	<u>(32,140)</u>	<u>24,918,277</u>
Governmental activities capital assets	<u>\$ 8,721,484</u>	<u>\$ (343,448)</u>	<u>\$ (12,097)</u>	<u>\$ 8,365,939</u>

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

Governmental Activities:	
General administration	\$ 114,946
Public safety	312,689
Legal	7,777
Public facilities	10,000
Other supporting services	10,115
Road and bridge	<u>290,881</u>
	<u>\$ 746,408</u>

CORYELL COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 4: LONG-TERM DEBT

A summary of changes in long-term debt at September 30, 2015 is as follows:

	Balance October 1, 2014	Additions	Retirements	Balance September 30, 2015
Note 254 Komatsu Loader	\$ 32,950		32,950	-
Note 257 Fire Truck for Gatesville VFD	99,828		49,914	49,914
Note 259 Sheriff Vehicles	34,843		34,843	-
Note 260 Jail Security Equipment	168,080		42,020	126,060
Note 261 Sheriff Vehicles	80,206		40,103	40,103
Note 262 Extraco Bank Building	650,571		108,429	542,142
Note 263 Sheriff Vehicles	207,558		51,890	155,668
Note 264 0.97 Acres Bridge Street		120,000		120,000
Note 265 Sheriff Vehicles		115,080		115,080
Total long-term debt	\$ 1,274,036	\$ 235,080	\$ 360,149	\$ 1,148,967

Current maturities of the outstanding long-term debt at September 30, 2015 are as follows:

Year	Principal	Interest	Total
2016	\$ 354,716	\$ 21,629	\$ 376,345
2017	264,698	14,853	279,551
2018	264,698	9,903	274,601
2019	132,429	4,953	137,382
2020	132,426	2,476	134,902
	\$ 1,148,967	\$ 53,814	\$ 1,202,781

Notes payable at September 30, 2015 are comprised of the following:

Note 257 in the amount of \$249,568 was issued May 3, 2011 and was used to purchase a fire truck for the Gatesville fire department. The note is due in annual installments on May 3, with an annually adjusted interest rate of 2/3 of Wall Street Prime. The final interest and principal payment is due May 3, 2016. The principal balance at September 30, 2015 is \$49,914.

Note 260 in the amount of \$210,100 was issued October 24, 2012 and was used to purchase jail security equipment. The note is due in annual installments on October 24, with an annually adjusted interest rate of 1.38 points below prime. The final interest and principal payment is due October 24, 2017. The principal balance at September 30, 2015 is \$126,060.

Note 261 in the amount of \$120,309 was issued December 6, 2012 and was used to purchase Sheriff vehicles. The note is due in annual installments on December 6, with an annually adjusted interest rate of 1.38 points below prime. The final interest and principal payment is due December 6, 2015. The principal balance at September 30, 2015 is \$40,103.

CORYELL COUNTY, TEXAS

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

NOTE 4: LONG-TERM DEBT - continued

Note 262 in the amount of \$759,000 was issued June 27, 2013 and was used to purchase the Extraco bank building. The note is due in annual installments on June 27, with an annually adjusted interest rate of 1.38 points below prime. The final interest and principal payment is due June 27, 2020. The principal balance at September 30, 2015 is \$542,142.

Note 263 in the amount of \$207,558 was issued December 10, 2013 and was used to purchase sheriff vehicles. The note is due in annual installments on December 10, with an annually adjusted interest rate of 1.38 points below prime. The final interest and principal payment is due December 10, 2017. The principal balance at September 30, 2015 is \$155,668.

Note 264 in the amount of \$120,000 was issued November 14, 2014 and was used to purchase .97 acres of land at 712 Bridge Street. The note is due in annual installments on November 14, with an annually adjusted interest rate of 1.38 points below prime. The final interest and principal payment is due November 14, 2019. The principal balance at September 30, 2015 is \$120,000.

Note 265 in the amount of \$115,080 was issued May 12, 2015 and was used to purchase sheriff vehicles. The note is due in annual installments on May 12th, with an annually adjusted interest rate of 1.38 points below prime. The final interest and principal payment is due May 12, 2018. The principal balance at September 30, 2015 is \$115,080.

There are a number of limitations and restrictions contained in the debt agreements. Management has indicated that the County is in compliance with all significant limitations and restrictions at September 30, 2015.

NOTE 5: RETIREMENT PLAN

Plan Description

The County provides retirement, disability and death benefits for all of its full-time employees and the full-time employees of the Coryell County Community Supervision and Corrections Department and the Coryell County Juvenile Probation Department through a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System (the TCDRS). The Commissioners are responsible for the administration of the statewide agent multi-employer public employee retirement system consisting of 677 nontraditional defined benefit pension plans. TCDRS in the aggregate issues a comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034.

Benefits Provided

The plan provisions are adopted by the governing body of the employer, within the options available in the state statutes governing the TCDRS (TCDRS Act). Members employed by Coryell County can retire at age 60 and above with eight or more years of service, with 30 years of service, regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after eight years of employment but must leave their accumulated contributions in the plan to receive any employer-financed benefits.

CORYELL COUNTY, TEXAS

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

NOTE 5: RETIREMENT PLAN - continued

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 County 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. There are no automatic post-employment benefit changes; including automatic COLA's. Ad hoc post-employment benefit changes, including ad hoc COLA's, can be granted by the County Commissioners within certain guidelines.

Membership

The Combined County, Coryell County Community Supervision and Corrections Department, and the Coryell County Juvenile Probation Department membership in the TCDRS plan at December 31, 2014 consisted of the following:

Annuitants	94
Terminated Employee's Accounts:	
Vested	25
Nonvested	<u>52</u>
	77
Current Employee's Accounts:	
Vested	90
Nonvested	<u>102</u>
	192

Contributions

The County has elected the annually determined contribution rate (Variable-Rate) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the County based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the county is actuarially determined annually. The employee contribution rate and the employer contribution rate may be changed by the governing body of the County within the options available in the TCDRS Act.

The rate the County contributed for the months of the accounting year in 2014 and 2015 were 10.40% and 10.10% respectively. The deposit rate payable by the employee members for the calendar year 2014 and 2015 is the rate of 7.00% as adopted by the governing body of the County. The total retirement contributions made by the County were \$631,462 and the Coryell County Community Supervision and Corrections Department and the Coryell County Juvenile Probation Department were \$89,578 for the fiscal year ended September 30, 2015.

CORYELL COUNTY, TEXAS

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

NOTE 5: RETIREMENT PLAN - continued

Actuarial Assumptions

The total pension liability at December 31, 2014 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	December 31, 2014
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	20 Years
Asset Valuation Method	10 year smoothed value
Discount Rate	8.10%
Long-term expected Investment Rate of Return	8.10%
Salary increases	5.4%

The actuarial assumptions that determined the total pension liability as of December 31, 2014 were based on the results of an actuarial experience study for the period January 1, 2009 to December 31, 2012. The assumptions and methods are the same as used in the prior valuation.

Discount Rate

The discount rate used to measure the total pension asset was 8.10%. There was no change in the discount rate since the previous year.

In order to determine the discount rate to be used, we have used an alternative method to determine the sufficiency of the fiduciary net position in all future years. This alternative method reflects the funding requirements under our funding policy and the legal requirements under the TCDRS Act:

- 1) TCDRS has a funding policy where the Unfunded Actuarial Accrued Liability (UAAL) shall be amortized as a level percent of pay over 20 – year closed layered periods.
- 2) Under the TCRDS Act, the employer is legally required to make the contribution specified in the funding policy
- 3) The employer’s assets are projected to exceed its accrued liabilities in 20 years or less. When this point is reached, the employer is still required to contribute at least the normal cost.
- 4) Any increased cost due to the adoption of a cost-of-living adjustment is required to be funded over a period of 15 years, if applicable.

Based on the above, the projected fiduciary net position is determined to be sufficient compared to projected benefit payments. Based on the expected level of cash flows and investment returns to the system, the fiduciary net position as a percentage of total pension liability is projected to increase from its current level in future years.

Since the projected fiduciary net position is projected to be sufficient to pay projected benefit payments in all future year, the discount rate for purposes of calculating the total pension liability and net pension liability is equal to the long-term assumed rate of return on investments. This long-term assumed rate of return should be net of investment expenses, but gross of administrative expenses.

CORYELL COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2015

NOTE 5: RETIREMENT PLAN - continued

Therefore, we have used a discount rate of 8.10%. This rate reflects the long-term assumed rate of return on assets for funding purposes of 8.0%, net of all expenses, increased by .10% to be gross of administrative expenses.

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 capital market assumptions and information shown below are provided by TCDRS's investment consultant, Cliffwater LLC. The numbers shown are based on January 2015 information for a 7-10 year time horizon.

Note that the valuation assumptions for long-term expected return is re-assessed at a minimum of every four years, and is based on a 30-year time horizon; the most recent analysis was performed in 2013 based on the period January 1, 2009 to December 31, 2013. Best estimates of geometric real rates of return for each major asset class included in the target asset allocation are summarized below:

Asset Class	Benchmark	Target Allocation	Geometric Real Rate of Return (Expected minus inflation)
US Equities	Dow Jones US Total Stock Market Index	16.50%	5.35%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index	12.00%	8.35%
Global Equities	MSCI World (net) Index	1.50%	5.65%
International Equities – Developed	50% MSCI Work Ex USA (net) + 50% MSCI World ex USA 100% Hedged to USD (net) index	11.00%	5.35%
International Equities – Emerging	50% MSCI EM Standard (net) index + 50% MSCI EM 100% Hedged to USD (net) index	9.00%	6.35%
Investment Grade Bonds	Barclays Capital Aggregate Bond Index	3.00%	0.55%
High-Yield Bonds	Citigroup High-Yield Cash-Pay Capped Index	3.00%	3.75%
Opportunistic Credit	Citigroup High-Yield Cash-Pay Capped Index	5.00%	5.54%
Direct Lending	Citigroup High-Yield Cash-Pay Capped Index	2.00%	5.80%
Distressed Debt	Citigroup High-Yield Cash-Pay Capped Index	3.00%	6.75%
REIT Equities	67% FTSE NAREIT Equity REIT's Index + 33% FRSE EPRA/NAREIT Global Rate Estate Index	2.00%	4.00%
Commodities	Bloomberg Commodities Index	2.00%	-0.20%
Master Limited Partnerships (MLP's)	Alerian MLP Index	2.00%	5.30%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index	3.00%	7.20%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	25.00%	5.15%

CORYELL COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 5: RETIREMENT PLAN - continued

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

At September 30, 2015, the County, Coryell County Community Supervision and Corrections Department, and the Coryell County Juvenile Probation Department reported a combined net pension liability of \$543,528 for its proportionate share of the TCDRS's net pension liability measured at December 31, 2014. The County's portion of this liability has been estimated at \$476,021. For the year ended September 30, 2015, the County, the Coryell County Community Supervision and Corrections Department, and the Coryell County Juvenile Probation Department recognized pension expense of \$591,612. The County's portion of this pension expense is estimated at \$518,117.

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

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

Changes in the net pension liability for the County, the Coryell County Community Supervision and Corrections Department, and the Coryell County Juvenile Probation Department for the measurement year ended December 31, 2014 are as follows:

Changes in Net Pension Liability/(Asset)	Increase (Decrease)		
	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) – (b)
Balance at December 31, 2013	25,456,468	25,126,649	329,819
Changes for the year:			
Service Cost	906,958		906,958
Interest on total pension liability	2,049,326		2,049,326
Effect of plan changes	0		0
Effect of economic/demographic gains or losses	55,572		55,572
Effect of assumptions changes or inputs	0		0
Refund of contributions	(88,708)	(88,708)	0
Benefit payments	(1,136,736)	(1,136,736)	0
Administrative expenses		(19,957)	19,957
Member contributions		474,004	(474,004)
Net investment income		1,700,143	(1,700,143)
Employer contributions		704,232	(704,232)
Other		(60,275)	60,275
Balances as of December 31, 2014	\$27,242,880	\$26,699,352	\$ 543,528

CORYELL COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 5: RETIREMENT PLAN - continued

Discount Rate Sensitivity Analysis

The following presents the net pension liability/(asset) of the County, the Coryell County Community Supervision and Corrections Department, and the Coryell County Juvenile Probation Department, calculated using the discount rate of 8.10%, as well as what the County's combined net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (7.10%) or 1 percentage point higher (9.10%) than the current rate.

	1% Decrease in Discount Rate (7.10%)	Discount Rate (8.10%)	1% Increase in Discount Rate (9.100%)
Total Pension Liability	\$ 30,586,470	\$ 27,242,880	\$ 24,465,093
Fiduciary Net Position	26,699,352	26,699,352	26,699,352
Net Pension Liability/(Asset)	\$ 3,887,118	\$ 543,528	\$ (2,234,259)

At December 31, 2014 the County reported its share of the TCDRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 40,558	
Changes in actuarial assumptions		
Difference between projected and actual investment earnings	245,233	
Contributions subsequent to the measurement date	471,045	
Total	\$ 756,836	

\$756,836 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended September 30, 2016. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31:	
2015	\$ 69,419
2016	69,419
2017	69,419
2018	69,419
2019	8,115
Thereafter	

CORYELL COUNTY, TEXAS

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

NOTE 6: *RISK MANAGEMENT*

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omission; and natural disasters. During fiscal year 2015, the County purchased commercial insurance to cover general liabilities. There were no significant reductions in coverage in the past fiscal year and there were no settlements exceeding insurance coverage for each of the past three fiscal years.

NOTE 7: *FINANCIAL INSTRUMENTS*

The County has estimated that the fair value of all financial instruments (none of which is held for trading purposes) at September 30, 2015, does not differ materially from their aggregate carrying values recorded in the accompanying statement of financial position. The estimate is based on the assumption that fair value approximates carrying values due to short initial maturities. Financial instruments consist of cash, accounts receivables, prepaid expenses, accounts payable, and payroll liabilities.

NOTE 8: *PRIOR PERIOD ADJUSTMENT*

A prior period adjustment was made to increase beginning net position on the government wide financial statements in the amount of \$167,470. This adjustment was made to recognize the pension liability and related deferred inflows and outflows associated with the pension liability as of December 31, 2013, in accordance with GASB No. 68 *Accounting and Financial Reporting for Pensions – an amendment of GASB 27*.

REQUIRED SUPPLEMENTARY INFORMATION

CORYELL COUNTY, TEXAS

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

FOR THE YEAR ENDED SEPTEMBER 30, 2015

	<u>Budget</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Amended</u>		
REVENUES:				
Property taxes	\$ 8,227,230	\$ 8,227,230	\$ 8,341,895	\$ 114,665
Sales tax	1,955,000	1,955,000	2,027,601	72,601
Fees and charges for services	913,800	913,800	899,380	(14,420)
Intergovernmental	483,600	483,600	476,193	(7,407)
Investment earnings	52,000	52,000	53,779	1,779
Other miscellaneous	278,356	282,956	335,782	52,826
Fines, forfeitures and settlements	413,000	413,000	334,265	(78,735)
	<u>12,322,986</u>	<u>12,327,586</u>	<u>12,468,895</u>	<u>141,309</u>
Total Revenues				
EXPENDITURES:				
Current:				
General administration	1,299,116	1,293,978	1,202,083	91,895
Judicial	2,245,791	2,286,899	2,139,592	147,307
Legal	981,653	981,653	932,282	49,371
Financial administration	1,063,863	1,069,225	1,043,437	25,788
Public facilities	2,786,670	2,754,111	2,419,836	334,275
Public safety	2,782,522	2,782,611	2,670,760	111,851
Health and welfare	1,118,751	1,118,814	935,372	183,442
Conservation	160,260	160,260	144,053	16,207
Other supported services	851,761	836,641	743,589	93,052
Capital outlay	139,092	151,937	143,127	8,810
	<u>13,429,479</u>	<u>13,436,129</u>	<u>12,374,131</u>	<u>1,061,998</u>
Total Expenditures				
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	(1,106,493)	(1,108,543)	94,764	1,203,307
OTHER FINANCING SOURCES (USES):				
Transfers in			30,000	30,000
Transfers out	(21,600)	(21,600)	(31,100)	(9,500)
Proceeds from financing agreements	124,092	124,092	235,080	110,988
Proceeds from sale of property	10,000	10,000	10,675	675
Total Other Financing Sources (Uses)	<u>112,492</u>	<u>112,492</u>	<u>244,655</u>	<u>132,163</u>
CHANGE IN FUND BALANCE	(994,001)	(996,051)	339,419	1,335,470
FUND BALANCE - BEGINNING OF YEAR	<u>5,662,338</u>	<u>5,662,338</u>	<u>5,662,338</u>	
FUND BALANCE - END OF YEAR	<u>\$ 4,668,337</u>	<u>\$ 4,666,287</u>	<u>\$ 6,001,757</u>	<u>\$ 1,335,470</u>

CORYELL COUNTY, TEXAS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - DEBT SERVICE FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2015

	<u>Budget</u>			Variance
	<u>Original</u>	<u>Amended</u>	<u>Actual</u>	Favorable (Unfavorable)
REVENUES:				
Property taxes	\$ 334,893	\$ 334,893	\$ 340,546	\$ 5,653
Total Revenues	<u>334,893</u>	<u>334,893</u>	<u>340,546</u>	<u>5,653</u>
EXPENDITURES:				
Debt service	<u>385,159</u>	<u>385,159</u>	<u>384,380</u>	<u>779</u>
Total Expenditures	<u>385,159</u>	<u>385,159</u>	<u>384,380</u>	<u>779</u>
CHANGE IN FUND BALANCE	(50,266)	(50,266)	(43,834)	6,432
FUND BALANCE - BEGINNING OF YEAR	<u>55,248</u>	<u>55,248</u>	<u>55,248</u>	
FUND BALANCE - END OF YEAR	<u>\$ 4,982</u>	<u>\$ 4,982</u>	<u>\$ 11,414</u>	<u>\$ 6,432</u>

CORYELL COUNTY, TEXAS

SCHEDULE OF PENSION CONTRIBUTIONS
Texas County & District Retirement System
 For Fiscal Year 2015

Year Ending December 31,	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll (1)	Actual Contribution as a Percentage of Covered Payroll
2005	\$ Not Available	\$ Not Available	\$ Not Available	\$ Not Available	\$ Not Available
2006	417,116	417,116	-	4,955,402	8.4%
2007	448,142	448,142	-	5,373,407	8.3%
2008	496,470	496,470	-	5,875,383	8.5%
2009	536,068	536,068	-	6,389,369	8.4%
2010	603,005	603,005	-	6,490,907	9.3%
2011	585,453	585,453	-	6,261,553	9.3%
2012	622,339	622,339	-	6,337,479	9.8%
2013	651,577	651,577	-	6,419,486	10.1%
2014	704,232	704,232	-	6,771,480	10.4%

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

Note: The information in this table is combined for Coryell County, Coryell County Community Supervision and Corrections Department and Coryell County Juvenile Probation Department.

CORYELL COUNTY, TEXAS

NOTES TO SCHEDULE OF PENSION CONTRIBUTIONS For the Year Ended September 30, 2015

Note A: Net Pension Liability - Texas County & District Retirement System

Assumptions

The following methods and assumptions were used to determine contribution rates:

Valuation date

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

Actuarial cost method

Entry age normal

Amortization method

Level percentage of payroll, closed

Remaining amortization period

20 years

Asset valuation method

5-year smoothed market

Inflation

3.00%

Salary increases

3.5%, average, including inflation

Investment rate of return

8.10%, including inflation

Cost-of-living adjustments

Cost-of-living adjustments for the County are not considered to be substantively automatic. Therefore, no assumption for cost-of-living adjustment is included in the calculations. No assumption for future cost-of-living adjustments is included in the funding valuation.

Mortality

Assumed life expectancies are based on the RP-2000 Active Employee Mortality Table for depositing members, the RP-2000 Combined Mortality Rate Table for service retirees, and the RP-2000 Disabled Mortality Table for disabled retirees.

Changes of Benefit Terms

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

Changes in Size or Composition of the Population Covered by the Benefit Terms

There were no changes in the size or composition of the population covered by the benefit terms during the measurement period.

Changes of Assumptions

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

CORYELL COUNTY, TEXAS
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last 10 Years (will ultimately be displayed)
YEARS ENDED DECEMBER 31

	2014
Total Pension Liability	
Service cost	\$ 906,958
Interest (on the Total Pension Liability)	2,049,326
Effect of plan changes	-
Effect of assumption changes or inputs	-
Effect of economic/demographic (gains) or losses	55,572
Benefit payments, including refunds of employee contributions	(1,225,444)
Net Change in Total Pension Liability	1,786,412
Total Pension Liability - Beginning	25,456,468
Total Pension Liability - Ending (a)	\$ 27,242,880
 Plan Fiduciary Net Position	
Contributions - Employer	\$ 704,232
Contributions - Employee	474,004
Net Investment Income	1,700,142
Benefit payments, including refunds of employee contributions	(1,225,444)
Administrative Expense	(19,957)
Other	(60,275)
Net Change in Plan Fiduciary Net Position	1,572,702
Plan Fiduciary Net Position - Beginning	25,126,649
Plan Fiduciary Net Position - Ending (b)	\$ 26,699,351
Net Pension Liability - Ending (a)-(b)	\$ 543,529
 Plan Fiduciary Net Position as a Percentage of Total Pension Liability	98.00%
 Covered Employee Payroll	\$ 6,771,480
 Net Pension Liability as a Percentage of Covered Employee Payroll	8.03%

Note: Coryell County, Texas serves as the fiscal agent for the County's Adult and Juvenile probation offices and reports the employee wages and pension expenses jointly to TCDRS. This schedule represents the pension liability for Coryell County, Coryell County Community Supervision and Corrections Department, and the Coryell County Juvenile Probation Department.

OTHER SUPPLEMENTARY INFORMATION

CORYELL COUNTY, TEXAS
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2015

	Road and Bridge	Law Library	Records Management	Courthouse Security
ASSETS				
Cash and cash investments	\$ 689,525	\$ 6,961	\$ 450,383	\$ 31,993
Intergovernmental receivable	60,414			
Prepaid insurance	29,100	_____	_____	_____
Total Assets	\$ 779,039	\$ 6,961	\$ 450,383	\$ 31,993
 LIABILITIES				
Accounts payable	\$ 10,561	\$	\$	\$
Deposits payable	_____	_____	_____	_____
Total Liabilities	10,561	_____	_____	_____
 FUND EQUITY				
Nonspendable for prepaids	29,100			
Restricted fund balances	739,378	6,961	450,383	31,993
Total Fund Balance	768,478	6,961	450,383	31,993
Total Liabilities and Fund Balance	\$ 779,039	\$ 6,961	\$ 450,383	\$ 31,993

<u>Court Reporter Service</u>	<u>LEOSE Training</u>	<u>Justice Court Technology</u>	<u>Child Abuse Prevention</u>	<u>Fire Department</u>	<u>Pre-Trial Diversion</u>	<u>Bail Bond Board</u>
9,070	\$ 3,563	\$ 14,395	\$ 7,371	\$ (271,616) 281,017	\$ 108,113	\$ 112,512
<u>\$ 9,070</u>	<u>\$ 3,563</u>	<u>\$ 14,395</u>	<u>\$ 7,371</u>	<u>\$ 9,401</u>	<u>\$ 108,113</u>	<u>\$ 112,512</u>
\$ 3,929	\$	\$	\$	\$ 5,000	\$	\$ 100,000
<u>3,929</u>				<u>5,000</u>		<u>100,000</u>
<u>5,141</u>	<u>3,563</u>	<u>14,395</u>	<u>7,371</u>	<u>4,401</u>	<u>108,113</u>	<u>12,512</u>
<u>5,141</u>	<u>3,563</u>	<u>14,395</u>	<u>7,371</u>	<u>4,401</u>	<u>108,113</u>	<u>12,512</u>
<u>\$ 9,070</u>	<u>\$ 3,563</u>	<u>\$ 14,395</u>	<u>\$ 7,371</u>	<u>\$ 9,401</u>	<u>\$ 108,113</u>	<u>\$ 112,512</u>

CORYELL COUNTY, TEXAS
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS - Continued

SEPTEMBER 30, 2015

	<u>Hot Check</u>	<u>Vehicle Inventory Tax Interest</u>	<u>Seized\ Forfeiture</u>	<u>District Attorney Supplement</u>
ASSETS				
Cash and cash investments	\$ 15,376	\$ 1,092	\$ 22,998	\$ 9,611
Intergovernmental receivable				
Prepaid insurance				
Total Assets	<u>\$ 15,376</u>	<u>\$ 1,092</u>	<u>\$ 22,998</u>	<u>\$ 9,611</u>
LIABILITIES				
Accounts payable	\$	\$	\$ 1,587	\$
Deposits payable				
Total Liabilities			<u>1,587</u>	
FUND EQUITY				
Nonspendable for prepaids				
Restricted fund balances	<u>15,376</u>	<u>1,092</u>	<u>21,411</u>	<u>9,611</u>
Total Fund Balance	<u>15,376</u>	<u>1,092</u>	<u>21,411</u>	<u>9,611</u>
Total Liabilities and Fund Balance	<u>\$ 15,376</u>	<u>\$ 1,092</u>	<u>\$ 22,998</u>	<u>\$ 9,611</u>

<u>Crime Victims CJD Grant</u>	<u>HOT Auto Theft Task Force</u>	<u>Crime Victims Attorney General Grant</u>	<u>Mental Health Deputy</u>	<u>Total Nonmajor Special Revenue Funds</u>	<u>Capital Improvement Fund</u>	<u>Total Nonmajor Governmenta Funds</u>
\$ (1,245) 4,324	\$ (29,808) 31,878	\$ (4,635) 4,466	\$ (42,172) 42,172	\$ 1,133,487 424,271 29,100	\$ 1,144,324	\$ 2,277,811 424,271 29,100
<u>\$ 3,079</u>	<u>\$ 2,070</u>	<u>\$ (169)</u>	<u>\$</u>	<u>\$ 1,586,858</u>	<u>\$ 1,144,324</u>	<u>\$ 2,731,182</u>
\$	\$	\$	\$	\$ 21,077 100,000	\$	\$ 21,077 100,000
				121,077		121,077
<u>3,079</u>	<u>2,070</u>	<u>(169)</u>		29,100 1,436,681	1,144,324	29,100 2,581,005
<u>3,079</u>	<u>2,070</u>	<u>(169)</u>		1,465,781	1,144,324	2,610,105
<u>\$ 3,079</u>	<u>\$ 2,070</u>	<u>\$ (169)</u>	<u>\$</u>	<u>\$ 1,586,858</u>	<u>\$ 1,144,324</u>	<u>\$ 2,731,182</u>

CORYELL COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Road and Bridge	Law Library	Records Management	Courthouse Security
REVENUES:				
Property taxes	\$ 1,224,135	\$	\$	\$
Licenses and permits	999,415			
Fees and charges for services		18,784	187,091	18,509
Intergovernmental	201,326			
Investment earnings				
Other miscellaneous	84,761			
Total Revenues	2,509,637	18,784	187,091	18,509
EXPENDITURES:				
Current:				
Salaries and benefits	1,057,603	3,900		15,482
Supplies	925,342			
Repairs	158,642			
Other operating	41,142	14,345	101,055	1,435
Capital outlay	43,906			
Total Expenditures	2,226,635	18,245	101,055	16,917
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	283,002	539	86,036	1,592
OTHER FINANCING SOURCES (USES):				
Transfers in				
Transfers out				
Proceeds from financing agreements				
Proceeds from sale of property				
Total Other Financing Sources (Uses)				
NET CHANGE IN FUND BALANCE	283,002	539	86,036	1,592
FUND BALANCE - BEGINNING OF YEAR	485,476	6,422	364,347	30,401
FUND BALANCE - END OF YEAR	\$ 768,478	\$ 6,961	\$ 450,383	\$ 31,993

<u>Court Reporter Service</u>	<u>LEOSE Training</u>	<u>Justice Court Technology</u>	<u>Child Abuse Prevention</u>	<u>Fire Department</u>	<u>Pre-Trial Diversion</u>	<u>Bail Bond Board</u>
\$	\$	\$	\$	\$ 342,602	\$	\$
16,945	7,418	11,432	1,085	281,017	96,815	1,075
<u>16,945</u>	<u>7,418</u>	<u>11,432</u>	<u>1,085</u>	<u>623,619</u>	<u>96,815</u>	<u>1,075</u>
					70,058	
					482	
18,000	11,386	8,824	39	620,899	1,671	
<u>18,000</u>	<u>11,386</u>	<u>8,824</u>	<u>39</u>	<u>620,899</u>	<u>72,211</u>	
(1,055)	(3,968)	2,608	1,046	2,720	24,604	1,075
					(20,000)	
					<u>(20,000)</u>	
(1,055)	(3,968)	2,608	1,046	2,720	4,604	1,075
<u>6,196</u>	<u>7,531</u>	<u>11,787</u>	<u>6,325</u>	<u>1,681</u>	<u>103,509</u>	<u>11,437</u>
\$ <u>5,141</u>	\$ <u>3,563</u>	\$ <u>14,395</u>	\$ <u>7,371</u>	\$ <u>4,401</u>	\$ <u>108,113</u>	\$ <u>12,512</u>

CORYELL COUNTY, TEXAS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
NONMAJOR GOVERNMENTAL FUNDS - continued**

FOR THE YEAR ENDED SEPTEMBER 30, 2015

	<u>Hot Check</u>	<u>Vehicle Inventory Tax Interest</u>	<u>Seized\ Forfeiture</u>	<u>District Attorney Supplement</u>
REVENUES:				
Property taxes	\$	\$	\$	\$
Licenses and permits				
Fees and charges for services	9,350			
Intergovernmental				20,092
Investment earnings		193		
Other miscellaneous			6,894	
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	<u>9,350</u>	<u>193</u>	<u>6,894</u>	<u>20,092</u>
EXPENDITURES:				
Current:				
Salaries and benefits	6,642		3,327	20,874
Supplies				
Repairs				
Other operating	1,807		1,921	
Capital outlay				
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	<u>8,449</u>	<u> </u>	<u>5,248</u>	<u>20,874</u>
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	901	193	1,646	(782)
OTHER FINANCING SOURCES (USES):				
Transfers in				
Transfers out	(10,000)			
Proceeds from financing agreements				
Proceeds from sale of property				
Total Other Financing Sources (Uses)	<hr/> <u>(10,000)</u>	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	(9,099)	193	1,646	(782)
FUND BALANCE - BEGINNING OF YEAR	<u>24,475</u>	<u>899</u>	<u>19,765</u>	<u>10,393</u>
FUND BALANCE - END OF YEAR	\$ <u><u>15,376</u></u>	\$ <u><u>1,092</u></u>	\$ <u><u>21,411</u></u>	\$ <u><u>9,611</u></u>

<u>Crime Victims CJD Grant</u>	<u>HOT Auto Theft Task Force</u>	<u>Crime Victims Attorney General Grant</u>	<u>Mental Health Deputy</u>	<u>Total Nonmajor Special Revenue Funds</u>	<u>Capital Improvement Fund</u>	<u>Total Nonmajor Governmental Funds</u>
\$	\$	\$	\$	\$ 1,566,737	\$ 228,401	\$ 1,795,138
				999,415		999,415
4,324	95,636	38,777	224,872	368,504		368,504
				866,044		866,044
				193		193
<u>3,382</u>				<u>95,037</u>		<u>95,037</u>
<u>7,706</u>	<u>95,636</u>	<u>38,777</u>	<u>224,872</u>	<u>3,895,930</u>	<u>228,401</u>	<u>4,124,331</u>
14,308	116,225	37,467	189,363	1,535,249		1,535,249
		287	23,337	949,448		949,448
			2,171	160,813		160,813
1,948		1,198	10,001	835,671	46,769	882,440
				43,906	215,927	259,833
<u>16,256</u>	<u>116,225</u>	<u>38,952</u>	<u>224,872</u>	<u>3,525,087</u>	<u>262,696</u>	<u>3,787,783</u>
(8,550)	(20,589)	(175)		370,843	(34,295)	336,548
9,500	21,600			31,100		31,100
				(30,000)		(30,000)
<u>9,500</u>	<u>21,600</u>			<u>1,100</u>		<u>1,100</u>
950	1,011	(175)		371,943	(34,295)	337,648
2,129	1,059	6		1,093,838	1,178,619	2,272,457
<u>\$ 3,079</u>	<u>\$ 2,070</u>	<u>\$ (169)</u>	<u>\$</u>	<u>\$ 1,465,781</u>	<u>\$ 1,144,324</u>	<u>\$ 2,610,105</u>

CORYELL COUNTY, TEXAS

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - ROAD AND BRIDGE FUND**

FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Budget			Variance
	Original	Amended	Actual	Favorable (Unfavorable)
REVENUES:				
Property taxes	\$ 1,205,432	\$ 1,205,432	\$ 1,224,135	\$ 18,703
Licenses and permits	938,000	938,000	999,415	61,415
Intergovernmental	200,000	200,000	201,326	1,326
Other miscellaneous	2,000	2,000	84,761	82,761
Total Revenues	2,345,432	2,345,432	2,509,637	164,205
EXPENDITURES:				
Current:				
Road and bridge	2,583,801	2,583,801	2,182,729	401,072
Capital outlay	50,000	50,000	43,906	6,094
Total Expenditures	2,633,801	2,633,801	2,226,635	407,166
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	(288,369)	(288,369)	283,002	571,371
OTHER FINANCING SOURCES (USES):				
Financing arrangements	50,000	50,000		(50,000)
Proceeds from sale of property	10,000	10,000		(10,000)
Total Other Financing Sources (Uses)	60,000	60,000		(60,000)
CHANGE IN FUND BALANCE	(228,369)	(228,369)	283,002	511,371
FUND BALANCE - BEGINNING OF YEAR	485,476	485,476	485,476	
FUND BALANCE - END OF YEAR	\$ 257,107	\$ 257,107	\$ 768,478	\$ 511,371

CORYELL COUNTY, TEXAS
COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES -
ALL AGENCY FUNDS

SEPTEMBER 30, 2015

	Balance October 1, 2014	Additions	Deductions	Balance September 30, 2015
COUNTY CLERK				
Assets:				
Cash and cash investments	\$ 44,344	\$ 884,547	\$ 871,608	\$ 57,283
Investments	128,462	742	8,430	120,774
Total Assets	<u>\$ 172,806</u>	<u>\$ 885,289</u>	<u>\$ 880,038</u>	<u>\$ 178,057</u>
Liabilities:				
Due to others	\$ 172,806	\$ 885,289	\$ 880,038	\$ 178,057
Total Liabilities	<u>\$ 172,806</u>	<u>\$ 885,289</u>	<u>\$ 880,038</u>	<u>\$ 178,057</u>
 DISTRICT CLERK				
Assets:				
Cash and cash investments	\$ 136,380	\$ 718,666	\$ 648,414	\$ 206,632
Investments	207,054	35,305	13,414	228,945
Total Assets	<u>\$ 343,434</u>	<u>\$ 753,971</u>	<u>\$ 661,828</u>	<u>\$ 435,577</u>
Liabilities:				
Due to others	\$ 343,434	\$ 753,971	\$ 661,828	\$ 435,577
Total Liabilities	<u>\$ 343,434</u>	<u>\$ 753,971</u>	<u>\$ 661,828</u>	<u>\$ 435,577</u>
 JUSTICE OF THE PEACE #1				
Assets:				
Cash and cash investments	\$ 200	\$ 65,543	\$ 65,543	\$ 200
Total Assets	<u>\$ 200</u>	<u>\$ 65,543</u>	<u>\$ 65,543</u>	<u>\$ 200</u>
Liabilities:				
Due to others	\$ 200	\$ 65,543	\$ 65,543	\$ 200
Total Liabilities	<u>\$ 200</u>	<u>\$ 65,543</u>	<u>\$ 65,543</u>	<u>\$ 200</u>
 JUSTICE OF THE PEACE #2				
Assets:				
Cash and cash investments	\$ 200	\$ 150,432	\$ 150,432	\$ 200
Total Assets	<u>\$ 200</u>	<u>\$ 150,432</u>	<u>\$ 150,432</u>	<u>\$ 200</u>
Liabilities:				
Due to others	\$ 200	\$ 150,432	\$ 150,432	\$ 200
Total Liabilities	<u>\$ 200</u>	<u>\$ 150,432</u>	<u>\$ 150,432</u>	<u>\$ 200</u>
 JUSTICE OF THE PEACE #3				
Assets:				
Cash and cash investments	\$	\$ 85,287	\$ 85,287	\$
Total Assets	<u>\$</u>	<u>\$ 85,287</u>	<u>\$ 85,287</u>	<u>\$</u>
Liabilities:				
Due to others	\$	\$ 85,287	\$ 85,287	\$
Total Liabilities	<u>\$</u>	<u>\$ 85,287</u>	<u>\$ 85,287</u>	<u>\$</u>
 JUSTICE OF THE PEACE #4				
Assets:				
Cash and cash investments	\$	\$ 73,724	\$ 73,724	\$
Total Assets	<u>\$</u>	<u>\$ 73,724</u>	<u>\$ 73,724</u>	<u>\$</u>
Liabilities:				
Due to others	\$	\$ 73,724	\$ 73,724	\$
Total Liabilities	<u>\$</u>	<u>\$ 73,724</u>	<u>\$ 73,724</u>	<u>\$</u>

CORYELL COUNTY, TEXAS
COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES -
ALL AGENCY FUNDS

SEPTEMBER 30, 2015

	Balance October 1, 2014	Additions	Deductions	Balance September 30, 2015
JAIL				
Assets:				
Cash and cash investments	\$ 3,278	\$ 217,470	\$ 214,774	\$ 5,974
Total Assets	<u>\$ 3,278</u>	<u>\$ 217,470</u>	<u>\$ 214,774</u>	<u>\$ 5,974</u>
Liabilities:				
Due to others	\$ 3,278	\$ 217,470	\$ 214,774	\$ 5,974
Total Liabilities	<u>\$ 3,278</u>	<u>\$ 217,470</u>	<u>\$ 214,774</u>	<u>\$ 5,974</u>
 SHERIFF				
Assets:				
Cash and cash investments	\$ 54,142	\$ 17,910	\$ 37,500	\$ 34,552
Total Assets	<u>\$ 54,142</u>	<u>\$ 17,910</u>	<u>\$ 37,500</u>	<u>\$ 34,552</u>
Liabilities:				
Due to others	\$ 54,142	\$ 17,910	\$ 37,500	\$ 34,552
Total Liabilities	<u>\$ 54,142</u>	<u>\$ 17,910</u>	<u>\$ 37,500</u>	<u>\$ 34,552</u>
 TAX ASSESSOR COLLECTOR				
Assets:				
Cash and cash investments	\$ 600,068	\$ 66,001,097	\$ 65,977,282	\$ 623,883
Total Assets	<u>\$ 600,068</u>	<u>\$ 66,001,097</u>	<u>\$ 65,977,282</u>	<u>\$ 623,883</u>
Liabilities:				
Due to others	\$ 600,068	\$ 66,001,097	\$ 65,977,282	\$ 623,883
Total Liabilities	<u>\$ 600,068</u>	<u>\$ 66,001,097</u>	<u>\$ 65,977,282</u>	<u>\$ 623,883</u>
 HOT CHECK FUND				
Assets:				
Cash and cash investments	\$ _____	\$ 57,435	\$ 57,435	\$ _____
Total Assets	<u>\$ _____</u>	<u>\$ 57,435</u>	<u>\$ 57,435</u>	<u>\$ _____</u>
Liabilities:				
Due to others	\$ _____	\$ 57,435	\$ 57,435	\$ _____
Total Liabilities	<u>\$ _____</u>	<u>\$ 57,435</u>	<u>\$ 57,435</u>	<u>\$ _____</u>
 TOTAL ALL AGENCY FUNDS				
Assets:				
Cash and cash investments	\$ 838,612	\$ 68,272,111	\$ 68,181,999	\$ 928,724
Investments	335,516	36,047	21,844	349,719
Total Assets	<u>\$ 1,174,128</u>	<u>\$ 68,308,158</u>	<u>\$ 68,203,843</u>	<u>\$ 1,278,443</u>
Liabilities:				
Due to others	<u>1,174,128</u>	<u>68,308,158</u>	<u>68,203,843</u>	<u>1,278,443</u>
Total Liabilities	<u>\$ 1,174,128</u>	<u>\$ 68,308,158</u>	<u>\$ 68,203,843</u>	<u>\$ 1,278,443</u>