

WILBARGER COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2017

WILBARGER COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2017

TABLE OF CONTENTS

	<u>Exhibit</u>	<u>Page</u>
FINANCIAL SECTION		
Independent Auditor's Report		1
Management's Discussion and Analysis (Required Supplementary Information)		3
BASIC FINANCIAL STATEMENTS		
Statement of Net Position	A-1	10
Statement of Activities	A-2	11
Balance Sheet – Governmental Funds	A-3	13
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	A-4	14
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	A-5	15
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds to the Statement of Activities	A-6	16
Statement of Net Position – Enterprise Fund	A-7	17
Statement of Revenues, Expenses and Changes in Fund Net Position - Enterprise Fund	A-8	18
Statement of Cash Flows – Enterprise Fund	A-9	19
Statement of Fiduciary Assets and Liabilities	A-10	20
Notes to the Financial Statements		21
REQUIRED SUPPLEMENTARY INFORMATION		
Budgetary Comparison Schedule – General Fund	B-1	45
Budgetary Comparison Schedule – Road & Bridge Fund	B-2	47
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios – Texas County and District Retirement System	B-3	48
Schedule of Employer Contributions – Texas County and District Retirement System	B-4	49
Schedule of Funding Progress – Wilbarger County Retiree Health Care Plan	B-5	50
Notes to Required Supplementary Information		51

WILBARGER COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2017

TABLE OF CONTENTS (CONT'D.)

	<u>Exhibit</u>	<u>Page</u>
COMBINING STATEMENTS AND BUDGET COMPARISONS AS SUPPLEMENTARY INFORMATION		
Combining Balance Sheet – Nonmajor Governmental Funds	C-1	52
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	C-2	53
Budgetary Comparison Schedule – CERTZ Fund	C-3	54
Budgetary Comparison Schedule – Jury Fund	C-4	55
Budgetary Comparison Schedule – Special Services Fund	C-5	56
Budgetary Comparison Schedule – Grant Fund	C-6	57
Budgetary Comparison Schedule – Juvenile Services Fund	C-7	58
Budgetary Comparison Schedule – Capital Projects Fund	C-8	59
Combining Statement of Fiduciary Assets and Liabilities – Agency Funds	C-9	60

FINANCIAL SECTION



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Independent Auditor's Report

To The Honorable County Judge and County Commissioners
Wilbarger County, Texas

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Wilbarger County, Texas, as of and for the year ended September 30, 2017 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 of 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 the 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 accounting principles used and the reasonableness of significant estimates made by management, as well as evaluating the overall financial statement presentation.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Wilbarger County, Texas as of September 30, 2017, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the budgetary comparison information, Schedule of Changes in Net Pension Liability (Asset) and Related Ratios – Texas County and District Retirement System, and Schedule of Employer Contributions – Texas County and District Retirement System be presented to supplement the basic financial statements. Such information, although not a required 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 Wilbarger County's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Edgin, Parkman, Fleming : Fleming, PC

EDGIN, PARKMAN, FLEMING & FLEMING, PC

Wichita Falls, Texas
April 13, 2018

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Wilbarger County, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended September 30, 2017.

Financial Highlights

- _ The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year ended September 30, 2017, by \$12,629,768 (net position). Of this amount, \$3,256,328 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- _ The County's fiscal year 2017 total net position decreased by \$405,052. This decrease is due to disposal of capital assets and deficit operations for the year.
- _ The County's governmental funds reported combined ending fund balances of \$4,072,929, a decrease of \$20,674 in comparison to the previous year.
- _ The unassigned portion of the General Fund balance at September 30, 2017 was \$1,906,139 or 34.76% of total FY 2017 General Fund Expenditures.
- _ Government-wide long-term liabilities decreased by \$125,531. This decrease is the result of a \$71,216 increase in net pension liability, along with the net of scheduled lease payments plus only one additional lease acquired during the fiscal year.

Overview of the Financial Statements

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

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of Wilbarger County's finances. This is done in a manner similar to a private-sector business. Two statements, the Statement of Net Position and the Statement of Activities, are utilized to provide this financial overview.

The Statement of Net Position presents information on all of the County's assets, liabilities, deferred outflows of resources, and deferred inflows of resources with the difference between the four reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The Statement of Activities presents information showing how the government's net position changed during the 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 the cash flow. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide statements distinguish between governmental activities and business-type activities. Governmental activities basically account for those activities supported by taxes and intergovernmental revenues. On the

other hand, business-type activities are basically supported by user fees and charges. Most County services are reported in governmental activities while business-type activities are reported in the Enterprise fund.

Fund Financial Statements. The County, like other state and local governments, utilizes fund accounting to ensure and demonstrate compliance with finance-related legal requirements. 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. All of the funds of the County can be divided into two categories: governmental funds and proprietary 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 the 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 of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains eight individual governmental funds. 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 Road & Bridge Fund, both are considered to be major funds. Data from the other six funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary Fund. The County maintains one type of proprietary fund, an enterprise fund. The Enterprise fund is used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses the enterprise fund to account for its Airport operations.

Proprietary funds financial statements provide the same type of information as the government-wide financial statements, only in more detail.

Fiduciary Funds. The County maintains funds used to report assets held in a trustee or agency capacity for others and which therefore cannot be used to support County programs.

Notes to Financial Statements. The notes provide additional information that is essential to gain a full understanding of the data provided in the government-wide, fund financial statements and fiduciary fund statements.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Required supplementary information can be found after the notes to the financial statements. The combining statements referred to earlier in connection with non-major governmental funds are presented following the required supplementary information.

Government-wide Financial Analysis

At the end of fiscal year 2017, the County’s net position (assets and deferred outflows of resources exceeding liabilities and deferred inflows of resources) totaled \$12,629,768. This analysis focuses on the net position (Table 1) and changes in net position (Table 2).

Net Position. The largest portion of the County’s net position, \$9,086,602 or 71.95%, reflects its net investment in capital assets (land and improvements, buildings, infrastructure, machinery and equipment, less any related debt used to acquire those assets that is still outstanding). The County uses these assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the County reports its capital assets net of related debt, 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.

An additional portion of the County’s net position, \$286,838 or 2.27%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets, \$3,256,328, or 25.78%, may be used to meet the government’s ongoing obligations to citizens and creditors.

Table 1
Condensed Statement of Net Position

	Governmental Activities		Business-type Activities		Total	
	09-30-17	09-30-16	09-30-17	09-30-16	09-30-17	09-30-16
Current and other assets	\$4,996,841	\$4,924,745	\$326,121	\$98,819	\$5,322,962	\$5,023,564
Capital Assets	8,849,097	9,362,998	733,477	829,345	9,582,574	10,192,343
Total Assets	<u>13,845,938</u>	<u>14,287,743</u>	<u>1,059,598</u>	<u>928,164</u>	<u>14,905,536</u>	<u>15,215,907</u>
Pension Plan Deferred Outflow:	<u>1,385,145</u>	<u>1,627,160</u>	<u>31,158</u>	<u>36,603</u>	<u>1,416,303</u>	<u>1,663,763</u>
Long term Liabilities	2,846,441	2,963,595	86,566	94,943	2,933,007	3,058,538
Other Liabilities	485,754	415,169	10,512	12,398	496,266	427,567
Total Liabilities	<u>3,332,195</u>	<u>3,378,764</u>	<u>97,078</u>	<u>107,341</u>	<u>3,429,273</u>	<u>3,486,105</u>
Pension Plan Deferred Inflow:	<u>257,016</u>	<u>350,853</u>	<u>5,782</u>	<u>7,892</u>	<u>262,798</u>	<u>358,745</u>
Net Position:						
Net investment in capital assets	8,383,730	8,708,411	702,872	788,980	9,086,602	9,497,391
Restricted for: Special Services	280,973	239,958			280,973	239,958
Jury Duty	5,865	3,041			5,865	3,041
Unrestricted	<u>2,971,304</u>	<u>3,233,876</u>	<u>285,024</u>	<u>60,554</u>	<u>3,256,328</u>	<u>3,294,430</u>
Total Net Position	<u>\$11,641,872</u>	<u>\$12,185,286</u>	<u>\$987,896</u>	<u>\$849,534</u>	<u>\$12,629,768</u>	<u>\$13,034,820</u>

Changes in Net Position: The ending government-wide net position of the County for fiscal year 2017 was \$405,052 less than the ending net position from fiscal year 2016.

Governmental Activities: Governmental activities decreased the County’s net position by \$543,414 from fiscal year 2016.

Business-type Activities: Net position from business-type activities increased by \$138,362 from fiscal 2016.

Table 2
Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	09-30-17	09-30-16	09-30-17	09-30-16	09-30-17	09-30-16
Revenues:						
Program Revenues:						
Charges for services	\$1,806,160	\$1,720,721	\$261,124	\$317,567	\$ 2,067,284	\$ 2,038,288
Operating grants & contributions	491,611	247,986	41,350	18,665	532,961	266,651
Capital Grants & contributions	--	1,096,105	--	--	--	1,096,105
General Revenues:						
Property taxes	5,575,115	5,052,988	--	--	5,575,115	5,052,988
Sales Tax	609,613	635,038	--	--	609,613	635,038
Other taxes	7,756	7,441	--	--	7,756	7,441
Investment earnings	33,998	54,887	330	96	34,328	54,983
Miscellaneous	235,198	165,406	15,230	15,230	250,428	180,636
Total Revenues	8,759,451	8,980,572	318,034	351,558	9,077,485	9,332,130
Expenditures:						
General Government	1,122,049	1,199,061	--	--	1,122,049	1,199,061
Judicial	1,016,844	972,911	--	--	1,016,844	972,911
Legal	232,124	225,512	--	--	232,124	225,512
Financial	537,674	526,299	--	--	537,674	526,299
Public Facilities	1,845,998	1,810,659	--	--	1,845,998	1,810,659
Public Safety	1,068,859	1,038,804	--	--	1,068,859	1,038,804
Health & Welfare	99,458	76,370	--	--	99,458	76,370
Conservation	160,425	162,000	--	--	160,425	162,000
Road & Bridge	2,892,337	2,830,293	--	--	2,892,337	2,830,293
Interest and Fiscal Charges	17,047	15,485	--	--	17,047	15,485
Airport Operations	--	--	489,722	479,717	489,722	479,717
Total Expenditures	8,992,815	8,857,394	489,722	479,717	9,482,537	9,337,111
Change in net position						
Before transfers	(233,364)	123,178	(171,688)	(128,159)	(405,052)	(4,981)
Transfers	(310,050)	(53,933)	310,050	53,933	--	--
Net Position-Beginning of year	12,185,286	12,116,041	849,534	923,760	13,034,820	13,039,801
Prior Period Adjustments	--	--	--	--	--	--
Net Position-End of year	\$ 11,641,872	\$ 12,185,286	\$ 987,896	\$ 849,534	\$12,629,768	\$13,034,820

Governmental Activities. Governmental activities decreased Wilbarger County's net position by \$543,414. Key elements of this decrease are as follows:

- The County was the beneficiary of \$1,096,105 of bridge and road construction capital contributions/donations from Texas Department of Transportation during FY 2016. No bridges were completed within the County during FY 2017.
- Property Tax revenues for fiscal 2017 were \$522,127 more than in fiscal year 2016. A \$48.7 million decrease in the net taxable values was offset by a 12.8% increase in the overall tax rate adopted by the commissioners court for FY 2017.

- Transfers increased \$256,117 due to the matching requirement of the County's Airport construction grant in FY 2017.

Business-type Activities. Business-type activities increased Wilbarger County's net position by \$138,362. The airport sold 61,424 gallons of fuel during fiscal year 2017, a 16,817 gallon decrease compared to fiscal year 2016. The sales priced also increased slightly due to a marginal market recovery. Transfers totaling \$310,050 from the General Fund were needed to satisfy the 10% match TxDOT required for the upcoming runway renovation project.

Financial Analysis of the Government's Funds

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

As of the end of fiscal year 2017, the County's governmental funds reported combined fund balances of \$4,072,929, which is a decrease of \$20,674 compared to fiscal year 2016.

The General Fund is the main operating fund of the County. At the end of fiscal year 2017, the General Fund unassigned fund balance was \$1,906,139 which is a decrease of \$63,220 compared to fiscal year 2016. Items of note concerning the General Fund are as follows.

- General Fund total revenues increased by \$485,298 compared to FY 2016.
- Property tax revenues exceeded FY 2016 collections by \$475,759. There was a 17.3% increase in the General Fund ad valorem tax rate, along with a 4.2% decrease in the net taxable values, when compared to FY 2016.
- Transfers out of the General Fund increased \$288,117 due to the matching requirement of the County's airport construction grant in FY 2017.

For the 2017 fiscal year, the Road & Bridge Fund had an increase in fund balance of \$159,166. Items to note relative to the Road & Bridge Fund are as follow:

- Total revenues increased by \$66,775 compared to FY 2016. Property tax collections for FY 2017 were \$61,060 more than in FY 2016. There was a 4.9% increase in the Road and Bridge ad valorem tax rate, along with a 4.2% decrease in the net taxable values, when compared to FY 2016.
- Road and Bridge total expenditures decreased by \$369,457 from the prior year. The primary cause for this decrease was the purchase of equipment during FY 2016. Related capital asset sales proceeds were \$229,709 for FY 2017 compared to \$234,711 for FY 2016.
- Road & Bridge fund received \$150,661 in capital lease proceeds to finance equipment purchases and expended \$356,928 in lease principal and interest payments during FY 2017.

The other non-major governmental funds recognized an increase in fund balance of \$50,601.

Proprietary funds. The County's proprietary fund provides the same type of information found in the government-wide statements, but in more detail.

Budgetary Highlights. Each year the County performs periodic reviews of the budget. State law prohibits increasing total budgeted expenditures except during an emergency, however, an amount budgeted for one line item can be transferred to another budgeted item without authorizing an emergency expenditure.

Notable budget variances include:

- Actual sales tax collections were \$9,613 more than budgeted. Combined property taxes collections were \$36,875 more than budgeted for General and Road & Bridge Funds together.
- Fees and commissions revenues collected were \$99,469 less than budgeted for the combined General and Road & Bridge Funds. The following revenue items accounted for the vast majority of this unexpected shortfall: County Clerk fees, Auto Registration fees, JP #1, and JP #2 fees.
- Investment returns for FY 2017 were \$14,183 short of their budgeted revenues in the combined General and Road & Bridge Funds.
- The combined total positive budgeted expenditure variance was \$476,990.

Capital Assets and Debt Administration

Capital Assets. The County’s investment in capital assets for its governmental and business-type activities as of September 30, 2017 amounts to \$9,582,574 (net of accumulated depreciation). The investment in capital assets includes land, buildings and improvements, machinery and equipment and infrastructure. The total decrease in the County’s investment in capital assets for fiscal year 2017 compared to FY 2016 was 5.98%. More detailed information on capital asset activity is available in the notes to the financial statements.

Table 3
Capital Assets at Year End
Net of Accumulated Depreciation

Assets	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Land	\$ 307,699	\$ 307,699	\$33,137	\$33,137	\$ 340,836	\$ 340,836
Const. in Progress	129,715	--	28,570	28,570	158,285	28,570
Bldgs & Improvmts	1,847,789	1,936,714	479,388	506,264	2,327,177	2,442,978
Mach & Equipment	3,016,049	3,420,946	58,899	77,583	3,074,948	3,498,529
Infrastructure	3,547,845	3,697,639	133,483	183,791	3,681,328	3,881,430
	<u>\$8,849,097</u>	<u>\$9,362,998</u>	<u>\$733,477</u>	<u>\$829,345</u>	<u>\$9,582,574</u>	<u>\$10,192,343</u>

Debt Administration. During fiscal year 2017 Wilbarger County entered into one new capital lease for the purchase of road and bridge maintenance equipment. The total amount of this new lease was \$150,660. The addition of this new lease plus the scheduled payments on existing leases explains the \$198,980 decrease in leases payable during fiscal year 2017.

Table 4
Outstanding Debt at Year End

Type of Debt	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Leases Payable	\$465,367	\$654,587	\$30,605	\$40,365	\$495,972	\$694,952
Comp Absences	68,858	75,225	5,064	5,248	73,922	80,473
OPEB obligation	49,656	40,872	0	0	49,656	40,872
Total	\$583,881	\$770,684	\$35,669	\$45,613	\$619,550	\$816,297

Wilbarger County does not have a current bond rating from either Standard & Poor Corporation or Moody's Investor Service. More detailed information concerning debt activity is available in the notes to the financial statements.

Economic Factors and Next Year's Budgets and Rates

The Wilbarger County economy remains relatively stable compared to the national economy. According to the Bureau of Labor Statistics Wilbarger County's unemployment rate as of September 30, 2017 was 4.4%, which is very similar to the state and national average. Fiscal year 2017 sales tax collections for Wilbarger County totaled \$609,613 which was a slight decrease of \$25,425 or 4.00% compared to fiscal 2016. Economic development initiatives are in progress and there is interest in Wilbarger County due to its central location between Amarillo, Fort Worth and Lubbock, Texas and Oklahoma City, Oklahoma. The City of Vernon is recognized as a Texas Main Street City.

During fiscal year 2017, unassigned fund balance in the General Fund decreased by \$63,220. The fiscal year 2018 adopted budget reflects a 1.50% increase in General Fund revenue and a 4.69% decrease in General Fund expenditures compared to the fiscal year 2017 final amended budget.

The County ad valorem tax rate increased for fiscal 2018 from fiscal 2017. The tax rate levied in October 2017 to fund the fiscal year 2018 budget of \$0.49873 was \$0.00375 more than the rate adopted October 2016 for the 2017 fiscal year budget. The County had a 98.39% General Fund collection rate of current taxes levied in October 2016, which was an increase over the General Fund collection rate of 96.20% for taxes levied in October 2015.

Requests for Information

This financial report is designed to provide a general overview of Wilbarger County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the County Auditor's Office, 1700 Wilbarger, Room 10, Vernon, Texas 76384.

BASIC FINANCIAL STATEMENTS

WILBARGER COUNTY, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2017

	Governmental Activities	Business-type Activities	Total
Assets			
Cash	\$ 1,263,501	\$ 265,807	\$ 1,529,308
Investments	2,517,762	-	2,517,762
Receivables, net:			
Property taxes	192,384	-	192,384
Accounts	-	4,016	4,016
Fines	245,774	-	245,774
Intergovernmental	522,373	-	522,373
Other	13,973	3,999	17,972
Internal balances	(3,051)	3,051	-
Due from fiduciaries	75,654	-	75,654
Inventories	74,488	42,010	116,498
Prepaid items	93,983	7,238	101,221
Capital assets, net	8,849,097	733,477	9,582,574
Total assets	<u>13,845,938</u>	<u>1,059,598</u>	<u>14,905,536</u>
Deferred outflows of resources:			
Pension plan related	<u>1,385,145</u>	<u>31,158</u>	<u>1,416,303</u>
Liabilities			
Accounts payable	399,760	8,624	408,384
Salaries payable	75,071	1,888	76,959
Due to others	1,182	-	1,182
Unearned revenue	9,741	-	9,741
Long-term liabilities:			
Due within one year	291,284	15,041	306,325
Due in more than one year	292,597	20,628	313,225
Net pension liability	2,262,560	50,897	2,313,457
Total liabilities	<u>3,332,195</u>	<u>97,078</u>	<u>3,429,273</u>
Deferred inflows of resources:			
Pension plan related	<u>257,016</u>	<u>5,782</u>	<u>262,798</u>
Net Position			
Net investment in capital assets	8,383,730	702,872	9,086,602
Restricted for:			
Special services	280,973	-	280,973
Jury duty	5,865	-	5,865
Unrestricted	2,971,304	285,024	3,256,328
Total net position	<u>\$ 11,641,872</u>	<u>\$ 987,896</u>	<u>\$ 12,629,768</u>

The accompanying notes are an integral part of this statement.

WILBARGER COUNTY, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2017

Functions/Programs	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
Primary Government:			
General government	\$ 1,122,049	\$ 257,630	\$ 29,766
Judicial	1,016,844	252,601	45,717
Legal	232,124	54,654	23,333
Financial	537,674	304,149	-
Public facilities	1,845,998	54,253	-
Public safety	1,068,859	341,292	44,380
Health and welfare	99,458	-	33,703
Conservation	160,425	-	-
Road and bridge	2,892,337	541,581	314,712
Interest and fiscal charges	17,047	-	-
Total governmental activities	<u>8,992,815</u>	<u>1,806,160</u>	<u>491,611</u>
Business-type Activities:			
Airport	<u>489,722</u>	<u>261,124</u>	<u>41,350</u>
Total primary government	<u>\$ 9,482,537</u>	<u>\$ 2,067,284</u>	<u>\$ 532,961</u>

General revenues and transfers:

- Property taxes, levied for general purposes
- Sales taxes
- Other taxes
- Investment earnings
- Miscellaneous
- Transfers
- Total general revenues and transfers

Change in net position

Net position - beginning

Net position - ending

The accompanying notes are an integral part of this statement.

EXHIBIT A-2

Net (Expense) Revenue and Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ (834,653)	\$ -	\$ (834,653)
(718,526)	-	(718,526)
(154,137)	-	(154,137)
(233,525)	-	(233,525)
(1,791,745)	-	(1,791,745)
(683,187)	-	(683,187)
(65,755)	-	(65,755)
(160,425)	-	(160,425)
(2,036,044)	-	(2,036,044)
(17,047)	-	(17,047)
<u>(6,695,044)</u>	<u>-</u>	<u>(6,695,044)</u>
-	(187,248)	(187,248)
<u>(6,695,044)</u>	<u>(187,248)</u>	<u>(6,882,292)</u>
5,575,115	-	5,575,115
609,613	-	609,613
7,756	-	7,756
33,998	330	34,328
235,198	15,230	250,428
<u>(310,050)</u>	<u>310,050</u>	<u>-</u>
<u>6,151,630</u>	<u>325,610</u>	<u>6,477,240</u>
(543,414)	138,362	(405,052)
<u>12,185,286</u>	<u>849,534</u>	<u>13,034,820</u>
<u>\$ 11,641,872</u>	<u>\$ 987,896</u>	<u>\$ 12,629,768</u>

WILBARGER COUNTY, TEXAS
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2017

	General Fund	Road & Bridge	Other Governmental Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	\$ 541,299	\$ 653,283	\$ 68,919	\$ 1,263,501
Investments	1,500,843	1,016,919	-	2,517,762
Receivables, net:				
Property taxes	129,194	63,190	-	192,384
Fines	236,915	-	8,859	245,774
Intergovernmental	117,489	25,207	379,677	522,373
Other	11,808	2,165	-	13,973
Due from other funds	89,322	8,574	4,389	102,285
Inventories	13,419	61,069	-	74,488
Prepaid items	80,558	13,425	-	93,983
Total assets	<u>\$ 2,720,847</u>	<u>\$ 1,843,832</u>	<u>\$ 461,844</u>	<u>\$ 5,026,523</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities:				
Accounts payable	\$ 289,355	\$ 105,685	\$ 4,720	\$ 399,760
Salaries payable	55,479	18,535	1,057	75,071
Due to others	-	-	1,182	1,182
Due to other funds	47	-	29,635	29,682
Unearned revenue	9,741	-	-	9,741
Total liabilities	<u>354,622</u>	<u>124,220</u>	<u>36,594</u>	<u>515,436</u>
Deferred inflows of resources:				
Unavailable revenues	<u>366,109</u>	<u>63,190</u>	<u>8,859</u>	<u>438,158</u>
Fund balances:				
Nonspendable	93,977	74,494	-	168,471
Restricted	-	-	286,838	286,838
Committed	-	1,581,928	129,553	1,711,481
Unassigned	1,906,139	-	-	1,906,139
Total fund balances	<u>2,000,116</u>	<u>1,656,422</u>	<u>416,391</u>	<u>4,072,929</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,720,847</u>	<u>\$ 1,843,832</u>	<u>\$ 461,844</u>	<u>\$ 5,026,523</u>

The accompanying notes are an integral part of this statement.

WILBARGER COUNTY, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2017

Total fund balances - governmental funds (Exhibit A-3) \$ 4,072,929

Amounts reported for *governmental activities* in the Statement of Net Position (Exhibit A-1) are different because:

Capital assets used in governmental activities are not financial resources and therefore not reported in the funds. Capital assets at year-end consist of:

Gross capital assets	\$ 25,619,647	
Related accumulated depreciation	<u>16,770,550</u>	8,849,097

Property tax receivables and fines receivables are not available to pay for current period expenditures and therefore are deferred in the funds.		438,158
--	--	---------

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

Capital leases payable	465,367	
Accrued compensated absences	68,858	
Net other post-employment benefit obligation	<u>49,656</u>	(583,881)

The County's net pension liability and related deferred outflows and inflows related to its participation in the Texas County & District Retirement System do not meet criteria to be reported in the governmental funds financial statements. These items consist of:

Net pension liability	(2,262,560)	
Deferred outflows - pension related items	1,385,145	
Deferred inflows - pension related items	<u>(257,016)</u>	<u>(1,134,431)</u>

Total net position - governmental activities (Exhibit A-1)		<u>\$ 11,641,872</u>
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The accompanying notes are an integral part of this statement.

WILBARGER COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	General Fund	Road & Bridge	Other Governmental Funds	Total Governmental Funds
Revenues				
Property taxes	\$ 3,712,785	\$ 1,866,064	\$ -	\$ 5,578,849
Sales taxes	609,613	-	-	609,613
Fees and commissions	758,000	541,581	81,909	1,381,490
Fines and forfeitures	98,075	-	14,002	112,077
Intergovernmental	157,507	19,070	555,003	731,580
Investment return	20,280	9,537	4,181	33,998
Miscellaneous	239,999	49,659	-	289,658
Total revenues	<u>5,596,259</u>	<u>2,485,911</u>	<u>655,095</u>	<u>8,737,265</u>
Expenditures				
Current:				
General government	1,004,484	32,180	48,915	1,085,579
Judicial	964,647	-	13,851	978,498
Legal	210,439	-	10,519	220,958
Financial	513,164	-	-	513,164
Public facilities	1,707,541	-	-	1,707,541
Public Safety	742,571	-	267,903	1,010,474
Health and welfare	191,514	-	-	191,514
Conservation	149,954	-	-	149,954
Road and bridge	-	2,318,007	295,642	2,613,649
Debt service:				
Principal	-	340,597	-	340,597
Interest and fiscal charges	-	16,331	-	16,331
Total expenditures	<u>5,484,314</u>	<u>2,707,115</u>	<u>636,830</u>	<u>8,828,259</u>
Excess (deficiency) of revenues over (under) expenditures	<u>111,945</u>	<u>(221,204)</u>	<u>18,265</u>	<u>(90,994)</u>
Other sources (uses):				
Transfers in	4,664	-	37,000	41,664
Transfers out	(347,050)	-	(4,664)	(351,714)
Proceeds from capital leases	-	150,661	-	150,661
Proceeds from sale of capital assets	-	229,709	-	229,709
Total other sources (uses)	<u>(342,386)</u>	<u>380,370</u>	<u>32,336</u>	<u>70,320</u>
Net change in fund balances	(230,441)	159,166	50,601	(20,674)
Fund balances, beginning of year	<u>2,230,557</u>	<u>1,497,256</u>	<u>365,790</u>	<u>4,093,603</u>
Fund balances, end of year	<u>\$ 2,000,116</u>	<u>\$ 1,656,422</u>	<u>\$ 416,391</u>	<u>\$ 4,072,929</u>

The accompanying notes are an integral part of this statement.

WILBARGER COUNTY, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2017

Net change in fund balances - total governmental funds (Exhibit A-5)		\$	(20,674)
Amounts reported for <i>governmental activities</i> in the Statement of Activities (Exhibit A-2) are different because:			
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense. The net difference between the two is as follows:			
Capital outlay during the year	\$	548,643	
Depreciation expense for the year		<u>825,457</u>	(276,814)
Proceeds from the sale of capital assets are recorded as revenues when received in the governmental funds. In the Statement of Activities, the difference between the proceeds and the book value of the capital asset is reported as a gain (loss) from sale.			
			(237,087)
Because property tax and fines receivables will not be collected for several months after the County's fiscal year ends, they are not considered 'available' revenues and are deferred in the governmental funds. Deferred inflows of resources changed by this amount this year.			
			22,186
Proceeds from the issuance of debt are recorded as other sources when received in the governmental funds. In the Statement of Net Position, the proceeds are recorded as a liability. The amount of capital lease proceeds during the year was:			
			(150,660)
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. The long-term debt principal paid during the year was:			
			339,880
Included in long-term debt are obligations for accrued vacation and sick leave. The changes in this obligation are not included in the governmental fund financial statements, but are included in the government-wide financial statements. The change in this long-term obligation was:			
			6,367
Included in long-term liabilities is the net other post-employment benefit obligation related to the County's retiree health care plan. The increase in this obligation was:			
			(8,784)
The County participates in an agent multiple-employer defined benefit pension plan. Contributions to the plan are expenditures at the fund level when payments are due. At the government-wide level, pension expenses are recognized on an actuarial basis. The actuarial expense exceeded the plan contributions in the current year.			
			<u>(217,828)</u>
Change in net position of governmental activities (Exhibit A-2)		\$	<u>(543,414)</u>

The accompanying notes are an integral part of this statement.

WILBARGER COUNTY, TEXAS
STATEMENT OF NET POSITION
ENTERPRISE FUND
SEPTEMBER 30, 2017

	Enterprise Fund <u>Airport</u>
Assets	
Current assets:	
Cash and cash equivalents	\$ 265,807
Receivables, net:	
Accounts	4,016
Others	3,999
Due from other funds	3,051
Inventories	42,010
Prepaid items	7,238
Total current assets	<u>326,121</u>
Capital assets, net	733,477
Total assets	<u>1,059,598</u>
Deferred Outflows of Resources	
Pension plan related	<u>31,158</u>
Liabilities	
Current liabilities:	
Accounts payable	8,624
Salaries payable	1,888
Compensated absences - current portion	5,064
Capital lease payable - current portion	9,977
Total current liabilities	<u>25,553</u>
Noncurrent liabilities:	
Capital lease payable - net of current portion	20,628
Net pension liability	50,897
Total noncurrent liabilities	<u>71,525</u>
Total liabilities	<u>97,078</u>
Deferred Inflows of Resources	
Pension plan related	<u>5,782</u>
Net Position	
Net investment in capital assets	702,872
Unrestricted	285,024
Total net position	<u>\$ 987,896</u>

The accompanying notes are an integral part of this statement.

WILBARGER COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN FUND NET POSITION - ENTERPRISE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Enterprise Fund <u>Airport</u>
Operating Revenues	
Sale of fuel	\$ 206,728
Hangar rentals	49,647
Other revenues	4,749
Total Operating Revenues	<u>261,124</u>
Operating Expenses	
Salaries and related costs	117,190
Other supplies and charges	152,406
Repairs and maintenance	89,266
Insurance	12,692
Utilities	21,395
Depreciation	95,868
Total Operating Expenses	<u>488,817</u>
Operating Loss	<u>(227,693)</u>
Non-Operating Revenues (Expenses)	
Intergovernmental revenue	41,350
Farmland lease	15,230
Interest revenue	330
Interest expense	(905)
Total Non-operating Revenues (Expenses)	<u>56,005</u>
Transfers In	<u>310,050</u>
Change in net position	138,362
Net position, beginning of year	<u>849,534</u>
Net position, end of year	<u>\$ 987,896</u>

The accompanying notes are an integral part of this statement.

WILBARGER COUNTY, TEXAS
STATEMENT OF CASH FLOWS
ENTERPRISE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Enterprise Fund Airport
Cash Flows from Operating Activities:	
Cash received from customers	\$ 259,429
Cash payments to employees for services	(112,263)
Cash payments to other suppliers for goods and services	(287,170)
Net cash used by operating activities	<u>(140,004)</u>
Cash Flows from Non-Capital Financing Activities:	
Interfund borrowings	(2,348)
Interfund transfers	310,050
Intergovernmental grants	44,380
Farmland lease	15,230
Net cash provided by non-capital financing activities	<u>367,312</u>
Cash Flows from Capital and Related Financing Activities:	
Interest paid	(905)
Principal paid	(9,760)
Net cash used by capital and related financing activities	<u>(10,665)</u>
Cash Flows from Investing Activities:	
Interest on investments	<u>330</u>
Net Increase in Cash and Cash Equivalents	216,973
Cash and Cash Equivalents at Beginning of Year	48,834
Cash and Cash Equivalents at End of Year	<u>\$ 265,807</u>
Reconciliation of Operating Loss to Net Cash Used by Operating Activities:	
Operating loss	\$ (227,693)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:	
Depreciation	95,868
Change in Assets and Liabilities:	
Decrease (Increase):	
Accounts receivables	6,036
Other receivables	(3,999)
Inventories	(12,842)
Prepaid expenses	(206)
Deferred outflows of resources	5,445
Increase (Decrease):	
Accounts payable	1,637
Salaries payable	209
Unearned revenues	(3,732)
Compensated absences	(184)
Deferred inflows of resources	(2,110)
Net pension liability	1,567
Total adjustments	<u>87,689</u>
Net cash used by operating activities	<u>\$ (140,004)</u>

The accompanying notes are an integral part of this statement.

WILBARGER COUNTY, TEXAS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
SEPTEMBER 30, 2017

	Agency Funds
Assets	
Cash and cash equivalents	\$ 1,306,912
Investments	211,297
Due from others	541
Due from other funds	12,677
Total assets	<u>\$ 1,531,427</u>
Liabilities	
Accounts payable	\$ 354
Due to other funds	88,331
Due to other governments	604,464
Due to others	838,278
Total liabilities	<u>\$ 1,531,427</u>

The accompanying notes are an integral part of this statement.

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Reporting Entity

Wilbarger County, Texas (County), a political subdivision of the State of Texas is governed by an elected judge and four county commissioners which comprise the Commissions' Court. The County's operational activities include general administrative services, judicial, public safety, the construction and maintenance of roads, health and welfare assistance, permanent records preservation, and conservation.

The accounting policies of the County conform to generally accepted accounting principles issued by the Governmental Accounting Standards Board (GASB) which is the recognized financial accounting standards setting body for governmental entities. The notes to the financial statements are an integral part of the County's basic financial statements.

The accompanying basic financial statements comply with the provisions of the GASB Statement No. 14, "The Financial Reporting Entity," as amended by GASB Statements No. 39 and No. 61, in that the financial statements include all organizations, activities, functions and component units for which the County (the "primary government") is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either (1) the County's ability to impose its will over the organization, or (2) the potential that the organization will provide a financial benefit to or impose a financial burden on the County.

There are no component units which satisfy requirements for blending or discrete presentation within the County's financial statements. Accordingly, the basic financial statements present the County only.

2. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all the non-fiduciary activities of the County. For the most part, the effects of interfund activity have been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely, to a significant extent, on fees and charges for support.

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

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2017

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

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

Government 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 associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Fines and permits, and miscellaneous revenues are not susceptible to accrual because generally they are not measurable until received in cash.

The County reports the following major governmental funds:

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

The *Road and Bridge Fund* accounts for the activities of the Road and Bridge department.

Other Governmental Funds are a summarization of all the nonmajor governmental funds.

The County reports the following major proprietary fund:

The *Airport Fund* accounts for the operations of the County's airport.

Additionally, the County reports the following fund types:

Agency Funds are used to account for assets held by the government as an agent for individuals, private organizations, and/or other agency funds.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2017

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Airport enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

4. Assets, Liabilities, and Net Position or Equity

a. Deposits and Investments

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

State statutes authorize the County to invest in (1) obligations of the United States or its agencies and instrumentalities; (2) direct obligations of the State of Texas or its agencies; (3) other obligations, the principal of and interest on which are unconditionally guaranteed or insured by the State of Texas or the United States; (4) obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent; (5) certificates of deposit by state and national banks domiciled in this state that are guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor, or secured by obligations that are described above; or (6) fully collateralized direct repurchase agreements having a defined termination date, secured by obligations described by (1), pledged with third party selected or approved by the County, and placed through a primary government securities dealer.

Investments maturing within one year of date of purchase are stated at cost or amortized cost, all other investments are stated at fair value which is based on quoted market prices.

b. 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 noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All trade receivables are shown net of an allowance for uncollectibles. Trade accounts receivable in excess of 60 days comprise the trade accounts receivable allowance for uncollectibles.

Property taxes are levied on October 1 by the County based on the January 1 property values as appraised by the Wilbarger County Appraisal District. Taxes are due without penalty until January 31 of the next calendar year. After January 31 the County has an enforceable lien with respect to both real and personal property. Under state law, property taxes levied on real property constitute a perpetual lien on the real property which cannot be forgiven without specific approval of the State Legislature. Taxes applicable to personal property can be deemed uncollectible by the County.

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2017

c. Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

5. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, and similar items), are reported in the governmental activities column in the government-wide financial statements. The County defines capital assets as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the time received.

The costs of normal maintenance and repairs that do not add to the value of the asset, or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Capital assets of the primary government are depreciated using the straight line method over the following estimated useful lives:

Buildings	30 - 40 years
Infrastructure	20 - 45 years
Machinery and Equipment	5 - 10 years

6. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element 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 amounts reported by the County in this category related to the County's participation in the Texas County and District Retirement System (TCDRS).

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has items that qualify for reporting in this category. The amounts reported by the County in this category include amounts related to the County's participation in TCERS as well as property taxes receivable and fines and fees receivable that are unavailable and therefore cannot be recognized as revenue in the governmental funds until they are received.

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2017

The following is a summary of the deferred outflows/inflows of resources at September 30, 2017:

	Statement of Net Position – Governmental Activities	Statement of Net Position – Business-type Activities & Enterprise Fund	Balance Sheet – Governmental Funds
Deferred outflows of resources:			
Pension plan related	<u>\$1,385,145</u>	<u>\$31,158</u>	<u>\$ -</u>
Deferred inflows of resources:			
Pension plan related	\$ 257,016	\$ 5,782	\$ -
Unavailable revenues:			
Property taxes	-	-	192,384
Fines and fees	<u>-</u>	<u>-</u>	<u>245,774</u>
	<u>\$ 257,016</u>	<u>\$ 5,782</u>	<u>\$438,158</u>

7. Compensated Absences

Employees accumulate earned but unused vacation and compensatory time. All vacation and compensatory pay is accrued when incurred in the government-wide statements. A liability is reported for these amounts in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

8. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Premiums and discounts on long-term obligations are deferred and amortized over the life of the debt using the straight-line method which approximates the effective interest method. Long-term obligations payable is reported net of the applicable premium or discount. Issuance costs are expensed in the period the debt is issued.

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

9. Fund Balances – Governmental Funds

Fund balances of the governmental funds are classified as follows:

Nonspendable Fund Balance – represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid insurance) or legally required to remain intact (such as notes receivable or principal of a permanent fund).

Restricted Fund Balance – represents amounts that are constrained by external parties, constitutional provisions or enabling legislation.

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2017

Committed Fund Balance – represents amounts that can only be used for a specific purpose because of a formal action by the County’s Commissioners’ Court. Committed amounts cannot be used for any other purpose unless the governing board removes those constraints by taking the same type of formal action. Committed fund balance amounts may be used for other purposes with appropriate due process by the governing board. Commitments are typically done through adoption and amendment of the budget. Committed fund balance amounts differ from restricted balances in that the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.

Assigned Fund Balance – represents amounts which the County intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent may be stipulated by the governing board or by an official or body to which the governing board delegates the authority. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service or permanent fund are assigned for purposes in accordance with the nature of their fund type or the fund’s primary purpose. Assignments within the General Fund convey that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the County itself.

Unassigned Fund Balance – represents amounts which are unconstrained in that they may be spent for any purpose. Only the General Fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification because of overspending for specific purposes for which amounts had been restricted, committed or assigned.

When an expenditure is incurred for a purpose for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the County considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

10. Transactions Between Funds

Outstanding balances between funds are reported as “due to/from other funds.” Nonrecurring or non-routine transfers of equity between funds are accounted for as transfers.

11. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

12. Pensions

The fiduciary net position of the TCDRS has been determined using the flow of economic resources measurement focus and full accrual basis of accounting, the same basis as is reported by TCDRS in their Comprehensive Annual Financial Report. This includes for purposes of measuring the net pension asset (liability), deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and information about assets, liabilities and additions to/deductions from TCDRS’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.

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2017

B. COMPLIANCE AND ACCOUNTABILITY

1. Finance-Related Legal and Contractual Provisions

In accordance with GASB Statement No. 38, "Certain Financial Statement Note Disclosures", there were no violations of finance-related legal and contractual provisions required to be reported.

2. Deficit Fund Balance or Fund Net Position of Individual Funds

The County has no funds with a deficit fund balance or fund net position.

C. DEPOSITS AND INVESTMENTS

1. Deposits

Deposits, except for those held in trust by the County Clerk, District Clerk, and others were held with the contracted depository banks in interest bearing accounts which were secured at the balance sheet date by FDIC coverage and by pledged government securities in the name of the depository banks. At September 30, 2017, the carrying amount of the County's deposits was \$4,047,070 and the balance per the bank was \$4,087,517. Included in the carrying amount and bank balance are money market savings account and certificates of deposit (recorded as investments) totaling \$2,517,762.

The County Clerk, District Clerk, and others hold deposit accounts and investments as trustees under court orders in various banks. The accounts are styled for the benefit of the individual beneficiaries and do not actually belong to the County. The investments consist of interest bearing demand deposits and certificates of deposit whose carrying value and market value are the same. The carrying amounts of agency funds held by the County at September 30, 2017 were \$1,518,209 and the balance per the bank was \$1,534,071. All deposits and investments were secured by FDIC coverage.

2. Investments

The County is required by Government Code Chapter 2256, The Public Funds Investment Act (Act) to adopt, implement, and publicize an investment policy. That policy must be written; primarily emphasize safety of principal and liquidity; address investment diversification, yield, maturity and the quality and capability of investment management; include a list of the types of authorized investments in which the investing entity's funds may be invested; and the maximum allowable stated maturity of any individual investment owned by the entity.

The Act requires an annual audit of investment practices. Audit procedures in this area conducted as a part of the audit of the financial statements disclosed that in the areas of investment practices, management reports, and establishment of appropriate policies, the County adhered to the requirements of the Act. Additionally, investment practices of the County were in accordance with local policies.

The Act determines the types of investments which are allowable for the County. These include, with certain restrictions, (1) obligations of the U.S. Treasury, certain U.S. agencies, and 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.

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2017

The County's investments at September 30, 2017 are shown below:

<u>Investment or Investment Type</u>	<u>Weighted Maturity (Months)</u>	<u>Fair Value</u>
Money Market Savings Accounts	N/A	\$ 401,062
Certificates of Deposit	16	<u>2,116,700</u>
Total Investments		<u>\$2,517,762</u>

The County categorizes its fair value measurements with the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below. In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The County's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

The County values its certificates of deposit using Level 2 inputs.

3. Analysis of Specific Deposit and Investment Risks

GASB Statement No. 40 requires a determination as to whether the County was exposed to the following specific investment risks at year end and if so, the reporting of certain related disclosures:

a. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized rating agencies are designed to give an indication of credit risk. At year end, the County was not significantly exposed to credit risk.

b. Custodial Credit Risk

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the County's name.

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department or agent but not in the County's name.

At year end, the County was not exposed to custodial credit risk.

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2017

c. Concentration of Credit Risk

This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At year end, the County was not exposed to concentration of credit risk.

d. Interest Rate Risk

This is the risk that changes in interest rates will adversely affect the fair value of an investment. At year end, the County was exposed to interest rate risk due to the long-term nature of some of its investments.

e. Foreign Currency Risk

This is the risk that exchange rates will adversely affect the fair value of an investment. At year end, the County was not exposed to foreign currency risk.

D. PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1 of the prior year. Taxes are levied on October 1 and do not begin to accrue interest until February 1. The County is permitted by the Municipal Finance Law of the State of Texas to levy taxes (exclusive of those amounts levied to service long-term debt) up to \$.80 per \$100 of assessed valuation for general services, permanent improvements, road and bridge and jury fund purposes. The combined tax rate to finance general government (exclusive of long-term debt service and Special Road & Bridge) for the year ended September 30, 2017, was \$0.32891 per \$100 valuation.

An additional ad valorem tax may be levied and collected for further maintenance of public roads, provided that a majority of the qualified property taxpaying voters shall vote such tax, not to exceed fifteen cents (.15) per \$100 valuation. Wilbarger County has such a tax and the levy for 2016 was \$0.01612. The total tax rate for Wilbarger County for fiscal year 2016 also includes a Farm to Market Right of Way with a tax rate of \$0.14995. The total tax rate for Wilbarger County for fiscal year 2016 was \$0.49498.

Allowances for uncollectible tax receivables within the General and Road & Bridge Funds are based upon historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the County is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

At September 30, 2017, net property taxes receivable is calculated as follows:

Gross property taxes receivable	\$316,598
Allowance for uncollectible taxes	(<u>124,214</u>)
Net property taxes receivable	<u>\$192,384</u>

Of the \$192,384 of net property taxes receivable at September 30, 2017, the County expects to collect approximately \$59,000 within a year. This is similar to the delinquent taxes received in previous years.

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2017

E. FINES RECEIVABLE

Fines receivable represent amounts due to the County for outstanding citations.

The allowance for uncollectible fines receivable within the funds is based upon historical experience collecting fines. Uncollectible fines are periodically written off.

At September 30, 2017, net fines receivable is calculated as follows:

Gross fines receivable	\$2,938,902
Allowance for uncollectible fines	<u>(2,693,128)</u>
Net fines receivable	<u>\$ 245,774</u>

Of the \$245,774 of net fines receivable at September 30, 2017, the County expects to collect approximately \$50,000 within a year. This is similar to the delinquent fines receivable collected in the current year.

F. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2017 was as follows:

Governmental Activities:	Balance <u>10/1/2016</u>	<u>Additions</u>	<u>Retirements</u>	Balance <u>9/30/2017</u>
Capital assets not being depreciated:				
Land	\$ 307,699	\$ -	\$ -	\$ 307,699
Construction in progress	<u>-</u>	<u>129,715</u>	<u>-</u>	<u>129,715</u>
Total capital assets not being depreciated	<u>307,699</u>	<u>129,715</u>	<u>-</u>	<u>437,414</u>
Capital assets being depreciated:				
Buildings and improvements	4,203,549	-	-	4,203,549
Infrastructure	14,273,098	-	-	14,273,098
Machinery and equipment	<u>6,655,100</u>	<u>418,928</u>	<u>(368,442)</u>	<u>6,705,586</u>
Total capital assets being depreciated	<u>25,131,747</u>	<u>418,928</u>	<u>(368,442)</u>	<u>25,182,233</u>
Less accumulated depreciation for:				
Buildings and improvements	2,266,835	88,925	-	2,355,760
Infrastructure	10,575,459	149,794	-	10,725,253
Machinery and equipment	<u>3,234,154</u>	<u>586,738</u>	<u>(131,355)</u>	<u>3,689,537</u>
Total accumulated depreciation	<u>16,076,448</u>	<u>825,457</u>	<u>(131,355)</u>	<u>16,770,550</u>
Total capital assets being depreciated, net	<u>9,055,299</u>	<u>(406,529)</u>	<u>(237,087)</u>	<u>8,411,683</u>
Governmental activities capital assets, net	<u>\$ 9,362,998</u>	<u>(\$276,814)</u>	<u>(\$237,087)</u>	<u>\$ 8,849,097</u>

At September 30, 2017, machinery and equipment with a cost of \$1,183,104 and accumulated depreciation of \$288,053 is financed under capital leases.

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2017

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

Governmental activities:	
General government	\$ 21,432
Judicial	6,461
Financial	2,262
Public facilities	101,525
Public safety	54,424
Health and welfare	3,182
Conservation	7,334
Road and bridge	<u>628,837</u>
 Total governmental depreciation	 <u>\$825,457</u>

Business-Type Activities:	Balance <u>10/1/2016</u>	<u>Additions</u>	<u>Retirements</u>	Balance <u>9/30/2017</u>
Capital assets not being depreciated:				
Land	\$ 33,137	\$ -	\$ -	\$ 33,137
Construction in progress	<u>28,570</u>	<u>-</u>	<u>-</u>	<u>28,570</u>
Total capital assets not being depreciated	<u>61,707</u>	<u>-</u>	<u>-</u>	<u>61,707</u>
Capital assets being depreciated:				
Buildings and improvements	1,077,614	-	-	1,077,614
Infrastructure	2,012,302	-	-	2,012,302
Machinery and equipment	<u>400,508</u>	<u>-</u>	<u>-</u>	<u>400,508</u>
Total capital assets being depreciated	<u>3,490,424</u>	<u>-</u>	<u>-</u>	<u>3,490,424</u>
Less accumulated depreciation for:				
Buildings and improvements	571,350	26,876	-	598,226
Infrastructure	1,828,511	50,308	-	1,878,819
Machinery and equipment	<u>322,925</u>	<u>18,684</u>	<u>-</u>	<u>341,609</u>
Total accumulated depreciation	<u>2,722,786</u>	<u>95,868</u>	<u>-</u>	<u>2,818,654</u>
Total capital assets being depreciated, net	<u>767,638</u>	(95,868)	<u>-</u>	<u>671,770</u>
Business-type activities capital assets, net	<u>\$ 829,345</u>	<u>(\$95,868)</u>	<u>\$ -</u>	<u>\$ 733,477</u>

At September 30, 2017, machinery and equipment with a cost of \$114,500 and accumulated depreciation of \$72,517 is financed under capital leases.

G. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Balances due to and from other funds at September 30, 2017 were as follows:

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2017

<u>Due To Fund</u>	<u>Due From Fund</u>	<u>Payable</u>	<u>Reason</u>
General Fund	Agency Funds	\$ 17,005	Short-term loan
General Fund	Other Governmental Funds	72,317	Short-term loan
Road & Bridge Fund	Agency Funds	8,574	Short-term loan
Other Governmental Funds	Agency Funds	4,389	Short-term loan
Airport Fund	Agency Fund	3,051	Short-term loan
Agency Funds	General Fund	47	Short-term loan
Agency Funds	Other Governmental Funds	<u>12,630</u>	Short-term loan
	Total	<u>\$118,013</u>	

All of the above amounts are expected to be repaid within one year.

Interfund transfers during the year ended September 30, 2017 were as follows:

<u>Transfers From</u>	<u>Transfers To</u>	<u>Amount</u>	<u>Reason</u>
General Fund	Other Governmental Funds	\$ 37,000	Supplement other resources
General Fund	Airport Fund	310,050	Supplement other resources
Other Governmental Funds	General Fund	<u>4,664</u>	Supplement other resources
	Total	<u>\$351,714</u>	

H. LONG-TERM LIABILITIES

The County issues general obligation bonds, certificates of obligation bonds, notes payable and capital lease obligations to provide funds for the acquisition and construction of major capital facilities. These issues are direct obligations and pledge the full faith and credit of the County.

Governmental Activities

Changes in long-term liabilities for the year ended September 30, 2017 were as follows:

	<u>Balance</u> <u>10/1/2016</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>09/30/2017</u>	<u>Due Within</u> <u>One Year</u>
Governmental Activities:					
Capital lease obligations	\$654,587	\$150,660	\$339,880	\$465,367	\$222,426
Compensated absences	75,225	96,287	102,654	68,858	68,858
Net other post-employment benefit obligation	<u>40,872</u>	<u>8,784</u>	<u>-</u>	<u>49,656</u>	<u>-</u>
Total long-term liabilities – governmental activities	<u>\$770,684</u>	<u>\$255,731</u>	<u>\$442,534</u>	<u>\$583,881</u>	<u>\$291,284</u>

For the governmental activities, compensated absences and other post-employment benefit obligations are generally liquidated by the General Fund.

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2017

Capital Lease Obligations

Capital lease obligations at September 30, 2017 are as follows:

<u>Purpose</u>	<u>Original Amount</u>	<u>Date of Lease</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Balance 9/30/2017</u>
2012 Wheel Loader – Precinct #4	\$105,942	2/18/14	12/15/17	2.25%	\$ 27,285
2014 Motor Grader – Precinct #3	79,065	9/15/14	9/15/17	2.55%	53,266
2014 Motor Grader – Precinct #3	79,065	9/15/14	9/15/17	2.55%	53,266
2014 Motor Grader – Precinct #3	71,065	9/15/14	9/15/17	2.55%	44,763
2016 Peterbilt Dump Truck – Precinct #4	61,981	1/15/16	1/15/20	2.70%	47,069
2016 Mack Dump Truck – Precinct #1	106,183	3/15/16	3/15/19	2.70%	89,058
2017 Wheel Loader – Precinct #1	150,660	5/31/17	5/31/20	2.55%	<u>150,660</u>
Total Capital Lease Obligations					<u>\$465,367</u>

Capital lease obligation debt service requirements to maturity are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$222,426	\$ 9,268	\$231,694
2019	97,301	7,791	105,092
2020	<u>145,640</u>	<u>4,620</u>	<u>150,260</u>
Totals	<u>\$465,367</u>	<u>\$21,679</u>	<u>\$487,046</u>

Business-Type Activities

Changes in long-term liabilities for the year ended September 30, 2017 were as follows:

	<u>Balance 10/1/2016</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance 9/30/2017</u>	<u>Due Within One Year</u>
Capital lease obligation	\$40,365	\$ -	\$ 9,760	\$30,605	\$ 9,977
Compensated absences	<u>5,248</u>	<u>3,189</u>	<u>3,373</u>	<u>5,064</u>	<u>5,064</u>
Total long-term liabilities – business-type activities	<u>\$45,613</u>	<u>\$3,189</u>	<u>\$13,133</u>	<u>\$35,669</u>	<u>\$15,041</u>

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2017

Capital Lease Obligation

Capital lease obligation at September 30, 2017 is as follows:

<u>Purpose</u>	<u>Original Amount</u>	<u>Date of Lease</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Balance 9/30/2017</u>
Fuel Truck - Airport	\$ 59,585	2/18/14	11/15/19	2.25%	<u>\$30,605</u>

Capital lease obligation debt service requirements to maturity are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 9,977	\$ 689	\$10,666
2019	10,200	464	10,664
2020	<u>10,428</u>	<u>236</u>	<u>10,664</u>
Total	<u>\$30,605</u>	<u>\$1,389</u>	<u>\$31,994</u>

I. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; injuries to employees; employee health benefits; and other claims of various nature. The County participates in the Texas Association of Counties Intergovernmental Risk Pool (Pool) which provides protection for risks of loss. Premiums are paid to the Pool which retains the risk of loss beyond the County's policy deductibles. Any losses reported but unsettled or incurred and not reported, are believed to be insignificant to the County's basic financial statements. For the last three years, there have been no significant reductions of insurance coverage or insurance settlements in excess of insurance coverage.

J. CONTINGENT LIABILITIES AND COMMITMENTS

Federal and State Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by such agencies. Any disallowed claims, including amounts already collected may constitute a liability of the applicable funds. The amounts, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

Litigation

The County periodically is a defendant in various lawsuits. At September 30, 2017, the County is not aware of any pending litigation.

Trust Funds

The District Clerk has invested trust funds at various financial institutions in accordance with court orders. The County has a fiduciary responsibility over these funds until their final disposition.

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2017

TxDOT Grant

The County applied for and was awarded a TxDOT grant for reconstructing and/or rehabilitating the existing pavements at the airport, add a connecting taxiway, and replacing and upgrading the runway lights and navigation aids. The estimated grant award is \$5,354,408, of which the County will match \$535,441. Through the year ended September 30, 2017, the County incurred \$28,571 of matching expenditures leaving a balance due of \$506,870.

The estimated expenditures of the matching portions of the grant are as follows:

<u>Fiscal Year Ending</u> <u>September 30,</u>	<u>TxDOT</u> <u>Airport</u> <u>Grant</u>
2018	\$233,350
2019	70,880
2020	111,880
2021	<u>90,760</u>
Totals	<u>\$506,870</u>

K. DEFINED BENEFIT PENSION PLAN

1. Plan Description

The County provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional, defined benefit pension plan in the statewide TCDRS. The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-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 that is publicly available at www.tcdrs.org.

The plan provisions are adopted by the governing body of the County, within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with 8 or more years of service or with 30 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after 8 years of service but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by the County.

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2017

2. Benefits Provided

Benefit amounts are determined by the sum of the employee's contributions to the plan, with interest, and the County-financed monetary credits. The level of these monetary credits is adopted by the governing body of 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 County'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 County-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

Employees Covered by Benefit Terms

At the December 31, 2016 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	73
Inactive employees entitled to but not yet receiving benefits	27
Active employees	91

3. Contributions

The County has elected the annually determined contribution rate (ADCR) 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 employer is actuarially determined annually. The County contributed using the actuarially determined rate of 11.86% for the months of the accounting year in 2016, and 11.48% for the months of the accounting year in 2017.

The contribution rate payable by the employee members for calendar year 2017 is the rate of 7% as adopted by the Commissioners' Court of the County. The employee contribution rate and the County contribution rate may be changed by the Commissioners' Court of the County within the options available in the TCDRS Act.

4. Net Pension Liability

The County's Net Pension Liability (NPL) was measured as of December 31, 2016, and the Total Pension Liability used to calculate the Net Pension Liability was determined by an actuarial valuation.

Actuarial Assumptions

The actuarial assumptions that determined the total pension liability as of December 31, 2016 were based on the results of an actuarial experience study for the period January 1, 2009 through December 31, 2012, except where required to be different by GASB 68.

Real rate of return	5.0% per year
Inflation	3.0% per year
Long-term investment return	8.0% per year, net of pension plan investments expenses
Growth in membership	0.0% per year
Payroll growth	2.5% per year

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2017

Salary increases were based on a service-related table. The mortality rates for active members were based on the RP2000 Active Employee Mortality Table for males with a two-year set-forward and the RP2000 Active Employee Mortality Table for females with a four-year setback, both projected to 2015 with scale AA and then projected with 110% of the MP-2015 Ultimate scale after that. The mortality rate for service retirees, beneficiaries, and non-depositing members was based on the RP-2000 Combined Mortality Table projected to 2015 with scale AA and then projected with 110% of the MP-2015 Ultimate scale after that, with a one-year set forward for males and no age adjustment for females. The mortality rates for disabled retirees were based on the RP-2000 Disabled Mortality Table projected to 2015 with scale AA and then projected with 110% of the MP-2015 Ultimate scale after that, with no age adjustment for males and a two-year set-forward for females.

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 based on January 2017 information for a 7-10 year time horizon.

The valuation assumption for long-term expected return is re-assessed a minimum of every four years, and is set based on a 30-year time horizon; the most recent analysis was performed in 2013.

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2017

<u>Asset Class</u>	<u>Benchmark</u>	<u>Target Allocation</u> ⁽¹⁾	<u>Geometric Real Rate of Return (Expected minus Inflation)</u> ⁽²⁾
US Equities	Dow Jones U.S. Total Stock Market Index	13.50%	4.70%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index ⁽³⁾	16.00%	7.70%
Global Equities	MSCI World (net) Index	1.50%	5.00%
International Equities – Developed	MSCI World Ex USA (net)	10.00%	4.70%
International Equities – Emerging	MSCI EM Standard (net) Index	7.00%	5.70%
Investment-Grade Bonds	Barclays U.S. Aggregate Bond Index	3.00%	0.60%
High-Yield Bonds	Citigroup High-Yield Cash-Pay Capped Index	3.00%	3.70%
Opportunistic Credit	Citigroup High-Yield Cash-Pay Capped Index	2.00%	3.83%
Direct Lending	S&P/LSTA Leveraged Loan Index	10.00%	8.15%
Distressed Debt	Cambridge Associates Distressed Securities Index ⁽⁴⁾	3.00%	6.70%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% FRSE EPRA/NAREIT Global Real Estate Index	2.00%	3.85%
Master Limited Partnerships (MLPs)	Alerian MLP Index	3.00%	5.60%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index ⁽⁵⁾	6.00%	7.20%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	20.00%	3.85%

⁽¹⁾ Target asset allocation adopted at the April 2017 TCDRS Board Meeting.

⁽²⁾ Geometric real rates of return in addition to assumed inflation of 2.0%, per Cliffwater's 2017 capital market assumptions

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

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

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

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2017

Discount Rate

The projected fiduciary net position was determined to be sufficient compared to projected benefit payments. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be sufficient to pay projected benefit payments in all future years. Therefore, the discount rate for purposes of calculating the total pension liability and net pension liability of the employer is equal to the long-term assumed rate of return on investments (8.10%).

Changes in Net Pension Liability / (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability / (Asset) (a) – (b)
Balances as of December 31, 2015	\$17,719,803	\$15,477,562	\$2,242,241
Changes for the year:			
Service cost	477,053	-	477,053
Interest on total pension liability	1,423,069	-	1,423,069
Effect of plan changes	-	-	-
Effect of economic/demographic gains or losses	31,532	-	31,532
Effect of assumptions changes or inputs	-	-	-
Refund of contributions	(39,517)	(39,517)	-
Benefit payments	(745,639)	(745,639)	-
Administrative expenses	-	(12,426)	12,426
Member contributions	-	262,915	(262,915)
Net investment income	-	1,143,738	(1,143,738)
Employer contributions	-	442,766	(442,766)
Other changes	-	23,444	(23,444)
Balances as of December 31, 2016	<u>\$18,866,300</u>	<u>\$16,552,843</u>	<u>\$2,313,457</u>

Sensitivity Analysis

The following presents the net pension liability (asset) of the County, calculated using the discount rate of 8.10%, as well as what the County's net pension liability (asset) 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 7.10%	Current Discount Rate 8.10%	1% Increase 9.10%
Net pension liability	<u>\$4,568,727</u>	<u>\$2,313,457</u>	<u>\$411,054</u>

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2017

Pension Expense

	<u>January 1, 2016 to December 31, 2016</u>
Service cost	\$ 477,053
Interest on total pension liability ⁽¹⁾	1,423,069
Effect of plan changes	-
Administrative expenses	12,426
Member contributions	(262,915)
Expected investment return net of investment expenses	(1,250,963)
Recognition of deferred inflows/outflows of resources:	
Recognition of economic/demographic gains or losses	(88,063)
Recognition of assumption changes or inputs	36,307
Recognition of investment gains or losses	326,726
Other ⁽²⁾	(23,443)
 Pension expense	 <u>\$ 650,197</u>

⁽¹⁾ Reflects the change in the liability due to the time value of money. TCDRS does not charge fees or interest.

⁽²⁾ Relates to allocation of system-wide items.

Deferred Outflows / Inflows of Resources

As of September 30, 2017, the deferred outflows and inflows of resources are as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 23,648	\$262,798
Change in assumptions	108,922	-
Net difference between projected and actual earnings	961,646	-
Contributions made subsequent to measurement date	<u>322,087</u>	<u>-</u>
 Total	 <u>\$1,416,303</u>	 <u>\$262,798</u>

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

<u>Year Ended December 31:</u>	
2017	\$274,971
2018	274,971
2019	260,031
2020	21,445

For the year ended December 31, 2016, there were no changes to the Plan relative to assumptions and benefit terms, except for updated mortality assumptions.

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2017

L. POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

The County administers the Wilbarger County Retiree Health Care Plan for retired employees.

1. Plan Description

Any employee who meets the retirement eligibility requirements of the Texas County and District Retirement System, and who leaves the employ of the County may, upon retirement, elect to remain on the County's group medical. The retired employee may continue coverage for dependents as well. Premiums for the retired employee and any dependents are paid by the retired employee. Premiums are determined annually by estimating the amount needed to cover projected claims. The benefit is subject to annual appropriations by the Commissioners' Court.

2. Normal Retirement Benefits

Retirement benefits are a defined benefit plan under TCDRS (see note K). Members are eligible to retire under TCDRS at age 60 or more with 8 years of vested service, at any time with a minimum of 30 years of vested service, or any age plus years of service equaling 75.

3. Early Retirement Benefits

Members retiring under early retirement conditions (non-vested) are not eligible for retiree healthcare benefits.

4. Deferred Retirement Benefits

Members who may be vested and terminate employment, but do not apply for retirement benefits, are not eligible for retiree health care benefits.

5. Benefits for Spouses / Children of Retired Employees

Wilbarger County retirees who continue health care insurance coverage with the County may also continue to cover their eligible dependents should they choose to do so. Children of retirees are eligible to continue to receive health care benefits until age 26, meeting the qualifications of dependent children described in the County's health care plan. Premiums for the retired employee's spouse / children will be paid by the retired employee.

6. Disability Retirement Benefits

If a member has 8 years or more of service and becomes disabled, the employee may be eligible for disability retirement. If a member has less than 8 years of service and the disability is work-related, the member may be eligible for disability retirement.

7. Funding Policy and Annual OPEB Cost

The County's annual other post-employment benefits (OPEB) cost is based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of accrual that is projected to recognize the normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2017

The County had its first OPEB actuarial valuation performed as required by GASB for the year ended September 30, 2013 and was updated for the years ended September 30, 2014 and 2015. The County's OPEB cost for the years ended September 30, 2015, 2016, and 2017 was as follows:

	<u>9/30/15</u>	<u>9/30/16</u>	<u>9/30/17</u>
Annual Required Contribution	\$ 8,934	\$ 9,133	\$9,400
Interest on prior year OPEB obligation	1,066	1,452	1,839
Amortization of prior year OPEB obligation	(1,423)	(1,981)	(2,455)
Annual OPEB cost (expense) end of year	8,577	8,604	8,784
Net estimated retiree cost	-	-	-
Increase (decrease) in net OPEB obligation	8,577	8,604	8,784
Net OPEB obligation – beginning of year	<u>23,691</u>	<u>32,268</u>	<u>40,872</u>
Net OPEB obligation – end of year	<u>\$32,268</u>	<u>\$40,872</u>	<u>\$49,656</u>

8. Schedule of Actuarial Liabilities and Funding Status

Actuarial Valuation Date	9/30/16
Actuarial Value of Assets	\$ -
Actuarial Accrued Liabilities	\$ 79,222
Unfunded Actuarial Accrued Liability (UAAL)	\$ 79,222
Funded Ratio	0.00%
Annual Covered Payroll	3,435,319
UAAL as a Percentage of Annual Covered Payroll	2.31%

9. Actuarial Methods and Assumptions

The Projected Unit Credit actuarial cost method is used to calculate the GASB ARC for the County's retiree health care plan. Using the plan benefits, the present health premiums and a set of actuarial assumptions, the anticipated future payments are projected. The projected unit credit method then provides for a systematic funding for these anticipated payments. The yearly ARC is computed to cover the cost of benefits being earned by covered members as well as to amortize a portion of the accrued liability.

Projections of health benefits are based on the plan as understood by the County and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the County and its employees to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Significant methods and assumptions were as follows:

Investment Rate of Return	4.5%, net of expenses
Actuarial Cost Method	Projected Unit Credit Cost Method
Amortization Method	Level dollar
Amortization Period	Open 30 year period
Medical Trend	Level 5.0%
Mortality Table	RP-2014 Total Table with Projection MP-2016

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2017

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the profitability of events in the future. Amounts determined regarding the funded status and the annual required contributions of the County's retiree health care plan are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress presented as required supplementary information provides multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

M. FUND BALANCES

The Governmental Funds' fund balances consisted of the following at September 30, 2017:

	General Fund	Road & Bridge	Other Governmental Funds	Total
Nonspendable:				
Inventories	\$ 13,419	\$ 61,069	\$ -	\$ 74,488
Prepaid items	<u>80,558</u>	<u>13,425</u>	<u>-</u>	<u>93,983</u>
Total nonspendable	<u>93,977</u>	<u>74,494</u>	<u>-</u>	<u>168,471</u>
Restricted:				
Special services	-	-	280,973	280,973
Jury duty	<u>-</u>	<u>-</u>	<u>5,865</u>	<u>5,865</u>
Total restricted	<u>-</u>	<u>-</u>	<u>286,838</u>	<u>286,838</u>
Committed:				
Road and bridge	-	1,581,928	-	1,581,928
Juvenile probation	-	-	24,428	24,428
Capital projects	<u>-</u>	<u>-</u>	<u>105,125</u>	<u>105,125</u>
Total committed	<u>-</u>	<u>1,581,928</u>	<u>129,553</u>	<u>1,711,481</u>
Unassigned	<u>1,906,139</u>	<u>-</u>	<u>-</u>	<u>1,906,139</u>
Total fund balances	<u>\$2,000,116</u>	<u>\$1,656,422</u>	<u>\$416,391</u>	<u>\$4,072,929</u>

N. TAX ABATEMENT AGREEMENTS

The County has approved three tax abatement agreements. The first agreement is dated December 21, 2011 with Rhodia, Inc., the second agreement is with Blue Summit Wind LLC dated March 12, 2012, and the third agreement is with Vernon Real Estate LLC dated May 7, 2013. All agreements were issued pursuant to the Property Redevelopment and Tax Abatement Act, as amended, in V.T.C.A. Tax Code, Chapter 312. It was noted that two other agreements will come on-line in future years.

The Rhodia, Inc. agreement is a ten-year abatement of taxable mineral interest for 100% the first four years, 80% year five, 60% year six, 40% year seven, 30% year eight, 20% year nine, and 10% year ten. This is the fourth year of the agreement and the total value loss was \$9,865,680. The reduction in M&O taxes was \$32,449 and I&S taxes was \$16,384.

The Blue Summit Wind LLC agreement is a ten-year abatement of taxable real and personal property for 60% the first five years and 40% the last five years. This is the fourth year of the agreement and the total value loss was \$26,528,810. The reduction in M&O taxes was \$87,256 and I&S taxes was \$44,056.

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2017

The Vernon Real Estate LLC agreement is a five-year abatement of taxable real and personal property for 100% the first year, 80% year two, 60% year three, 40% year four, and 20% year five. This is the second year of the agreement and the total value loss was \$3,355,908. The reduction in M&O taxes was \$11,038 and I&S taxes was \$5,573.

All of the agreements have early termination/default clauses that without the consent of the County or in the event that the company or its successor-in-interest fails to comply in any material respect with the terms of the agreement or to meet any material obligation under the agreement, then the County shall be entitled to the recapture of all ad valorem tax revenue lost as a result of the agreement together with the payment of 10% interest on that recaptured ad valorem tax revenue.

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures required by the Governmental Accounting Standards Board but not considered a part of the basic financial statements.

WILBARGER COUNTY, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Property taxes	\$ 3,701,386	\$ 3,701,386	\$ 3,712,785	\$ 11,399
Sales taxes	600,000	600,000	609,613	9,613
Fees and commissions	839,050	839,050	758,000	(81,050)
Fines and forfeitures	150,000	150,000	98,075	(51,925)
Intergovernmental	151,733	151,733	157,507	5,774
Investment return	30,000	30,000	20,280	(9,720)
Miscellaneous	122,000	267,000	239,999	(27,001)
Total revenues	<u>5,594,169</u>	<u>5,739,169</u>	<u>5,596,259</u>	<u>(142,910)</u>
Expenditures				
Current:				
General government:				
County Judge	222,025	222,025	193,387	28,638
County Clerk	275,855	275,855	258,928	16,927
Veterans service	14,600	14,600	13,367	1,233
Non-departmental	551,285	551,285	538,802	12,483
Total General government	<u>1,063,765</u>	<u>1,063,765</u>	<u>1,004,484</u>	<u>59,281</u>
Judicial:				
Law library	25,718	32,718	37,917	(5,199)
Justice of the Peace #1	119,725	121,125	120,642	483
Justice of the Peace #2	133,895	134,895	133,895	1,000
District Attorney	222,955	222,955	220,398	2,557
District Clerk	205,240	205,240	194,964	10,276
District Court	280,895	280,895	256,831	24,064
Total Judicial	<u>988,428</u>	<u>997,828</u>	<u>964,647</u>	<u>33,181</u>
Legal:				
County Attorney	212,635	213,635	210,439	3,196
Financial:				
Tax Collector	288,155	288,155	281,439	6,716
Treasurer	80,825	80,825	79,579	1,246
County Auditor	162,930	162,930	152,146	10,784
Total Financial	<u>531,910</u>	<u>531,910</u>	<u>513,164</u>	<u>18,746</u>
Public facilities:				
Courthouse	203,725	203,725	198,941	4,784
Jail	831,235	857,735	856,105	1,630
Auditorium	363,620	423,620	396,030	27,590
Arena	164,570	259,570	256,465	3,105
Total Public facilities	<u>1,563,150</u>	<u>1,744,650</u>	<u>1,707,541</u>	<u>37,109</u>

WILBARGER COUNTY, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
Public Safety:				
Constable #1	70,205	70,955	70,046	909
Constable #2	60,860	61,860	61,775	85
Juvenile probation	27,500	27,500	-	27,500
Sheriff	596,405	596,405	587,175	9,230
Civil defense	21,400	21,400	20,373	1,027
Department of Public Safety	3,000	3,000	2,536	464
Community supervision	1,000	1,000	666	334
Total Public Safety	<u>780,370</u>	<u>782,120</u>	<u>742,571</u>	<u>39,549</u>
Health and Welfare:				
Health and welfare	54,030	56,030	55,619	411
Outreach services	155,350	179,350	135,895	43,455
Total Health and Welfare	<u>209,380</u>	<u>235,380</u>	<u>191,514</u>	<u>43,866</u>
Conservation:				
Extension service	156,050	157,300	149,954	7,346
Total expenditures	<u>5,505,688</u>	<u>5,726,588</u>	<u>5,484,314</u>	<u>242,274</u>
Excess of revenues over (under) expenditures	<u>88,481</u>	<u>12,581</u>	<u>111,945</u>	<u>99,364</u>
Other sources (uses):				
Transfers in	-	-	4,664	(4,664)
Transfers out	(274,000)	(320,200)	(347,050)	26,850
Total other sources (uses)	<u>(274,000)</u>	<u>(320,200)</u>	<u>(342,386)</u>	<u>22,186</u>
Net change in fund balances	(185,519)	(307,619)	(230,441)	77,178
Fund balances, beginning of year	<u>2,230,557</u>	<u>2,230,557</u>	<u>2,230,557</u>	<u>-</u>
Fund balances, end of year	<u>\$ 2,045,038</u>	<u>\$ 1,922,938</u>	<u>\$ 2,000,116</u>	<u>\$ 77,178</u>

WILBARGER COUNTY, TEXAS
ROAD AND BRIDGE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Property taxes	\$ 1,840,588	\$ 1,840,588	\$ 1,866,064	\$ 25,476
Fees and commissions	560,000	560,000	541,581	(18,419)
Intergovernmental	19,100	19,100	19,070	(30)
Investment return	14,000	14,000	9,537	(4,463)
Miscellaneous	10,000	59,500	49,659	(9,841)
Total revenues	<u>2,443,688</u>	<u>2,493,188</u>	<u>2,485,911</u>	<u>(7,277)</u>
Expenditures				
Current:				
General government:				
Road and bridge administration	31,950	31,950	32,180	(230)
Total General government	<u>31,950</u>	<u>31,950</u>	<u>32,180</u>	<u>(230)</u>
Road and Bridge:				
Precinct Number One	612,005	798,505	730,808	67,697
Precinct Number Two	474,165	690,565	617,170	73,395
Precinct Number Three	544,830	569,830	441,043	128,787
Precinct Number Four	578,496	589,496	528,986	60,510
Total Road and Bridge	<u>2,209,496</u>	<u>2,648,396</u>	<u>2,318,007</u>	<u>330,389</u>
Debt service:				
Principal	244,949	244,949	340,597	(95,648)
Interest	16,536	16,536	16,331	205
Total Debt Service	<u>261,485</u>	<u>261,485</u>	<u>356,928</u>	<u>(95,443)</u>
Total expenditures	<u>2,502,931</u>	<u>2,941,831</u>	<u>2,707,115</u>	<u>234,716</u>
Excess of revenues over (under) expenditures	<u>(59,243)</u>	<u>(448,643)</u>	<u>(221,204)</u>	<u>227,439</u>
Other financing sources:				
Proceeds from capital leases	-	55,000	150,661	95,661
Proceeds from sale of capital assets	50,000	244,000	229,709	(14,291)
Total other financing sources	<u>50,000</u>	<u>299,000</u>	<u>380,370</u>	<u>81,370</u>
Net change in fund balances	(9,243)	(149,643)	159,166	308,809
Fund balances - beginning	<u>1,497,256</u>	<u>1,497,256</u>	<u>1,497,256</u>	<u>-</u>
Fund balances - ending	<u>\$ 1,488,013</u>	<u>\$ 1,347,613</u>	<u>\$ 1,656,422</u>	<u>\$ 308,809</u>

WILBARGER COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM

	2014	2015	2016
Total Pension Liability			
Service cost	\$ 470,346	\$ 473,833	\$ 477,053
Interest on total pension liability	1,290,558	1,364,294	1,423,069
Effect of plan changes	-	(63,363)	-
Effect of plan changes or inputs	-	181,537	-
Effect of economic/demographic (gains) or losses	(125,195)	(354,534)	31,531
Benefit payments/refunds of contributions	(719,553)	(853,111)	(785,156)
Net change in total pension liability	916,156	748,656	1,146,497
Total pension liability (asset), beginning	16,054,991	16,971,147	17,719,803
Total pension liability (asset), ending (a)	<u>\$ 16,971,147</u>	<u>\$ 17,719,803</u>	<u>\$ 18,866,300</u>
Fiduciary Net Position			
Employer contributions	\$ 440,759	\$ 442,847	\$ 442,766
Member contributions	254,256	256,828	262,915
Investment income net of investment expenses	1,014,994	(46,804)	1,143,738
Benefit payments/refunds of contributions	(719,553)	(853,111)	(785,156)
Administrative expenses	(11,821)	(11,232)	(12,426)
Other	(114,370)	(101,807)	23,444
Net change in fiduciary net position	864,265	(313,279)	1,075,281
Fiduciary net position, beginning	14,926,576	15,790,841	15,477,562
Fiduciary net position, ending (b)	<u>\$ 15,790,841</u>	<u>\$ 15,477,562</u>	<u>\$ 16,552,843</u>
Net pension liability / (asset), ending = (a) - (b)	<u>\$ 1,180,306</u>	<u>\$ 2,242,241</u>	<u>\$ 2,313,457</u>
Fiduciary net position as a % of total pension liability	<u>93.05%</u>	<u>87.35%</u>	<u>87.74%</u>
Pensionable covered payroll	<u>\$ 3,632,223</u>	<u>\$ 3,668,973</u>	<u>\$ 3,733,218</u>
Net pension liability as a % of covered payroll	<u>32.50%</u>	<u>61.11%</u>	<u>61.97%</u>

This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the standards of GASB 67/68, they should not be shown here. Therefore, we have shown only years for which the new GASB statements have been prepared.

WILBARGER COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM

Year Ending December 31,	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll (1)	Actual Contribution as a % of Covered Payroll
2007	\$ 300,009	\$ 300,009	\$ -	\$ 2,729,833	11.0%
2008	311,299	311,299	-	2,917,513	10.7%
2009	342,968	342,968	-	3,223,385	10.6%
2010	367,663	367,663	-	3,227,950	11.4%
2011	351,892	351,892	-	3,310,321	10.6%
2012	384,895	384,895	-	3,428,852	11.2%
2013	413,912	413,912	-	3,501,755	11.8%
2014	440,589	440,759	(170)	3,632,223	12.1%
2015	442,847	442,847	-	3,668,973	12.1%
2016	442,766	442,766	-	3,733,218	11.9%

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

Valuation Date:

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

Methods and Assumptions Used to Determine Contribution Rates:

<i>Actuarial Cost Method</i>	Entry Age
<i>Amortization Method</i>	Level percentage of payroll, closed
<i>Remaining Amortization Period</i>	13.0 years (based on contribution rate calculated in 12/31/16 valuation)
<i>Asset Valuation Method</i>	5-year smoothed market
<i>Inflation</i>	3.0%
<i>Salary increases</i>	Varies by age and service. 4.9% average over career including inflation
<i>Investment rate of return</i>	8.0%, net of investment expenses, including inflation
<i>Retirement age</i>	Members eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement of recent retirees is 61.
<i>Mortality</i>	In the 2015 actuarial valuation, assumed life expectancies were adjusted as a result of adopting a new projection scale (110% of the MP-2014 Ultimate Scale) for 2014 and later. Previously Scale AA had been used. The base table is the RP-2000 table projected with Scale AA to 2014.
<i>Changes in Plan Provisions Reflected in the Schedules</i>	No changes in plan provisions are reflected in the Schedule of Employer Contributions.

WILBARGER COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS -
WILBARGER COUNTY RETIREE HEALTH CARE PLAN

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
9/30/2010	\$ -	\$ 65,786	\$ 65,786	0.00%	\$ 3,229,239	2.04%
9/30/2012	-	80,956	80,956	0.00%	3,383,011	2.39%
9/30/2014	-	79,605	79,605	0.00%	3,561,030	2.24%
9/30/2016	-	79,222	79,222	0.00%	3,435,319	2.31%

Note: The actuarial analysis is only prepared every third year; therefore, the above information for 9/30/2011, 9/30/2013, and 9/30/2015 are not available.

WILBARGER COUNTY, TEXAS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED SEPTEMBER 30, 2017

A. BUDGETARY INFORMATION

Annual budgets are adopted on the GAAP basis of accounting for all governmental funds except capital project funds. Project-length budgets were adopted for all capital projects funds. All annual appropriations lapse at fiscal year end.

The County Judge is, by statute, the Budget Officer of the County and has the responsibility of preparing the County's budget. Under the County's budgeting procedures, each department submits a budget request to the County Judge. The County Judge reviews budget requests and holds informal hearings when needed. Before October 1, a proposed budget is presented to the Commissioners' Court. A public hearing is then held and the Commissioners' Court takes action on the proposed budget. Before determining the final budget, the Commissioners' Court may increase or decrease the amounts requested by the various departments. Amounts finally budgeted may not exceed the estimate of revenues and available fund balance.

Once the budget has been adopted by the Commissioners' Court, the County Auditor is responsible for monitoring the expenditures of the various departments of the County to prevent expenditures from exceeding budgeted appropriations and for keeping members of the Commissioners' Court advised of the conditions of the various funds and accounts.

The appropriated budget is prepared by fund. Any transfers of appropriations are first approved by the Commissioners' Court. No amendments may be made without Commissioners' Court approval to the total budget for each department within a fund. Thus, the legal level of budgetary control is at the department level. No supplemental appropriations were required during the year.

The County over-expended the final amended budget in the following funds and categories:

General Fund:	
Law library	\$ 5,199
Road and Bridge Fund:	
Road and bridge administration	230
Debt service – principal	95,648

Encumbrance accounting is not employed by the County because it is not considered necessary to assure effective budgetary control.

B. DEFINED BENEFIT PENSION PLAN

Changes of benefit terms

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

Changes of assumptions

There were no changes in the actuarial assumptions that affected the measurement of the total pension liability during the measurement period.

***COMBINING STATEMENTS AND BUDGET COMPARISONS
AS SUPPLEMENTARY INFORMATION***

This supplementary information includes financial statements and schedules not required by the Governmental Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

CETRZ Fund – This fund is used to account for the costs associated with the County Energy Transportation Reinvestment Zone (CETRZ) grant funds.

Jury Fund – This fund is used to account for the cost of providing jury service for county and district courts.

Special Services Fund – This fund is used to account for special fees with specific purposes as set out by state legislation. Funding is provided by those specific fees.

Grant Fund – This fund is used to account for various individual grants received by Wilbarger County.

Juvenile Services Fund – This fund is used to account for the services of the 46th Juvenile Justice District and the related reimbursements received from the state. This fund is not budgeted.

CAPITAL PROJECTS FUND

Capital Projects Fund – This fund is used to account for the accumulation of resources for, and the payment of capital projects.

WILBARGER COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2017

	Special Revenue Funds					Capital Projects Fund	Total Nonmajor Governmental Funds (See Exhibit A-3)
	CETRZ Fund	Jury Fund	Special Services Fund	Grant Fund	Juvenile Services Fund		
Assets							
Cash and cash equivalents	\$ (365,193)	\$ 7,047	\$ 284,826	\$ 3,413	\$ 33,701	\$ 105,125	\$ 68,919
Receivables, net:							
Fines	-	-	8,859	-	-	-	8,859
Intergovernmental	365,193	-	-	-	14,484	-	379,677
Due from other funds	-	-	4,389	-	-	-	4,389
Total assets	<u>\$ -</u>	<u>\$ 7,047</u>	<u>\$ 298,074</u>	<u>\$ 3,413</u>	<u>\$ 48,185</u>	<u>\$ 105,125</u>	<u>\$ 461,844</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances							
Liabilities:							
Accounts payable	\$ -	\$ -	\$ 2,020	\$ -	\$ 2,700	\$ -	\$ 4,720
Salaries payable	-	-	-	-	1,057	-	1,057
Due to others	-	1,182	-	-	-	-	1,182
Due to other funds	-	-	6,222	3,413	20,000	-	29,635
Total liabilities	<u>-</u>	<u>1,182</u>	<u>8,242</u>	<u>3,413</u>	<u>23,757</u>	<u>-</u>	<u>36,594</u>
Deferred inflows of resources:							
Unavailable revenues	-	-	8,859	-	-	-	8,859
Fund balances:							
Restricted	-	5,865	280,973	-	-	-	286,838
Committed	-	-	-	-	24,428	105,125	129,553
Total fund balances	<u>-</u>	<u>5,865</u>	<u>280,973</u>	<u>-</u>	<u>24,428</u>	<u>105,125</u>	<u>416,391</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ -</u>	<u>\$ 7,047</u>	<u>\$ 298,074</u>	<u>\$ 3,413</u>	<u>\$ 48,185</u>	<u>\$ 105,125</u>	<u>\$ 461,844</u>

WILBARGER COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Special Revenue Funds					Capital Projects Fund	Total Nonmajor Governmental Funds (See Exhibit A-5)
	CETRZ Fund	Jury Fund	Special Services Fund	Grant Fund	Juvenile Services Fund		
Revenues							
Fees and commissions	\$ -	\$ -	\$ 78,050	\$ -	\$ 3,859	\$ -	\$ 81,909
Fines and forfeitures	-	-	14,002	-	-	-	14,002
Intergovernmental	295,642	3,298	-	13,851	242,212	-	555,003
Investment return	-	45	2,542	-	764	830	4,181
Total revenues	<u>295,642</u>	<u>3,343</u>	<u>94,594</u>	<u>13,851</u>	<u>246,835</u>	<u>830</u>	<u>655,095</u>
Expenditures							
Current:							
General government	-	-	48,915	-	-	-	48,915
Judicial	-	-	-	13,851	-	-	13,851
Legal	-	10,519	-	-	-	-	10,519
Public safety	-	-	-	-	267,903	-	267,903
Road and bridge	295,642	-	-	-	-	-	295,642
Total expenditures	<u>295,642</u>	<u>10,519</u>	<u>48,915</u>	<u>13,851</u>	<u>267,903</u>	<u>-</u>	<u>636,830</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(7,176)</u>	<u>45,679</u>	<u>-</u>	<u>(21,068)</u>	<u>830</u>	<u>18,265</u>
Other sources (uses):							
Transfers in	-	10,000	-	-	27,000	-	37,000
Transfers out	-	-	(4,664)	-	-	-	(4,664)
Total other sources (uses)	<u>-</u>	<u>10,000</u>	<u>(4,664)</u>	<u>-</u>	<u>27,000</u>	<u>-</u>	<u>32,336</u>
Net change in fund balances	-	2,824	41,015	-	5,932	830	50,601
Fund balances, beginning of year	-	3,041	239,958	-	18,496	104,295	365,790
Fund balances, end of year	<u>\$ -</u>	<u>\$ 5,865</u>	<u>\$ 280,973</u>	<u>\$ -</u>	<u>\$ 24,428</u>	<u>\$ 105,125</u>	<u>\$ 416,391</u>

WILBARGER COUNTY, TEXAS
CETRZ FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ -	\$ -	\$ 295,642	\$ 295,642
Investment return	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>295,642</u>	<u>295,642</u>
Expenditures				
Current:				
Road and bridge	<u>-</u>	<u>-</u>	<u>295,642</u>	<u>(295,642)</u>
Net change in fund balances	-	-	-	-
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

WILBARGER COUNTY, TEXAS
JURY FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 3,000	\$ 3,000	\$ 3,298	\$ 298
Investment return	50	50	45	(5)
Total revenues	<u>3,050</u>	<u>3,050</u>	<u>3,343</u>	<u>293</u>
Expenditures				
Current:				
Legal	<u>8,500</u>	<u>8,500</u>	<u>10,519</u>	<u>(2,019)</u>
Excess of revenues over (under) expenditures	(5,450)	(5,450)	(7,176)	(1,726)
Other source:				
Transfers in	<u>5,450</u>	<u>5,450</u>	<u>10,000</u>	<u>4,550</u>
Net change in fund balances	-	-	2,824	2,824
Fund balances, beginning of year	<u>3,041</u>	<u>3,041</u>	<u>3,041</u>	-
Fund balances, end of year	<u>\$ 3,041</u>	<u>\$ 3,041</u>	<u>\$ 5,865</u>	<u>\$ 2,824</u>

WILBARGER COUNTY, TEXAS
SPECIAL SERVICES FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Revenues				
Fees and commissions	\$ 71,500	\$ 80,500	\$ 78,050	\$ (2,450)
Fines and forfeitures	2,000	14,000	14,002	2
Investment return	1,300	1,300	2,542	1,242
Total revenues	<u>74,800</u>	<u>95,800</u>	<u>94,594</u>	<u>(1,206)</u>
Expenditures				
Current:				
General government	<u>60,335</u>	<u>48,335</u>	<u>48,915</u>	<u>(580)</u>
Excess of revenues over (under) expenditures	14,465	47,465	45,679	(1,786)
Other use:				
Transfers out	<u>-</u>	<u>-</u>	<u>(4,664)</u>	<u>(4,664)</u>
Net change in fund balances	14,465	47,465	41,015	(6,450)
Fund balances, beginning of year	<u>239,958</u>	<u>239,958</u>	<u>239,958</u>	<u>-</u>
Fund balances, end of year	<u>\$ 254,423</u>	<u>\$ 287,423</u>	<u>\$ 280,973</u>	<u>\$ (6,450)</u>

WILBARGER COUNTY, TEXAS
GRANT FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 21,000	\$ 13,651	\$ 13,851	\$ 200
Total revenues	<u>21,000</u>	<u>13,651</u>	<u>13,851</u>	<u>200</u>
Expenditures				
Current:				
Judicial	21,000	13,651	13,851	(200)
Total expenditures	<u>21,000</u>	<u>13,651</u>	<u>13,851</u>	<u>(200)</u>
Net change in fund balances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

WILBARGER COUNTY, TEXAS
JUVENILE SERVICES FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Revenues				
Fees and commissions	\$ 4,000	\$ 4,000	\$ 3,859	\$ (141)
Intergovernmental	204,805	199,561	242,212	42,651
Investment return	400	500	764	264
Total revenues	<u>209,205</u>	<u>204,061</u>	<u>246,835</u>	<u>42,774</u>
Expenditures				
Current:				
Public safety	<u>199,561</u>	<u>199,561</u>	<u>267,903</u>	<u>(68,342)</u>
Total expenditures	<u>199,561</u>	<u>199,561</u>	<u>267,903</u>	<u>(68,342)</u>
Excess (deficiency) of revenues over (under) expenditures	9,644	4,500	(21,068)	(25,568)
Other sources (uses):				
Transfers in	<u>-</u>	<u>-</u>	<u>27,000</u>	<u>27,000</u>
Net change in fund balances	9,644	4,500	5,932	1,432
Fund balances, beginning of year	<u>18,496</u>	<u>18,496</u>	<u>18,496</u>	<u>-</u>
Fund balances, end of year	<u>\$ 28,140</u>	<u>\$ 22,996</u>	<u>\$ 24,428</u>	<u>\$ 1,432</u>

WILBARGER COUNTY, TEXAS
CAPITAL PROJECTS FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Revenues				
Investment return	\$ 500	\$ 500	\$ 830	\$ 330
Total revenues	<u>500</u>	<u>500</u>	<u>830</u>	<u>330</u>
Expenditures				
Current:				
Public facilities	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	500	500	830	330
Fund balances, beginning of year	104,295	104,295	104,295	-
Fund balances, end of year	<u>\$ 104,795</u>	<u>\$ 104,795</u>	<u>\$ 105,125</u>	<u>\$ 330</u>

FIDUCIARY FUNDS

Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, or other governments.

Tax Assessor/Collector Agency – This fund is used to account for receipts of the tax assessor/collector pending disposition to individuals and entities, the County and other governments.

County Clerk Agency – This fund is used to account for receipts of the county clerk pending disposition to individuals and entities, the County or other governments.

Sheriff Agency – This fund is used to account for receipts of the sheriff pending disposition to individuals and entities, the County or other governments.

County Attorney Agency – This fund is used to account for receipts of the county attorney pending disposition to individuals and entities, the County or other governments.

Justice of the Peace Fee Account Agency – This fund is used to account for receipts of fines and court costs by two justices of the peace pending disposition to individuals and entities, the County or other governments.

District Clerk Agency – This fund is used to account for receipts of the District Clerk pending disposition to individuals and entities, the County or other governments.

District Attorney Agency – This fund is used to account for receipts of the District Attorney pending disposition to individuals and entities, the County or other governments.

Constable #1 Agency – This fund is used to account for training funds of Constable #1 pending disposition to individuals and others.

Constable #2 Agency – This fund is used to account for training funds of Constable #2 pending disposition to individuals and others.

State Tax Agency – This fund is used to account for receipts for state court costs and fees pending disposition to individuals and entities, the County or other governments.

Jail Commissary Agency – This fund is used to account for the activity of the jail commissary.

Christmas Club Account Agency – This fund is used as a savings account for the receipts withheld from employees' regular paychecks and held pending yearly distribution to the employees from which it was withheld.

Probation Account – This fund is used to account for funds held related to adult probation.

Historical Commission Account – This fund is used to account for funds held related to the Historical Commission.

WILBARGER COUNTY, TEXAS
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
SEPTEMBER 30, 2017

	Tax Assessor/ Collector Agency	County Clerk Agency	Sheriff Agency	County Attorney Agency	Justice of the Peace Fee Account
Assets					
Cash and cash equivalents	\$ 586,815	\$ 59,158	\$ 28,028	\$ 41,507	\$ 20,808
Investments	-	36,332	-	-	-
Due from others	-	-	-	-	541
Due from other funds	-	-	-	-	-
Total assets	<u>\$ 586,815</u>	<u>\$ 95,490</u>	<u>\$ 28,028</u>	<u>\$ 41,507</u>	<u>\$ 21,349</u>
Liabilities					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	19,474	24,120	375	-	21,349
Due to other governments	567,341	-	-	-	-
Due to others	-	71,370	27,653	41,507	-
Total liabilities	<u>\$ 586,815</u>	<u>\$ 95,490</u>	<u>\$ 28,028</u>	<u>\$ 41,507</u>	<u>\$ 21,349</u>

<u>District Clerk Agency</u>	<u>District Attorney</u>	<u>Constable #1</u>	<u>Constable #2</u>	<u>State Tax Agency</u>	<u>Jail Commissary</u>
\$ 252,888	\$ 70,432	\$ 1,943	\$ 2,684	\$ 31,817	\$ 7,007
174,965	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	12,677	-
<u>\$ 427,853</u>	<u>\$ 70,432</u>	<u>\$ 1,943</u>	<u>\$ 2,684</u>	<u>\$ 44,494</u>	<u>\$ 7,007</u>
\$ -	\$ -	\$ -	\$ -	\$ 354	\$ -
8,889	100	-	-	7,017	7,007
-	-	-	-	37,123	-
418,964	70,332	1,943	2,684	-	-
<u>\$ 427,853</u>	<u>\$ 70,432</u>	<u>\$ 1,943</u>	<u>\$ 2,684</u>	<u>\$ 44,494</u>	<u>\$ 7,007</u>

WILBARGER COUNTY, TEXAS
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
SEPTEMBER 30, 2017

	Christmas Club Account Agency	Probation Account	Historical Commission	Total Agency Funds (See Exhibit A-10)
Assets				
Cash and cash equivalents	\$ 75,052	\$ 110,791	\$ 17,982	\$ 1,306,912
Investments	-	-	-	211,297
Due from others	-	-	-	541
Due from other funds	-	-	-	12,677
Total assets	<u>\$ 75,052</u>	<u>\$ 110,791</u>	<u>\$ 17,982</u>	<u>\$ 1,531,427</u>
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ 354
Due to other funds	-	-	-	88,331
Due to other governments	-	-	-	604,464
Due to others	75,052	110,791	17,982	838,278
Total liabilities	<u>\$ 75,052</u>	<u>\$ 110,791</u>	<u>\$ 17,982</u>	<u>\$ 1,531,427</u>