

WILBARGER COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2016

WILBARGER COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2016

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ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2016

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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, 2016 and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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, 2016, 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 25, 2017

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, 2016.

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, 2016, by \$13,034,820 (net position). Of this amount, \$3,294,430 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- _ The County's fiscal year 2016 total net position decreased by \$4,981. This small decrease is a positive considering the large decreases in fiscal years 2014 and 2015.
- _ The County's governmental funds reported combined ending fund balances of \$4,093,603, a decrease of \$705,524 in comparison to the previous year.
- _ The unassigned portion of the General Fund balance at September 30, 2016 was \$1,969,359 or 36.01% of total FY 2016 General Fund Expenditures.
- _ Government-wide long term liabilities increased by \$1,093,787. The majority of this amount is the result of a \$1,061,937 increase in net pension liability. It also includes the net of scheduled lease payments plus four additional leases 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, all of which 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 2016, the County’s net position (assets and deferred outflows of resources exceeding liabilities and deferred inflows of resources) totaled \$13,034,820. 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, \$9,497,391 or 72.86%, 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, \$242,999 or 1.87%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets, \$3,294,430, or 25.27%, 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	
	09-30-16	09-30-15	09-30-16	09-30-15	09-30-16	09-30-15
Current and other assets	\$4,924,745	\$5,640,924	\$98,819	\$122,586	\$5,023,564	\$5,763,510
Capital Assets	9,362,998	8,432,106	829,345	897,062	10,192,343	9,329,168
Total Assets	14,287,743	14,073,030	928,164	1,019,648	15,215,907	15,092,678
Pension Plan Deferred Outflow:	1,627,160	470,509	36,603	8,624	1,663,763	479,133
Long term Liabilities	2,963,595	1,889,844	94,943	74,907	3,058,538	1,964,751
Other Liabilities	415,169	439,301	12,398	27,802	427,567	467,103
Total Liabilities	3,378,764	2,329,145	107,341	102,709	3,486,105	2,431,854
Pension Plan Deferred Inflow:	350,853	98,353	7,892	1,803	358,745	100,156
Net Position:						
Net investment in capital assets	8,708,411	7,804,776	788,980	847,152	9,497,391	8,651,928
Restricted for: Special Services	239,958	309,178			239,958	309,178
Jury Duty	3,041	983			3,041	983
Unrestricted	3,233,876	4,001,104	60,554	76,608	3,294,430	4,077,712
Total Net Position	\$12,185,286	\$12,116,041	\$849,534	\$923,760	\$13,034,820	\$13,039,801

Changes in Net Position: The ending government-wide net position of the County for fiscal year 2016 was \$4,981 less than the ending net position from fiscal year 2015.

Governmental Activities: Governmental activities increased the County’s net position by \$69,245 from fiscal year 2015.

Business-type Activities: Net position from business-type activities decreased by \$74,226 from fiscal 2015 primarily due to a decrease in fuel sale profit margin.

Table 2
Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	09-30-16	09-30-15	09-30-16	09-30-15	09-30-16	09-30-15
Revenues:						
Program Revenues:						
Charges for services	\$1,720,721	\$1,719,662	\$317,567	\$358,191	\$ 2,038,288	\$ 2,077,853
Operating grants & contributions	247,986	172,313	18,665	10,437	266,651	182,750
Capital Grants & contributions	1,096,105	--	--	--	1,096,105	--
General Revenues:						
Property taxes	5,052,988	4,905,286	--	--	5,052,988	4,905,286
Sales Tax	635,038	621,474	--	--	635,038	621,474
Other taxes	7,441	7,878	--	--	7,441	7,878
Investment earnings	54,887	49,089	96	117	54,983	49,206
Miscellaneous	165,406	55,858	15,230	15,230	180,636	71,088
Total Revenues	8,980,572	7,531,560	351,558	383,975	9,332,130	7,915,535
Expenditures:						
General Government	1,199,061	1,066,951	--	--	1,199,061	1,066,951
Judicial	972,911	950,206	--	--	972,911	950,206
Legal	225,512	214,226	--	--	225,512	214,226
Financial	526,299	495,260	--	--	526,299	495,260
Public Facilities	1,810,659	1,543,756	--	--	1,810,659	1,543,756
Public Safety	1,038,804	1,015,942	--	--	1,038,804	1,015,942
Health & Welfare	76,370	129,810	--	--	76,370	129,810
Conservation	162,000	156,550	--	--	162,000	156,550
Road & Bridge	2,830,293	2,626,651	--	--	2,830,293	2,626,651
Interest and Fiscal Charges	15,485	11,768	--	--	15,485	11,768
Airport Operations	--	--	479,717	496,108	479,717	496,108
Total Expenditures	8,857,394	8,211,120	479,717	496,108	9,337,111	8,707,228
Change in net position						
Before transfers	123,178	(679,560)	(128,159)	(112,133)	(4,981)	(791,693)
Transfers	(53,933)	--	53,933	--	--	--
Net Position-Beginning of year	12,116,041	13,508,255	923,760	1,050,414	13,039,801	14,558,669
Prior Period Adjustments	--	(712,654)	--	(14,521)	--	(727,175)
Net Position-End of year	\$ 12,185,286	\$ 12,116,041	\$ 849,534	\$ 923,760	\$13,034,820	\$13,039,801

Governmental Activities. Governmental activities increased Wilbarger County's net position by \$69,245. Key elements of this increase 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
- Property Tax revenues for fiscal 2016 were \$147,702 more than in fiscal year 2015. A \$43.9 million increase in the net taxable values caused a decrease in the effective tax rate. The commissioners court chose to adopt the same tax rate as the previous year which produced a larger tax levy than in FY 2015.

- Public Facilities expenses increased by \$266,903 due to a combination of events. Among these were increases in maintenance expenditures related to significant weather related repairs and replacing HVAC units. In addition, management made an accounting policy change during FY 2016 including insurance expenses in the individual departments. Also, there was a large increase of \$33,000 over the prior year for spending on inmate medical expenses.
- Road & Bridge Fund expenses increased by \$203,642 primarily due to an increase in construction supplies, CETRZ grant expenses, and R&B depreciation expense.

Business-type Activities. Business-type activities decreased Wilbarger County's net position by \$74,226. The airport sold 78,241 gallons of fuel during fiscal year 2016, a 3,838 gallon increase compared to fiscal year 2015. Though the number of gallons increased, the sales priced significantly decreased due to market declines. Transfers totaling \$53,933 from the General Fund were needed to fund operations due to a lack of sufficient revenues.

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 2016, the County's governmental funds reported combined fund balances of \$4,093,603, which is a decrease of \$705,524 compared to fiscal year 2015.

The General Fund is the main operating fund of the County. At the end of fiscal year 2016, the General Fund unassigned fund balance was \$1,969,359 which is a decrease of \$334,138 compared to fiscal year 2015. Items of note concerning the General Fund are as follows.

- General Fund total revenues increased by \$218,803 compared to FY 2015.
- Property tax revenues exceeded FY 2015 collections by \$103,215. There was a 4% increase in net taxable valuation and a greater percentage of the total County ad valorem tax rate being allocated to the General Fund compared to fiscal 2015.
- There was only a small decrease over the previous year for general fund fees and commissions of \$14,004 due to decreases in collections from the County's fee offices. A leading factor in this decrease is the DPS troopers being stationed on the Texas border which results in fewer local traffic citations being written.
- General Fund total expenditures for FY 2015 were \$322,822 more than FY 2015. This was primarily due to some large weather related building maintenance repairs including the unexpected replacement of some HVAC units.

For the 2016 fiscal year, the Road & Bridge Fund had a decrease in fund balance of \$197,169. Items to note relative to the Road & Bridge Fund are as follow:

- Total revenues increased by \$51,645 compared to FY 2015. Property tax collections for FY 2016 were \$28,323 more than in FY 2015. Although the total County property tax rate was identical to the FY 2015 rate,

a greater percentage of the total County tax rate for FY 2016 was allocated to the General Fund compared to FY 2015.

- Road and Bridge total expenditures increased by \$406,922 from the prior year. The primary cause for this increase was the purchase of equipment compared to FY 2015. Related capital asset sales proceeds were \$234,711 for FY 2016 compared to \$292,606 for FY 2015.
- Road & Bridge fund received \$225,556 in capital lease proceeds to finance equipment purchases and expended \$213,784 in lease principal and interest payments during FY 2016.

The other non-major governmental funds recognized an decrease in fund balance of \$96,797.

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 \$64,962 less than budgeted. Combined property taxes collections were \$131,400 less than budgeted for General and Road & Bridge Funds together.
- Fees and commissions revenues collected were \$437,885 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 2016 were \$15,739 in excess of their budgeted revenues in the combined General and Road & Bridge Funds.
- The combined total positive budgeted expenditure variance was \$601,905.

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, 2016 amounts to \$10,192,343 (net of accumulated depreciation). The investment in capital assets includes land, buildings and improvements, machinery and equipment and infrastructure. The total increase in the County's investment in capital assets for fiscal year 2016 compared to FY 2015 was 9.25%. 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	
	2016	2015	2016	2015	2016	2015
Land	\$ 307,699	\$ 307,699	\$33,137	\$33,137	\$ 340,836	\$ 340,836
Const. in Progress	--	--	28,570	--	28,570	--
Bldgs & Improvmts	1,936,714	2,025,639	506,264	533,140	2,442,978	2,558,779
Mach & Equipment	3,420,946	3,366,079	77,583	96,687	3,498,529	3,462,766
Infrastructure	3,697,639	2,732,689	183,791	234,098	3,881,430	2,966,787
	<u>\$9,362,998</u>	<u>\$8,432,106</u>	<u>\$829,345</u>	<u>\$897,062</u>	<u>\$10,192,343</u>	<u>\$9,329,168</u>

Debt Administration. During fiscal year 2016 Wilbarger County entered into four new capital leases for the purchases of road and bridge maintenance equipment. The total amount of these new leases was \$225,816. The addition of these new leases plus the scheduled payments on existing leases explains the \$17,712 increase in leases payable during fiscal year 2016.

Table 4
Outstanding Debt at Year End

Type of Debt	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Leases Payable	\$654,587	\$627,330	\$40,365	\$49,910	\$694,952	\$677,240
Comp Absences	75,225	71,186	5,248	3,753	80,473	74,939
OPEB obligation	40,872	32,268	0	0	40,872	32,268
Total	\$770,684	\$730,784	\$45,613	\$53,663	\$816,297	\$784,447

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, 2016 was 4.9%, which is very similar to the state and national average. Fiscal year 2016 sales tax collections for Wilbarger County totaled \$635,038 which was a modest increase of \$13,564 or 2.20% compared to fiscal 2015. 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 2016, unassigned fund balance in the General Fund decreased by \$334,138. The fiscal year 2017 adopted budget reflects a 1.58% increase in General Fund revenue and a 0.91% decrease in General Fund expenditures compared to the fiscal year 2016 final amended budget.

The County ad valorem tax rate increased for fiscal 2017 from fiscal 2016. The tax rate levied in October 2016 to fund the fiscal year 2017 budget of \$0.49498 was \$0.05618 more than the rate adopted October 2015 for the 2016 fiscal year budget. The County had a 96.05% General Fund collection rate of current taxes levied in October 2015, which was a decrease over the General Fund collection rate of 97.27% for taxes levied in October 2014.

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, 2016

	Governmental Activities	Business-type Activities	Total
Assets			
Cash	\$ 1,101,017	\$ 48,834	\$ 1,149,851
Investments	2,937,459	-	2,937,459
Receivables, net:			
Property taxes	196,117	-	196,117
Accounts	-	10,052	10,052
Fines	219,855	-	219,855
Intergovernmental	224,069	3,030	227,099
Other	46,670	-	46,670
Internal balances	(703)	703	-
Due from fiduciaries	84,307	-	84,307
Inventories	20,087	29,168	49,255
Prepaid items	95,867	7,032	102,899
Capital assets, net	9,362,998	829,345	10,192,343
Total assets	<u>14,287,743</u>	<u>928,164</u>	<u>15,215,907</u>
Deferred outflows of resources:			
Pension plan related	<u>1,627,160</u>	<u>36,603</u>	<u>1,663,763</u>
Liabilities			
Accounts payable	276,236	6,987	283,223
Salaries payable	73,228	1,679	74,907
Due to others	34,506	-	34,506
Unearned revenue	31,199	3,732	34,931
Long-term liabilities:			
Due within one year	541,974	15,006	556,980
Due in more than one year	228,710	30,607	259,317
Net pension liability	2,192,911	49,330	2,242,241
Total liabilities	<u>3,378,764</u>	<u>107,341</u>	<u>3,486,105</u>
Deferred inflows of resources:			
Pension plan related	<u>350,853</u>	<u>7,892</u>	<u>358,745</u>
Net Position			
Net investment in capital assets	8,708,411	788,980	9,497,391
Restricted for:			
Special services	239,958	-	239,958
Jury duty	3,041	-	3,041
Unrestricted	3,233,876	60,554	3,294,430
Total net position	<u>\$ 12,185,286</u>	<u>\$ 849,534</u>	<u>\$ 13,034,820</u>

The accompanying notes are an integral part of this statement.

WILBARGER COUNTY, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2016

Functions/Programs	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
Primary Government:			
General government	\$ 1,199,061	\$ 267,855	\$ 27,987
Judicial	972,911	222,408	47,116
Legal	225,512	69,054	23,333
Financial	526,299	284,908	-
Public facilities	1,810,659	57,403	-
Public safety	1,038,804	270,509	34,380
Health and welfare	76,370	-	26,548
Conservation	162,000	-	-
Road and bridge	2,830,293	548,584	88,622
Interest and fiscal charges	15,485	-	-
Total governmental activities	<u>8,857,394</u>	<u>1,720,721</u>	<u>247,986</u>
Business-type Activities:			
Airport	<u>479,717</u>	<u>317,567</u>	<u>18,665</u>
Total primary government	<u>\$ 9,337,111</u>	<u>\$ 2,038,288</u>	<u>\$ 266,651</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.

Net (Expense) Revenue and Changes in Net Position			
Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
\$ -	\$ (903,219)	\$ -	\$ (903,219)
-	(703,387)	-	(703,387)
-	(133,125)	-	(133,125)
-	(241,391)	-	(241,391)
-	(1,753,256)	-	(1,753,256)
-	(733,915)	-	(733,915)
-	(49,822)	-	(49,822)
-	(162,000)	-	(162,000)
1,096,105	(1,096,982)	-	(1,096,982)
-	(15,485)	-	(15,485)
<u>1,096,105</u>	<u>(5,792,582)</u>	<u>-</u>	<u>(5,792,582)</u>
-	-	(143,485)	(143,485)
<u>\$ 1,096,105</u>	<u>(5,792,582)</u>	<u>(143,485)</u>	<u>(5,936,067)</u>
	5,052,988	-	5,052,988
	635,038	-	635,038
	7,441	-	7,441
	54,887	96	54,983
	165,406	15,230	180,636
	(53,933)	53,933	-
	<u>5,861,827</u>	<u>69,259</u>	<u>5,931,086</u>
	69,245	(74,226)	(4,981)
	<u>12,116,041</u>	<u>923,760</u>	<u>13,039,801</u>
	<u>\$ 12,185,286</u>	<u>\$ 849,534</u>	<u>\$ 13,034,820</u>

WILBARGER COUNTY, TEXAS
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2016

	General Fund	Road & Bridge	Other Governmental Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	\$ 306,322	\$ 465,578	\$ 329,117	\$ 1,101,017
Investments	1,921,974	1,015,485	-	2,937,459
Receivables, net:				
Property taxes	128,970	67,147	-	196,117
Accounts	-	-	-	-
Fines	211,185	-	8,670	219,855
Intergovernmental	122,295	23,340	78,434	224,069
Other	15,774	30,896	-	46,670
Due from other funds	88,098	8,165	6,134	102,397
Inventories	7,643	12,444	-	20,087
Prepaid items	83,036	12,831	-	95,867
Total assets	<u>\$ 2,885,297</u>	<u>\$ 1,635,886</u>	<u>\$ 422,355</u>	<u>\$ 4,943,538</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities:				
Accounts payable	\$ 221,295	\$ 47,479	\$ 7,462	\$ 276,236
Salaries payable	54,667	17,719	842	73,228
Due to others	-	-	34,506	34,506
Due to other funds	7,423	6,285	5,085	18,793
Unearned revenue	31,199	-	-	31,199
Total liabilities	<u>314,584</u>	<u>71,483</u>	<u>47,895</u>	<u>433,962</u>
Deferred inflows of resources:				
Unavailable revenues	<u>340,156</u>	<u>67,147</u>	<u>8,670</u>	<u>415,973</u>
Fund balances:				
Nonspendable	90,679	25,275	-	115,954
Restricted	-	-	242,999	242,999
Committed	-	1,471,981	122,791	1,594,772
Assigned	170,519	-	-	170,519
Unassigned	1,969,359	-	-	1,969,359
Total fund balances	<u>2,230,557</u>	<u>1,497,256</u>	<u>365,790</u>	<u>4,093,603</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,885,297</u>	<u>\$ 1,635,886</u>	<u>\$ 422,355</u>	<u>\$ 4,943,538</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, 2016

Total fund balances - governmental funds (Exhibit A-3)		\$ 4,093,603
Amounts reported for <i>governmental activities</i> 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	\$ 25,439,446	
Related accumulated depreciation	<u>16,076,448</u>	9,362,998
Property tax receivables and fines receivables are not available to pay for current period expenditures and therefore are deferred in the funds.		415,973
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	654,587	
Accrued compensated absences	75,225	
Net other post-employment benefit obligation	<u>40,872</u>	(770,684)
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	(2,192,911)	
Deferred outflows - pension related items	1,627,160	
Deferred inflows - pension related items	<u>(350,853)</u>	<u>(916,604)</u>
Total net position - governmental activities (Exhibit A-1)		<u>\$ 12,185,286</u>

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, 2016

	General Fund	Road & Bridge	Other Governmental Funds	Total Governmental Funds
Revenues				
Property taxes	\$ 3,237,026	\$ 1,805,004	\$ -	\$ 5,042,030
Sales taxes	635,038	-	-	635,038
Fees and commissions	763,581	548,584	77,989	1,390,154
Fines and forfeitures	108,470	-	2,252	110,722
Intergovernmental	151,922	19,070	246,195	417,187
Investment return	35,495	17,244	2,148	54,887
Miscellaneous	179,429	29,234	-	208,663
Total revenues	<u>5,110,961</u>	<u>2,419,136</u>	<u>328,584</u>	<u>7,858,681</u>
Expenditures				
Current:				
General government	1,007,137	19,267	142,973	1,169,377
Judicial	928,583	-	14,884	943,467
Legal	216,691	-	2,960	219,651
Financial	520,612	-	-	520,612
Public facilities	1,682,750	-	-	1,682,750
Public Safety	851,510	-	195,284	1,046,794
Health and welfare	71,844	-	-	71,844
Conservation	189,188	-	-	189,188
Road and bridge	-	2,843,521	69,551	2,913,072
Debt service:				
Principal	-	198,479	-	198,479
Interest and fiscal charges	-	15,305	-	15,305
Total expenditures	<u>5,468,315</u>	<u>3,076,572</u>	<u>425,652</u>	<u>8,970,539</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(357,354)</u>	<u>(657,436)</u>	<u>(97,068)</u>	<u>(1,111,858)</u>
Other sources (uses):				
Transfers in	4,729	-	5,000	9,729
Transfers out	(58,933)	-	(4,729)	(63,662)
Proceeds from capital leases	-	225,556	-	225,556
Sale of capital assets	-	234,711	-	234,711
Total other sources (uses)	<u>(54,204)</u>	<u>460,267</u>	<u>271</u>	<u>406,334</u>
Net change in fund balances	(411,558)	(197,169)	(96,797)	(705,524)
Fund balances, beginning of year	<u>2,642,115</u>	<u>1,694,425</u>	<u>462,587</u>	<u>4,799,127</u>
Fund balances, end of year	<u>\$ 2,230,557</u>	<u>\$ 1,497,256</u>	<u>\$ 365,790</u>	<u>\$ 4,093,603</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, 2016

Net change in fund balances - total governmental funds (Exhibit A-5) \$ (705,524)

Amounts reported for *governmental activities* 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	\$ 1,980,189	
Depreciation expense for the year	<u>826,896</u>	1,153,293

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. (222,401)

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. 13,476

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: (225,816)

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: 198,559

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: (4,039)

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: (8,604)

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. (129,699)

Change in net position of governmental activities (Exhibit A-2) \$ 69,245

The accompanying notes are an integral part of this statement.

WILBARGER COUNTY, TEXAS
STATEMENT OF NET POSITION
ENTERPRISE FUND
SEPTEMBER 30, 2016

	Enterprise Fund <u>Airport</u>
Assets	
Current assets:	
Cash and cash equivalents	\$ 48,834
Receivables, net:	
Accounts	10,052
Intergovernmental	3,030
Due from other funds	703
Inventories	29,168
Prepaid items	7,032
Total current assets	<u>98,819</u>
Capital assets, net	<u>829,345</u>
Total assets	<u>928,164</u>
Deferred Outflows of Resources	
Pension plan related	<u>36,603</u>
Liabilities	
Current liabilities:	
Accounts payable	6,987
Salaries payable	1,679
Unearned revenue	3,732
Compensated absences - current portion	5,248
Capital lease payable - current portion	9,758
Total current liabilities	<u>27,404</u>
Noncurrent liabilities:	
Capital lease payable - net of current portion	30,607
Net pension liability	49,330
Total noncurrent liabilities	<u>79,937</u>
Total liabilities	<u>107,341</u>
Deferred Inflows of Resources	
Pension plan related	<u>7,892</u>
Net Position	
Net investment in capital assets	788,980
Unrestricted	60,554
Total net position	<u>\$ 849,534</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, 2016

	Enterprise Fund <u>Airport</u>
Operating Revenues	
Sale of fuel	\$ 255,937
Hangar rentals	50,597
Other revenues	11,033
Total Operating Revenues	<u>317,567</u>
Operating Expenses	
Salaries and related costs	119,897
Other supplies and charges	178,448
Repairs and maintenance	52,714
Insurance	11,469
Utilities	19,781
Depreciation	96,287
Total Operating Expenses	<u>478,596</u>
Operating Loss	<u>(161,029)</u>
Non-Operating Revenues (Expenses)	
Intergovernmental revenue	18,665
Farmland lease	15,230
Interest revenue	96
Interest expense	(1,121)
Total Non-operating Revenues (Expenses)	<u>32,870</u>
Transfers In	<u>53,933</u>
Change in net position	(74,226)
Net position, beginning of year	<u>923,760</u>
Net position, end of year	<u>\$ 849,534</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, 2016

	Enterprise Fund Airport
Cash Flows from Operating Activities:	
Cash received from customers	\$ 324,247
Cash payments to employees for services	(113,948)
Cash payments to other suppliers for goods and services	(277,005)
Net cash used by operating activities	<u>(66,706)</u>
Cash Flows from Non-Capital Financing Activities:	
Interfund borrowings	1,745
Interfund transfers	53,933
Intergovernmental grants	17,523
Farmland lease	15,230
Net cash provided by non-capital financing activities	<u>88,431</u>
Cash Flows from Capital and Related Financing Activities:	
Interest paid	(1,121)
Principal paid	(9,545)
Purchase of capital assets	(28,570)
Net cash used by capital and related financing activities	<u>(39,236)</u>
Cash Flows from Investing Activities:	
Interest on investments	96
Net Decrease in Cash and Cash Equivalents	(17,415)
Cash and Cash Equivalents at Beginning of Year	66,249
Cash and Cash Equivalents at End of Year	<u>\$ 48,834</u>
Reconciliation of Operating Loss to Net Cash Used by Operating Activities:	
Operating loss	\$ (161,029)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:	
Depreciation	96,287
Change in Assets and Liabilities:	
Decrease (Increase):	
Accounts receivables	2,948
Inventories	3,990
Prepaid expenses	(1,189)
Deferred outflows of resources	(27,979)
Increase (Decrease):	
Accounts payable	(17,394)
Salaries payable	(1,742)
Unearned revenues	3,732
Compensated absences	1,495
Deferred inflows of resources	6,089
Net pension liability	28,086
Total adjustments	<u>94,323</u>
Net cash used by operating activities	<u>\$ (66,706)</u>

The accompanying notes are an integral part of this statement.

WILBARGER COUNTY, TEXAS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
SEPTEMBER 30, 2016

	Agency Funds
Assets	
Cash and cash equivalents	\$ 1,288,044
Investments	216,800
Due from other funds	18,112
Total assets	<u>\$ 1,522,956</u>
Liabilities	
Accounts payable	\$ 648
Due to other funds	102,419
Due to other governments	571,643
Due to others	848,246
Total liabilities	<u>\$ 1,522,956</u>

The accompanying notes are an integral part of this statement.

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Reporting Entity

The 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 Wilbarger County, Texas (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, 2016

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, 2016

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, 2016

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, 2016

The following is a summary of the deferred outflows/inflows of resources at September 30, 2016:

	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>\$1,627,160</u>	<u>\$36,603</u>	<u>\$ -</u>
Deferred inflows of resources:			
Pension plan related	\$ 350,853	\$ 7,892	\$ -
Unavailable revenues:			
Property taxes	-	-	196,117
Fines and fees	<u>-</u>	<u>-</u>	<u>219,856</u>
	<u>\$ 350,853</u>	<u>\$ 7,892</u>	<u>\$415,973</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. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are expensed in the period the bonds are issued.

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

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 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, 2016

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, 2016

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, 2016, the carrying amount of the County's deposits was \$3,740,899 and the balance per the bank was \$3,811,456. Included in the carrying amount and bank balance are money market savings account and certificates of deposit (recorded as investments) totaling \$2,591,048.

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, 2016 were \$1,504,844 and the balance per the bank was \$1,549,660. 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, 2016

The County's investments at September 30, 2016 are shown below:

<u>Investment or Investment Type</u>	<u>Weighted Maturity (Months)</u>	<u>Fair Value</u>
Money Market Savings Accounts	N/A	\$ 774,179
Certificates of Deposit	17	1,816,869
Government-backed Security – FHLMC	180	<u>346,411</u>
Total Investments		<u>\$2,937,459</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 government-backed security using Level 1 inputs and 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, 2016

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, 2016, was \$0.28043 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 2015 was \$0.01612. The total tax rate for Wilbarger County for fiscal year 2015 also includes a Farm to Market Right of Way with a tax rate of \$0.14225. The total tax rate for Wilbarger County for fiscal year 2015 was \$0.43880.

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, 2016, net property taxes receivable is calculated as follows:

Gross property taxes receivable	\$317,940
Allowance for uncollectible taxes	<u>(121,823)</u>
Net property taxes receivable	<u>\$196,117</u>

Of the \$196,117 of net property taxes receivable at September 30, 2016, 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, 2016

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, 2016, net fines receivable is calculated as follows:

Gross fines receivable	\$2,672,315
Allowance for uncollectible fines	<u>(2,452,460)</u>
Net fines receivable	<u>\$ 219,855</u>

Of the \$219,855 of net fines receivable at September 30, 2016, 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, 2016 was as follows:

Governmental Activities:	Balance <u>10/1/2015</u>	<u>Additions</u>	<u>Retirements</u>	Balance <u>9/30/2016</u>
Capital assets not being depreciated:				
Land	\$ 307,699	\$ -	\$ -	\$ 307,699
Capital assets being depreciated:				
Buildings and improvements	4,203,549	-	-	4,203,549
Infrastructure	13,234,266	1,096,106	(57,274)	14,273,098
Machinery and equipment	<u>6,198,855</u>	<u>884,083</u>	<u>(427,838)</u>	<u>6,655,100</u>
Total capital assets being depreciated	<u>23,636,670</u>	<u>1,980,189</u>	<u>(485,112)</u>	<u>25,131,747</u>
Less accumulated depreciation for:				
Buildings and improvements	2,177,910	88,925	-	2,266,835
Infrastructure	10,501,577	131,156	(57,274)	10,575,459
Machinery and equipment	<u>2,832,776</u>	<u>606,815</u>	<u>(205,437)</u>	<u>3,234,154</u>
Total accumulated depreciation	<u>15,512,263</u>	<u>826,896</u>	<u>(262,711)</u>	<u>16,076,448</u>
Total capital assets being depreciated, net	<u>8,124,407</u>	<u>1,153,293</u>	<u>(222,401)</u>	<u>9,055,299</u>
Governmental activities capital assets, net	<u>\$ 8,432,106</u>	<u>\$1,153,293</u>	<u>(\$222,401)</u>	<u>\$ 9,362,998</u>

At September 30, 2016, machinery and equipment with a cost of \$1,827,261 and accumulated depreciation of \$448,451 is financed under capital leases.

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2016

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

Governmental activities:	
General government	\$ 20,356
Judicial	8,630
Financial	1,538
Public facilities	103,566
Public safety	58,541
Health and welfare	3,182
Conservation	8,381
Road and bridge	<u>622,702</u>
 Total governmental depreciation	 <u>\$826,896</u>

Business-Type Activities:	Balance <u>10/1/2015</u>	<u>Additions</u>	<u>Retirements</u>	Balance <u>9/30/2016</u>
Capital assets not being depreciated:				
Land	\$ 33,137	\$ -	\$ -	\$ 33,137
Construction in progress	<u>-</u>	<u>28,570</u>	<u>-</u>	<u>28,570</u>
Total capital assets not being depreciated	<u>33,137</u>	<u>28,570</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	544,474	26,876	-	571,350
Infrastructure	1,778,204	50,307	-	1,828,511
Machinery and equipment	<u>303,821</u>	<u>19,104</u>	<u>-</u>	<u>322,925</u>
Total accumulated depreciation	<u>2,626,499</u>	<u>96,287</u>	<u>-</u>	<u>2,722,786</u>
Total capital assets being depreciated, net	<u>863,925</u>	<u>(96,287)</u>	<u>-</u>	<u>767,638</u>
Business-type activities capital assets, net	<u>\$ 897,062</u>	<u>(\$67,717)</u>	<u>\$ -</u>	<u>\$ 829,345</u>

At September 30, 2016, machinery and equipment with a cost of \$114,500 and accumulated depreciation of \$61,067 is financed under capital leases.

G. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Balances due to and from other funds at September 30, 2016 were as follows:

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2016

<u>Due To Fund</u>	<u>Due From Fund</u>	<u>Payable</u>	<u>Reason</u>
General Fund	Agency Funds	\$ 88,098	Short-term loan
Road & Bridge Fund	Agency Funds	8,165	Short-term loan
Other Governmental Funds	Agency Funds	6,134	Short-term loan
Airport Fund	Road & Bridge Fund	703	Short-term loan
Agency Funds	General Fund	7,423	Short-term loan
Agency Funds	Road & Bridge Fund	5,582	Short-term loan
Agency Funds	Other Governmental Funds	5,085	Short-term loan
Agency Funds	Agency Funds	<u>22</u>	Short-term loan
	Total	<u>\$121,212</u>	

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

Interfund transfers during the year ended September 30, 2016 were as follows:

<u>Transfers From</u>	<u>Transfers To</u>	<u>Amount</u>	<u>Reason</u>
General Fund	Other Governmental Funds	\$ 5,000	Supplement other resources
General Fund	Airport Fund	53,933	Supplement other resources
Other Governmental Funds	General Fund	<u>4,729</u>	Supplement other resources
	Total	<u>\$63,662</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, 2016 were as follows:

Governmental Activities:	<u>Balance</u> <u>10/1/2015</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>09/30/2016</u>	<u>Due Within</u> <u>One Year</u>
Capital lease obligations	\$627,330	\$225,816	\$198,559	\$654,587	\$491,175
Compensated absences	71,186	98,308	94,269	75,225	50,799
Net other post-employment benefit obligation	<u>32,268</u>	<u>8,604</u>	<u>-</u>	<u>40,872</u>	<u>-</u>
Total long-term liabilities – governmental activities	<u>\$730,784</u>	<u>\$332,728</u>	<u>\$292,828</u>	<u>\$770,684</u>	<u>\$541,974</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, 2016

Capital Lease Obligations

Capital lease obligations at September 30, 2016 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 9/30/2016</u>
Excavator – Precinct #3	\$131,363	2/18/14	2/15/17	2.25%	\$ 33,228
Excavator – Precinct #1	73,876	2/18/14	2/15/17	2.25%	18,694
Wheel Loader – Precinct #4	105,942	2/18/14	12/15/17	2.25%	53,970
Mack Truck – Precinct #1	50,000	5/30/14	5/30/17	2.25%	17,040
Wheel Loader – Precinct #1	118,065	8/08/14	8/08/17	2.50%	102,350
Motor Grader – Precinct #1	46,315	8/08/14	8/08/17	2.50%	17,719
Motor Grader – Precinct #3	79,065	9/15/14	9/15/17	2.55%	61,692
Motor Grader – Precinct #3	79,065	9/15/14	9/15/17	2.55%	61,692
Motor Grader – Precinct #3	71,065	9/15/14	9/15/17	2.55%	53,401
Track Loader – Precinct #1	26,365	5/30/14	5/30/17	2.25%	8,985
2015 Wildhorse Dump Body – Precinct #1	14,841	1/05/16	1/05/17	2.85%	14,841
2016 Peterbilt Dump Truck – Precinct #4	61,981	1/15/16	1/15/20	2.70%	61,981
2016 Mack Dump Truck – Precinct #1	106,183	3/15/16	3/15/19	2.70%	106,183
2015 Side Dump Trailer – Precinct #4	42,811	8/08/16	8/08/17	2.55%	<u>42,811</u>
Total Capital Lease Obligations					<u>\$654,587</u>

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$491,175	\$17,577	\$508,752
2018	60,154	4,291	64,445
2019	87,148	4,230	91,378
2020	<u>16,110</u>	<u>435</u>	<u>16,545</u>
Totals	<u>\$654,587</u>	<u>\$26,533</u>	<u>\$681,120</u>

Business-Type Activities

Changes in long-term liabilities for the year ended September 30, 2016 were as follows:

	<u>Balance 10/1/2015</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance 9/30/2016</u>	<u>Due Within One Year</u>
Capital lease obligation	\$49,910	\$ -	\$ 9,545	\$40,365	\$ 9,758
Compensated absences	<u>3,753</u>	<u>2,175</u>	<u>680</u>	<u>5,248</u>	<u>5,248</u>
Total long-term liabilities – business-type activities	<u>\$53,663</u>	<u>\$2,175</u>	<u>\$10,225</u>	<u>\$45,613</u>	<u>\$15,006</u>

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2016

Capital Lease Obligation

Capital lease obligation at September 30, 2016 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 9/30/2016</u>
Fuel Truck - Airport	\$ 40,365	2/18/14	11/15/19	2.25%	<u>\$40,365</u>

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 9,758	\$ 908	\$10,666
2018	9,977	689	10,666
2019	10,202	464	10,666
2020	<u>10,428</u>	<u>236</u>	<u>10,664</u>
Total	<u>\$40,365</u>	<u>\$2,297</u>	<u>\$42,662</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, 2016, 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, 2016

TxDOT Grant

The County applied and was awarded the Texas Department of Transportation (TxDOT) grant under the County Transportation Infrastructure Fund Grant Program (Program), which was created by the 83rd Legislature in Senate Bill 1747, and is being administered by TxDOT during the year ended September 30, 2016. The Program is for the planning for, administration of, construction of, reconstruction of or maintenance of transportation infrastructure, including roads, bridges and culverts, intended to alleviate degradation caused by the exploration, development or production of oil or gas. The grant award is \$684,931, of which the County will match \$136,986. During the year ended September 30, 2016, the County incurred \$17,388 of matching expenditures leaving a balance of \$119,598.

The County also applied 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. During the year ended September 30, 2016, the County incurred \$28,571 of matching expenditures leaving a balance due of \$506,870.

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

Fiscal Year Ending <u>September 30,</u>	TxDOT Program <u>Grant</u>	TxDOT Airport <u>Grant</u>	<u>Totals</u>
2017	\$119,598	\$233,350	\$352,948
2018	-	70,880	70,880
2019	-	111,880	111,880
2020	-	<u>90,760</u>	<u>90,760</u>
Totals	<u>\$119,598</u>	<u>\$506,870</u>	<u>\$626,468</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, 2016

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, 2015 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	62
Inactive employees entitled to but not yet receiving benefits	26
Active employees	93

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 12.07% for the months of the accounting year in 2015, and 11.86% for the months of the accounting year in 2016.

The contribution rate payable by the employee members for calendar year 2016 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, 2015, 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, 2015 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, 2016

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 2014 with scale AA and then projected with 110% of the MP-2014 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 2014 with scale AA and then projected with 110% of the MP-2014 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 2014 with scale AA and then projected with 110% of the MP-2014 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 2015 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, 2016

<u>Asset Class</u>	<u>Benchmark</u>	<u>Target Allocation ⁽¹⁾</u>	<u>Geometric Real Rate of Return (Expected minus Inflation) ⁽²⁾</u>
US Equities	Dow Jones U.S. Total Stock Market Index	14.50%	5.45%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index ⁽³⁾	14.00%	8.45%
Global Equities	MSCI World (net) Index	1.50%	5.75%
International Equities – Developed	50% MSCI World Ex USA (net) + 50% MSCI World Ex USA 100% Hedged to USD (net) Index	10.00%	5.45%
International Equities – Emerging	50% MSCI EM Standard (net) Index + 50% MSCI EM 100% Hedged to USD (net) Index	8.00%	6.45%
Investment-Grade Bonds	Barclays Capital Aggregate Bond Index	3.00%	1.00%
High-Yield Bonds	Citigroup High-Yield Cash-Pay Capped Index	3.00%	5.10%
Opportunistic Credit	Citigroup High-Yield Cash-Pay Capped Index	2.00%	5.09%
Direct Lending	Citigroup High-Yield Cash-Pay Capped Index	5.00%	6.40%
Distressed Debt	Citigroup High-Yield Cash-Pay Capped Index	3.00%	8.10%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% FRSE EPRA/NAREIT Global Real Estate Index	3.00%	4.00%
Master Limited Partnerships (MLPs)	Alerian MLP Index	3.00%	6.80%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index ⁽⁴⁾	5.00%	6.90%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	25.00%	5.25%

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

⁽²⁾ Geometric real rates of return in addition to assumed inflation of 167%, per Cliffwater's 2016 capital market assumptions

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

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

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2016

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, 2014	\$16,971,146	\$15,790,841	\$1,180,304
Changes for the year:			
Service cost	473,833	-	473,833
Interest on total pension liability	1,364,294	-	1,364,294
Effect of plan changes	(63,363)	-	(63,363)
Effect of economic/demographic gains or losses	(354,534)	-	(354,534)
Effect of assumptions changes or inputs	181,537	-	181,537
Refund of contributions	(120,974)	(120,974)	-
Benefit payments	(732,137)	(732,137)	-
Administrative expense	-	(11,232)	11,232
Member contributions	-	256,828	(256,828)
Net investment income	-	(46,804)	46,804
Employer contributions	-	442,847	(442,847)
Other changes	-	(101,807)	101,807
Balances as of December 31, 2015	<u>\$17,719,803</u>	<u>\$15,477,562</u>	<u>\$2,242,241</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>\$4,380,691</u>	<u>\$2,242,241</u>	<u>\$440,588</u>

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2016

Pension Expense

	<u>January 1, 2015 to December 31, 2015</u>
Service cost	\$ 473,833
Interest on total pension liability ⁽¹⁾	1,364,294
Effect of plan changes	(63,363)
Administrative expenses	11,232
Member contributions	(256,828)
Expected investment return net of investment expenses	(1,279,708)
Recognition of deferred inflows/outflows of resources:	
Recognition of economic/demographic gains or losses	(95,946)
Recognition of assumption changes or inputs	36,307
Recognition of investment gains or losses	305,281
Other ⁽²⁾	<u>101,807</u>
Pension expense	<u>\$ 596,911</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, 2016, 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	\$ -	\$358,745
Change in assumptions	145,230	-
Net difference between projected and actual earnings	1,181,146	-
Contributions made subsequent to measurement date	<u>337,387</u>	<u>-</u>
Total	<u>\$1,663,763</u>	<u>\$358,745</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>	
2016	\$245,643
2017	245,643
2018	245,643
2019	230,702

For the year ended December 31, 2015, 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, 2016

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, 2016

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, 2014, 2015, and 2016 was as follows:

	<u>9/30/14</u>	<u>9/30/15</u>	<u>9/30/16</u>
Annual Required Contribution	\$ 8,947	\$ 8,934	\$ 9,133
Interest on prior year OPEB obligation	720	1,066	1,452
Amortization of prior year OPEB obligation	(961)	(1,423)	(1,981)
Annual OPEB cost (expense) end of year	8,706	8,577	8,604
Net estimated retiree cost	(1,023)	-	-
Increase (decrease) in net OPEB obligation	7,683	8,577	8,604
Net OPEB obligation – beginning of year	<u>16,008</u>	<u>23,691</u>	<u>32,268</u>
Net OPEB obligation – end of year	<u>\$23,691</u>	<u>\$32,268</u>	<u>\$40,872</u>

8. Schedule of Actuarial Liabilities and Funding Status

Actuarial Valuation Date	9/30/15
Actuarial Value of Assets	\$ -
Actuarial Accrued Liabilities	\$ 79,605
Unfunded Actuarial Accrued Liability (UAAL)	\$ 79,605
Funded Ratio	0.00%
Annual Covered Payroll	3,561,030
UAAL as a Percentage of Annual Covered Payroll	2.23%

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-2000 M/F with Projection AA 2015

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2016

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, 2016:

	General Fund	Road & Bridge	Other Governmental Funds	Total
Nonspendable:				
Inventories	\$ 7,643	\$ 12,444	\$ -	\$ 20,087
Prepaid items	<u>83,036</u>	<u>12,831</u>	<u>-</u>	<u>95,867</u>
Total nonspendable	<u>90,679</u>	<u>25,275</u>	<u>-</u>	<u>115,954</u>
Restricted:				
Special services	-	-	239,958	239,958
Jury duty	<u>-</u>	<u>-</u>	<u>3,041</u>	<u>3,041</u>
Total restricted	<u>-</u>	<u>-</u>	<u>242,999</u>	<u>242,999</u>
Committed:				
Road and bridge	-	1,471,981	-	1,471,981
Juvenile probation	-	-	18,496	18,496
Capital projects	<u>-</u>	<u>-</u>	<u>104,295</u>	<u>104,295</u>
Total committed	<u>-</u>	<u>1,471,981</u>	<u>122,791</u>	<u>1,594,772</u>
Assigned:				
Deficit budget for 2016-17	<u>170,519</u>	<u>-</u>	<u>-</u>	<u>170,519</u>
Unassigned	<u>1,969,359</u>	<u>-</u>	<u>-</u>	<u>1,969,359</u>
Total fund balances	<u>\$2,230,557</u>	<u>\$1,497,256</u>	<u>\$365,790</u>	<u>\$4,093,603</u>

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, 2016

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Property taxes	\$ 3,326,073	\$ 3,326,073	\$ 3,237,026	\$ (89,047)
Sales taxes	700,000	700,000	635,038	(64,962)
Fees and commissions	990,050	990,050	763,581	(226,469)
Fines and forfeitures	150,000	150,000	108,470	(41,530)
Intergovernmental	148,733	160,103	151,922	(8,181)
Investment return	25,000	25,000	35,495	10,495
Miscellaneous	118,000	150,800	179,429	28,629
Total revenues	<u>5,457,856</u>	<u>5,502,026</u>	<u>5,110,961</u>	<u>(391,065)</u>
Expenditures				
Current:				
General government:				
County Judge	215,400	239,000	210,505	28,495
County Clerk	284,745	288,545	256,928	31,617
Veterans service	13,900	13,900	13,273	627
Non-departmental	546,410	572,257	526,431	45,826
Total General government	<u>1,060,455</u>	<u>1,113,702</u>	<u>1,007,137</u>	<u>106,565</u>
Judicial:				
Law library	25,730	28,230	34,141	(5,911)
Justice of the Peace #1	118,190	122,760	120,401	2,359
Justice of the Peace #2	135,705	140,105	134,580	5,525
District Attorney	227,070	234,210	216,042	18,168
District Clerk	202,455	205,595	194,261	11,334
District Court	280,685	281,685	229,158	52,527
Total Judicial	<u>989,835</u>	<u>1,012,585</u>	<u>928,583</u>	<u>84,002</u>
Legal:				
County Attorney	<u>216,655</u>	<u>220,885</u>	<u>216,691</u>	<u>4,194</u>
Financial:				
Tax Collector	296,265	299,265	285,864	13,401
Treasurer	81,690	81,690	80,099	1,591
County Auditor	162,685	162,685	154,649	8,036
Total Financial	<u>540,640</u>	<u>543,640</u>	<u>520,612</u>	<u>23,028</u>
Public facilities:				
Courthouse	182,265	207,165	193,875	13,290
Jail	820,950	920,790	910,780	10,010
Auditorium	355,880	382,830	363,741	19,089
Arena	155,300	215,300	214,354	946
Total Public facilities	<u>1,514,395</u>	<u>1,726,085</u>	<u>1,682,750</u>	<u>43,335</u>

WILBARGER COUNTY, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
Public Safety:				
Constable #1	70,975	73,975	71,470	2,505
Constable #2	61,685	63,110	61,793	1,317
Juvenile probation	27,747	1,000	-	1,000
Sheriff	662,095	713,305	691,104	22,201
Civil defense	20,000	23,500	21,936	1,564
Department of Public Safety	2,500	2,500	2,031	469
Community supervision	500	3,300	3,176	124
Total Public Safety	<u>845,502</u>	<u>880,690</u>	<u>851,510</u>	<u>29,180</u>
Health and Welfare:				
Health and welfare	109,815	56,815	51,045	5,770
Outreach services	14,350	21,900	20,799	1,101
Total Health and Welfare	<u>124,165</u>	<u>78,715</u>	<u>71,844</u>	<u>6,871</u>
Conservation:				
Extension service	188,095	196,595	189,188	7,407
Total expenditures	<u>5,479,742</u>	<u>5,772,897</u>	<u>5,468,315</u>	<u>304,582</u>
Excess of revenues over (under) expenditures	<u>(21,886)</u>	<u>(270,871)</u>	<u>(357,354)</u>	<u>(86,483)</u>
Other sources (uses):				
Transfers in	-	-	4,729	(4,729)
Transfers out	(240,000)	(60,000)	(58,933)	(1,067)
Total other sources (uses)	<u>(240,000)</u>	<u>(60,000)</u>	<u>(54,204)</u>	<u>(5,796)</u>
Net change in fund balances	(261,886)	(330,871)	(411,558)	(80,687)
Fund balances, beginning of year	<u>2,642,115</u>	<u>2,642,115</u>	<u>2,642,115</u>	<u>-</u>
Fund balances, end of year	<u>\$ 2,380,229</u>	<u>\$ 2,311,244</u>	<u>\$ 2,230,557</u>	<u>\$ (80,687)</u>

WILBARGER COUNTY, TEXAS
ROAD AND BRIDGE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Property taxes	\$ 1,847,357	\$ 1,847,357	\$ 1,805,004	\$ (42,353)
Fees and commissions	590,000	760,000	548,584	(211,416)
Intergovernmental	20,000	20,000	19,070	(930)
Investment return	12,000	12,000	17,244	5,244
Miscellaneous	10,000	10,000	29,234	19,234
Total revenues	<u>2,479,357</u>	<u>2,649,357</u>	<u>2,419,136</u>	<u>(230,221)</u>
Expenditures				
Current:				
General government:				
Road and bridge administration	20,700	20,700	19,267	1,433
Total General government	<u>20,700</u>	<u>20,700</u>	<u>19,267</u>	<u>1,433</u>
Road and Bridge:				
Precinct Number One	626,195	800,895	747,387	53,508
Precinct Number Two	681,350	735,750	683,283	52,467
Precinct Number Three	583,980	686,080	592,023	94,057
Precinct Number Four	814,774	906,609	820,828	85,781
Total Road and Bridge	<u>2,706,299</u>	<u>3,129,334</u>	<u>2,843,521</u>	<u>285,813</u>
Debt service:				
Principal	208,480	208,480	198,479	10,001
Interest	15,381	15,381	15,305	76
Total Debt Service	<u>223,861</u>	<u>223,861</u>	<u>213,784</u>	<u>10,077</u>
Total expenditures	<u>2,950,860</u>	<u>3,373,895</u>	<u>3,076,572</u>	<u>297,323</u>
Excess of revenues over (under) expenditures	<u>(471,503)</u>	<u>(724,538)</u>	<u>(657,436)</u>	<u>67,102</u>
Other financing sources:				
Proceeds from capital leases	50,000	225,800	225,556	(244)
Sale of capital assets	300,000	300,000	234,711	(65,289)
Total other financing sources	<u>350,000</u>	<u>525,800</u>	<u>460,267</u>	<u>(65,533)</u>
Net change in fund balances	(121,503)	(198,738)	(197,169)	1,569
Fund balances - beginning	<u>1,694,425</u>	<u>1,694,425</u>	<u>1,694,425</u>	<u>-</u>
Fund balances - ending	<u>\$ 1,572,922</u>	<u>\$ 1,495,687</u>	<u>\$ 1,497,256</u>	<u>\$ 1,569</u>

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

	<u>2014</u>	<u>2015</u>
Total Pension Liability		
Service cost	\$ 470,346	\$ 473,833
Interest on total pension liability	1,290,558	1,364,294
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)
Benefit payments/refunds of contributions	(719,553)	(853,111)
Net change in total pension liability	<u>916,156</u>	<u>748,656</u>
Total pension liability (asset), beginning	16,054,991	16,971,147
Total pension liability (asset), ending (a)	<u>\$ 16,971,147</u>	<u>\$ 17,719,803</u>
Fiduciary Net Pension		
Employer contributions	\$ 440,759	\$ 442,847
Member contributions	254,256	256,828
Investment income net of investment expenses	1,014,994	(46,804)
Benefit payments/refunds of contributions	(719,553)	(853,111)
Administrative expenses	(11,821)	(11,232)
Other	(114,370)	(101,807)
Net change in fiduciary net position	<u>864,265</u>	<u>(313,279)</u>
Fiduciary net pension, beginning	14,926,576	15,790,841
Fiduciary net pension, ending (b)	<u>\$ 15,790,841</u>	<u>\$ 15,477,562</u>
Net pension liability / (asset), ending = (a) - (b)	<u>\$ 1,180,306</u>	<u>\$ 2,242,241</u>
Fiduciary net position as a % of total pension liability	<u>93.05%</u>	<u>87.35%</u>
Pensionable covered payroll	<u>\$ 3,632,223</u>	<u>\$ 3,668,973</u>
Net pension liability as a % of covered payroll	<u>32.50%</u>	<u>61.11%</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
2006	\$ 266,873	\$ 266,873	\$ -	\$ 2,503,499	10.7%
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%

(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>	13.6 years (based on contribution rate calculated in 12/31/15 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%
9/30/2015	-	79,605	79,605	0.00%	3,561,030	2.24%

Note: The actuarial analysis is only prepared every third year; therefore, the above information for 9/30/2011, 9/30/2013, and 9/30/2014 are not available.

WILBARGER COUNTY, TEXAS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED SEPTEMBER 30, 2016

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.

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, 2016

	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	\$ (69,551)	\$ 3,041	\$ 246,325	\$ -	\$ 45,007	\$ 104,295	\$ 329,117
Receivables, net:							
Fines	-	-	8,670	-	-	-	8,670
Intergovernmental	69,551	-	-	-	8,883	-	78,434
Due from other funds	-	-	5,913	-	221	-	6,134
Total assets	<u>\$ -</u>	<u>\$ 3,041</u>	<u>\$ 260,908</u>	<u>\$ -</u>	<u>\$ 54,111</u>	<u>\$ 104,295</u>	<u>\$ 422,355</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances							
Liabilities:							
Accounts payable	\$ -	\$ -	\$ 7,416	\$ -	\$ 46	\$ -	\$ 7,462
Salaries payable	-	-	-	-	842	-	842
Due to others	-	-	-	-	34,506	-	34,506
Due to other funds	-	-	4,864	-	221	-	5,085
Total liabilities	<u>-</u>	<u>-</u>	<u>12,280</u>	<u>-</u>	<u>35,615</u>	<u>-</u>	<u>47,895</u>
Deferred inflows of resources:							
Unavailable revenues	-	-	8,670	-	-	-	8,670
Fund balances:							
Restricted	-	3,041	239,958	-	-	-	242,999
Committed	-	-	-	-	18,496	104,295	122,791
Total fund balances	<u>-</u>	<u>3,041</u>	<u>239,958</u>	<u>-</u>	<u>18,496</u>	<u>104,295</u>	<u>365,790</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ -</u>	<u>\$ 3,041</u>	<u>\$ 260,908</u>	<u>\$ -</u>	<u>\$ 54,111</u>	<u>\$ 104,295</u>	<u>\$ 422,355</u>

WILBARGER COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	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	\$ -	\$ -	\$ 74,927	\$ -	\$ 3,062	\$ -	\$ 77,989
Fines and forfeitures	-	-	2,252	-	-	-	2,252
Intergovernmental	69,551	-	-	14,884	161,760	-	246,195
Investment return	-	18	1,303	-	391	436	2,148
Total revenues	<u>69,551</u>	<u>18</u>	<u>78,482</u>	<u>14,884</u>	<u>165,213</u>	<u>436</u>	<u>328,584</u>
Expenditures							
Current:							
General government	-	-	142,973	-	-	-	142,973
Judicial	-	-	-	14,884	-	-	14,884
Legal	-	2,960	-	-	-	-	2,960
Public safety	-	-	-	-	195,284	-	195,284
Road and bridge	69,551	-	-	-	-	-	69,551
Total expenditures	<u>69,551</u>	<u>2,960</u>	<u>142,973</u>	<u>14,884</u>	<u>195,284</u>	<u>-</u>	<u>425,652</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(2,942)</u>	<u>(64,491)</u>	<u>-</u>	<u>(30,071)</u>	<u>436</u>	<u>(97,068)</u>
Other sources (uses):							
Transfers in	-	5,000	-	-	-	-	5,000
Transfers out	-	-	(4,729)	-	-	-	(4,729)
Total other sources (uses)	<u>-</u>	<u>5,000</u>	<u>(4,729)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>271</u>
Net change in fund balances	-	2,058	(69,220)	-	(30,071)	436	(96,797)
Fund balances, beginning of year	-	983	309,178	-	48,567	103,859	462,587
Fund balances, end of year	<u>\$ -</u>	<u>\$ 3,041</u>	<u>\$ 239,958</u>	<u>\$ -</u>	<u>\$ 18,496</u>	<u>\$ 104,295</u>	<u>\$ 365,790</u>

WILBARGER COUNTY, TEXAS
CETRZ FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ -	\$ 52,200	\$ 69,551	\$ 17,351
Investment return	-	-	-	-
Total revenues	<u>-</u>	<u>52,200</u>	<u>69,551</u>	<u>17,351</u>
Expenditures				
Current:				
Road and bridge	<u>-</u>	<u>52,200</u>	<u>69,551</u>	<u>(17,351)</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
JURY FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 3,000	\$ 3,000	\$ -	\$ (3,000)
Investment return	50	50	18	(32)
Total revenues	<u>3,050</u>	<u>3,050</u>	<u>18</u>	<u>(3,032)</u>
Expenditures				
Current:				
Legal	<u>9,500</u>	<u>9,500</u>	<u>2,960</u>	<u>6,540</u>
Excess of revenues over (under) expenditures	(6,450)	(6,450)	(2,942)	3,508
Other source:				
Transfers in	<u>6,450</u>	<u>6,450</u>	<u>5,000</u>	<u>(1,450)</u>
Net change in fund balances	-	-	2,058	2,058
Fund balances, beginning of year	983	983	983	-
Fund balances, end of year	<u>\$ 983</u>	<u>\$ 983</u>	<u>\$ 3,041</u>	<u>\$ 2,058</u>

WILBARGER COUNTY, TEXAS
SPECIAL SERVICES FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Revenues				
Fees and commissions	\$ 87,700	\$ 87,700	\$ 74,927	\$ (12,773)
Fines and forfeitures	-	-	2,252	2,252
Investment return	1,000	1,000	1,303	303
Total revenues	<u>88,700</u>	<u>88,700</u>	<u>78,482</u>	<u>(10,218)</u>
Expenditures				
Current:				
General government	<u>103,585</u>	<u>165,085</u>	<u>142,973</u>	<u>22,112</u>
Excess of revenues over (under) expenditures	(14,885)	(76,385)	(64,491)	11,894
Other use:				
Transfers out	<u>-</u>	<u>(2,350)</u>	<u>(4,729)</u>	<u>(2,379)</u>
Net change in fund balances	(14,885)	(78,735)	(69,220)	9,515
Fund balances, beginning of year	309,178	309,178	309,178	-
Fund balances, end of year	<u>\$ 294,293</u>	<u>\$ 230,443</u>	<u>\$ 239,958</u>	<u>\$ 9,515</u>

WILBARGER COUNTY, TEXAS
GRANT FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 21,200	\$ 21,200	\$ 14,884	\$ (6,316)
Total revenues	<u>21,200</u>	<u>21,200</u>	<u>14,884</u>	<u>(6,316)</u>
Expenditures				
Current:				
Judicial	21,200	21,200	14,884	6,316
Total expenditures	<u>21,200</u>	<u>21,200</u>	<u>14,884</u>	<u>6,316</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, 2016

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Revenues				
Fees and commissions	\$ 32,531	\$ 34,500	\$ 3,062	\$ (31,438)
Intergovernmental	174,801	171,305	161,760	(9,545)
Investment return	-	400	391	(9)
Total revenues	<u>207,332</u>	<u>206,205</u>	<u>165,213</u>	<u>(40,992)</u>
Expenditures				
Current:				
Public safety	<u>226,301</u>	<u>178,210</u>	<u>195,284</u>	<u>(17,074)</u>
Total expenditures	<u>226,301</u>	<u>178,210</u>	<u>195,284</u>	<u>(17,074)</u>
Net change in fund balances	(18,969)	27,995	(30,071)	(58,066)
Fund balances, beginning of year	<u>48,567</u>	<u>48,567</u>	<u>48,567</u>	<u>-</u>
Fund balances, end of year	<u>\$ 29,598</u>	<u>\$ 76,562</u>	<u>\$ 18,496</u>	<u>\$ (58,066)</u>

WILBARGER COUNTY, TEXAS
CAPITAL PROJECTS FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Revenues				
Investment return	\$ 500	\$ 500	\$ 436	\$ (64)
Total revenues	<u>500</u>	<u>500</u>	<u>436</u>	<u>(64)</u>
Expenditures				
Current:				
Public facilities	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	500	500	436	(64)
Fund balances, beginning of year	103,859	103,859	103,859	-
Fund balances, end of year	<u>\$ 104,359</u>	<u>\$ 104,359</u>	<u>\$ 104,295</u>	<u>\$ (64)</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.

Juvenile Probation Account – This fund is used to account for funds held related to juvenile 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, 2016

	<u>Tax Assessor/ Collector Agency</u>	<u>County Clerk Agency</u>	<u>Sheriff Agency</u>	<u>County Attorney Agency</u>	<u>Justice of the Peace Fee Account</u>
Assets					
Cash and cash equivalents	\$ 536,730	\$ 62,935	\$ 19,360	\$ 37,919	\$ 30,390
Investments	-	35,995	-	-	-
Due from other funds	-	-	-	-	-
Total assets	<u>\$ 536,730</u>	<u>\$ 98,930</u>	<u>\$ 19,360</u>	<u>\$ 37,919</u>	<u>\$ 30,390</u>
Liabilities					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	20,419	28,654	225	-	30,390
Due to other governments	516,311	-	-	-	-
Due to others	-	70,276	19,135	37,919	-
Total liabilities	<u>\$ 536,730</u>	<u>\$ 98,930</u>	<u>\$ 19,360</u>	<u>\$ 37,919</u>	<u>\$ 30,390</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>
\$ 235,993	\$ 94,085	\$ 1,703	\$ 2,504	\$ 45,803	\$ 550
180,805	-	-	-	-	-
-	-	-	-	18,112	-
<u>\$ 416,798</u>	<u>\$ 94,085</u>	<u>\$ 1,703</u>	<u>\$ 2,504</u>	<u>\$ 63,915</u>	<u>\$ 550</u>
\$ -	\$ -	\$ -	\$ -	\$ 648	\$ -
10,728	2,392	175	-	7,935	1,501
-	-	-	-	55,332	-
406,070	91,693	1,528	2,504	-	(951)
<u>\$ 416,798</u>	<u>\$ 94,085</u>	<u>\$ 1,703</u>	<u>\$ 2,504</u>	<u>\$ 63,915</u>	<u>\$ 550</u>

WILBARGER COUNTY, TEXAS
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
SEPTEMBER 30, 2016

	Christmas Club Account Agency	Juvenile Probation Account	Historical Commission	Total Agency Funds (See Exhibit A-10)
Assets				
Cash and cash equivalents	\$ 92,160	\$ 110,098	\$ 17,814	\$ 1,288,044
Investments	-	-	-	216,800
Due from other funds	-	-	-	18,112
Total assets	<u>\$ 92,160</u>	<u>\$ 110,098</u>	<u>\$ 17,814</u>	<u>\$ 1,522,956</u>
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ 648
Due to other funds	-	-	-	102,419
Due to other governments	-	-	-	571,643
Due to others	92,160	110,098	17,814	848,246
Total liabilities	<u>\$ 92,160</u>	<u>\$ 110,098</u>	<u>\$ 17,814</u>	<u>\$ 1,522,956</u>