

**JASPER COUNTY, TEXAS**

**FINANCIAL STATEMENTS**

**YEAR ENDED  
DECEMBER 31, 2015**



**JASPER COUNTY, TEXAS**

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# **FINANCIAL SECTION**

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PATTILLO, BROWN & HILL, L.L.P.  
CERTIFIED PUBLIC ACCOUNTANTS ■ BUSINESS CONSULTANTS

## INDEPENDENT AUDITORS' REPORT

To the Honorable County Judge and  
Commissioners' Court  
Jasper County, Texas

### *Report on the Financial Statements*

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Jasper County, Texas, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

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

### *Auditors' Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Jasper County, Texas, as of December 31, 2015, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America and the respective budgetary comparison for the General Fund and the Road and Bridge Special Revenue Fund.

### ***Change in Accounting Principle***

As discussed in Note 1 to the financial statements, in 2015 the County adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27* and Governmental Accounting Standards Board (GASB) Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68*. Our opinion is not modified with respect to this matter.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis, the Schedule of Changes in Net Pension Liability and Related Ratios – Texas County and District Retirement System, and the Schedule of Employer Contributions – Texas County and District Retirement System for the Employees of Jasper County, Texas, to be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Jasper County, Texas’ basic financial statements. The combining nonmajor fund financial statements and the Schedule of Expenditures of Federal Awards, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor fund financial statements and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relates 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 nonmajor fund financial statements and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2016, on our consideration of the Jasper County, Texas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Jasper County, Texas' internal control over financial reporting and compliance.

*Pattillo, Brown & Hill, L.L.P.*

Waco, Texas  
September 30, 2016

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**MANAGEMENT'S  
DISCUSSION AND ANALYSIS**

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## JASPER COUNTY, TEXAS

### MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Jasper County, Texas (the "County") Financial Report presents a narrative overview and analysis of the financial activities of the primary government for the fiscal year ended December 31, 2015.

#### FINANCIAL HIGHLIGHTS

- The County's total net position decreased by \$731,733 (1.5%) over the course of this year's operations.
- The total government-wide assets and deferred outflows of resources of the County exceeded the liabilities and deferred inflows of resources at December 31, 2015, by \$49,414,541 reported as total net position of the primary government. Of this amount, \$5,982,555 (unrestricted net position) may be used to meet ongoing obligations to citizens and creditors, \$5,477,338 is restricted for specific purposes (restricted net position), and \$37,954,648 is invested in capital assets, net of related debt.
- As of December 31, 2015, the County governmental funds reported combined fund balances of \$10,298,522, which represents a 10% decrease from the prior year.

#### OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements, which are comprised of the following three components: 1) governmental-wide financial statements; 2) fund financial statements and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide Financial Statements** are designed to provide readers with a broad overview of County finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all County assets, deferred outflows and inflows of resources and liabilities, with the difference representing 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 that indicates how net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

Both of these government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or in part a portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, judicial, legal, public facilities, public safety, health and welfare, conservation, roads, cultural and recreation and interest on long-term debt.

**Fund Financial Statements** are groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate finance-related legal requirements. All of the funds of the County can be divided into two categories: governmental funds and fiduciary funds. The County does not have any proprietary 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 funds financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the County's near-term financing requirements.

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

The County adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The County maintains 43 individual government funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the major governmental funds. Data from other governmental funds is combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs.

**Notes to the Basic Financial Statements** provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

## GOVERNMENT-WIDE FINANCIAL STATEMENTS

The largest portion of the County's current fiscal year net position (77%) reflects net investment in capital assets (e.g. land, improvements, buildings, equipment, infrastructure) less any related debt used to acquire these assets that is outstanding. The main use of these capital assets is to provide services to citizens; consequently, these assets are not available for future spending. Although the County's net investment in capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Another significant portion of the County's current fiscal year net position (12%) represents unrestricted net position, which may be used to meet the County's ongoing obligations to citizens and creditors.

The following table indicates changes in net position for governmental activities.

### JASPER COUNTY'S CHANGES NET POSITION

	Governmental Activities	
	2015	2014
<b>REVENUES</b>		
Program revenues:		
Charges for services	\$ 5,557,460	\$ 3,478,280
Operating grants and contributions	708,587	547,470
Capital grants and contributions	1,403,478	3,252,301
General revenues:		
Taxes - levied for general purposes	13,865,250	13,525,024
Taxes - levied for debt service	220,180	230,134
Other taxes	177,424	175,069
Investment earnings	56,129	55,310
Gain on sale of assets	-	47,908
Miscellaneous	437,902	410,725
Total revenues	<u>22,426,410</u>	<u>21,722,221</u>
<b>EXPENSES</b>		
General government	4,236,827	3,980,050
Judicial	1,968,015	1,775,944
Legal	630,630	701,085
Public facilities	1,601,941	1,561,033
Public safety	4,799,501	4,593,603
Health and welfare	669,701	556,167
Conservation	104,960	98,431
Roads	4,592,419	3,779,025
Cultural and recreation	1,175	2,360
Interest on long-term debt	26,003	36,170
Total expenses	<u>18,631,172</u>	<u>17,083,868</u>
<b>CHANGE IN NET POSITION</b>	3,795,238	4,638,353
<b>NET POSITION, BEGINNING</b>	50,146,274	45,507,921
<b>PRIOR PERIOD ADJUSTMENT</b>	( 4,526,971)	-
<b>NET POSITION, ENDING</b>	<u>\$ 49,414,541</u>	<u>\$ 50,146,274</u>

## FINANCIAL ANALYSIS OF MAJOR FUNDS

**Governmental Funds.** The County's major general government functions are contained in the General Fund. The focus of the County's Governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At December 31, 2015, the County's General Fund reported combined fund balances of \$5,018,685, a decrease of \$982,544 from the prior year. This decrease is primarily due to a transfer out to another fund.

The General Fund is the chief operating fund of the County. At December 31, 2015, the General Fund reported revenues of \$12,214,674 and expenditures of \$12,062,440. These amounts represented a \$344,139 increase in revenues, primarily due to \$252,039 additional dollars added through property taxes. The County saw an increase of \$867,200 in expenditures. The increase in expenditures was primarily made up of increase of \$267,083 to general government expenditures, and increases of \$200,414 to public safety, and an increase of \$211,809 to judicial. The excess of revenues over expenditures was \$152,234, before other financing uses of \$1,134,778.

At December 31, 2015, the County's Road and Bridge Fund reported a restricted fund balance of \$3,490,168, an increase of \$177,445 from the prior year. This increase is primarily due to increased collections in taxes and intergovernmental revenues.

**Proprietary Funds.** As mentioned earlier, the County has no Proprietary Funds.

## GENERAL FUND BUDGETARY HIGHLIGHTS

During the year, actual revenues were more than budgeted estimates by \$846,507. Actual expenditures were less than budgeted estimates by \$212,012, and other financing sources/uses resulted in a negative budget variance of \$451,574. The net effect resulted in a positive variance of \$606,945.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

**Capital Assets.** The County's investment in capital assets for its governmental activities as of December 31, 2015, amounted to \$38,384,648 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, equipment, and other tangible and intangible assets. This amount increased by \$4,150,208.

**Long-term Debt.** At December 31, 2015, the County had total long-term debt outstanding of \$7,045,088. This amount represents an increase of \$5,821,782 during the fiscal year. For more information on long-term debt, see the note disclosure on pages 28 – 29.

## **ECONOMIC FACTORS**

The Commissioners' Court adopted the County's 2016 budget on September 14, 2015.

For 2016, the property tax rate remained at .6595 per \$100 valuation. The collection rate for the 2016 budget was based on a 98% collection rate compared to a 96% collection rate in the prior year.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the County Auditor's Office, 150 N. Austin Street, Jasper, Texas 75951.

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**BASIC  
FINANCIAL STATEMENTS**

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**JASPER COUNTY, TEXAS**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2015**

	Primary Government
	Governmental Activities
<b>ASSETS</b>	
Cash and investments	\$ 15,177,555
Receivables (net of allowance for uncollectibles)	
Accounts	1,812,563
Taxes	4,145,728
Due from other governments	339,982
Capital assets:	
Land	862,849
Construction in progress	6,437,258
Buildings	14,944,459
Equipment and furniture	6,263,511
Infrastructure	29,441,755
Less: accumulated depreciation	( 19,565,184)
Total capital assets	38,384,648
Total assets	59,860,476
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred outflows related to pensions	1,655,123
Total deferred outflows of resources	1,655,123
<b>LIABILITIES</b>	
Accounts payable	640,697
Accrued liabilities	132,814
Accrued interest payable	7,803
Unearned revenue	210,411
Noncurrent liabilities:	
Due within one year	233,818
Due in more than one year	6,811,270
Total liabilities	8,036,813
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property taxes received in advance of fiscal year levy	4,064,245
Total deferred inflows of resources	4,064,245
<b>NET POSITION</b>	
Net investment in capital assets	37,954,648
Restricted for:	
Records management and preservation	651,705
Court technology and security	146,735
Tax assessment and collection services	33,982
Economic development	445
Jury services	38,684
Court system	29,132
Law library	224,172
Forfeitures	51,593
Check collection and processing	6,929
Foster care	503,218
Law enforcement	127,473
Historical commission	3,521
Indigent welfare	55,024
Debt service	114,557
Roads	3,490,168
Unrestricted	5,982,555
Total net position	\$ 49,414,541

The notes to the financial statements are an integral part of this statement.

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**JASPER COUNTY, TEXAS**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Assets
<b>Primary Government:</b>					
Governmental activities:					
General government	\$ 4,236,827	\$ 3,199,839	\$ 582,475	\$ 1,402,389	\$ 947,876
Judicial	1,968,015	15,369	-	-	( 1,952,646)
Legal	630,630	266,726	53,235	-	( 310,669)
Public facilities	1,601,941	-	-	1,089	( 1,600,852)
Public safety	4,799,501	1,174,454	60,305	-	( 3,564,742)
Health and welfare	669,701	68,461	12,572	-	( 588,668)
Conservation	104,960	-	-	-	( 104,960)
Roads	4,592,419	832,611	-	-	( 3,759,808)
Cultural and recreation	1,175	-	-	-	( 1,175)
Interest on long-term debt	<u>26,003</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>( 26,003)</u>
Total governmental activities	\$ <u>18,631,172</u>	\$ <u>5,557,460</u>	\$ <u>708,587</u>	\$ <u>1,403,478</u>	<u>( 10,961,647)</u>
General revenues:					
Taxes:					
Property taxes, levied for general purposes					13,865,250
Property taxes, levied for debt service					220,180
Other taxes					177,424
Investment earnings					56,129
Miscellaneous					<u>437,902</u>
Total general revenues					<u>14,756,885</u>
Change in net position					3,795,238
Net position, beginning					<u>50,146,274</u>
Prior period adjustments					<u>( 4,526,971)</u>
Net position, beginning as restated					<u>45,619,303</u>
Net position, ending					\$ <u>49,414,541</u>

The notes to the financial statements are an integral part of this statement.

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**JASPER COUNTY, TEXAS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2015**

	General	Road and Bridge	Hurricane Ike Disaster Recovery Funds DRS 220078	Other Governmental	Total Governmental
<b>ASSETS</b>					
Cash and cash equivalents	\$ 9,190,486	\$ 3,689,650	\$ 1	\$ 2,297,418	\$ 15,177,555
Receivables (net of allowance for uncollectibles)					
Accounts	137,973	1,649,740	-	24,850	1,812,563
Taxes	2,616,994	1,259,199	-	269,535	4,145,728
Due from other funds	51,573	1,077,301	-	222,126	1,351,000
Due from other governments	167,115	-	170,827	2,040	339,982
Total assets	<u>12,164,141</u>	<u>7,675,890</u>	<u>170,828</u>	<u>2,815,969</u>	<u>22,826,828</u>
<b>LIABILITIES</b>					
Liabilities:					
Accounts payable	291,141	128,462	146,737	74,357	640,697
Other liabilities	96,664	28,796	-	7,354	132,814
Due to other funds	1,299,427	-	-	51,573	1,351,000
Unearned revenue	-	-	-	210,411	210,411
Total liabilities	<u>1,687,232</u>	<u>157,258</u>	<u>146,737</u>	<u>343,695</u>	<u>2,334,922</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue - property taxes	2,566,521	1,280,778	-	298,450	4,145,749
Property taxes received in advance of fiscal year levy	2,753,730	1,097,946	-	212,569	4,064,245
Unavailable revenue - court fines and fees	137,973	1,649,740	-	24,850	1,812,563
Unavailable revenue - grants	-	-	170,827	-	170,827
Total deferred inflows of resources	<u>5,458,224</u>	<u>4,028,464</u>	<u>170,827</u>	<u>535,869</u>	<u>10,193,384</u>
<b>FUND BALANCES (DEFICITS)</b>					
Fund balances:					
Restricted for:					
Records management and preservation	-	-	-	651,705	651,705
Court technology and security	-	-	-	146,735	146,735
Tax assessment and collection services	-	-	-	33,982	33,982
Economic development	-	-	-	445	445
Jury services	-	-	-	38,684	38,684
Court system	-	-	-	29,132	29,132
Law library	-	-	-	224,172	224,172
Forfeitures	-	-	-	51,593	51,593
Check collection and processing	-	-	-	6,929	6,929
Foster care	-	-	-	503,218	503,218
Law enforcement	-	-	-	127,473	127,473
Historical commission	-	-	-	3,521	3,521
Indigent welfare	-	-	-	55,024	55,024
Debt service	-	-	-	114,557	114,557
Roads	-	3,490,168	-	-	3,490,168
Unassigned	5,018,685	-	( 146,736)	( 50,765)	4,821,184
Total fund balances	<u>5,018,685</u>	<u>3,490,168</u>	<u>( 146,736)</u>	<u>1,936,405</u>	<u>10,298,522</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 12,164,141</u>	<u>\$ 7,675,890</u>	<u>\$ 170,828</u>	<u>\$ 2,815,969</u>	
Amounts reported for governmental activities in the statement of net position are different because:					
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.					38,384,648
Other long-term assets are not available to pay for current-period expenditures and, therefore, are reported as deferred inflows of resources in the funds.					6,129,139
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.					( 5,397,768)
Net position of governmental activities					<u>\$ 49,414,541</u>

The notes to the financial statements are an integral part of this statement.

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**JASPER COUNTY, TEXAS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

	General	Road and Bridge	Hurricane Ike Disaster Recovery Funds DRS 220078	Other Governmental	Total Governmental
<b>REVENUES</b>					
Taxes	\$ 9,612,956	\$ 3,927,217	\$ -	\$ 813,097	\$ 14,353,270
License and fees	840,152	-	-	218,796	1,058,948
Fines and forfeitures	598,509	199,734	-	9,482	807,725
Intergovernmental	868,821	233,628	1,192,743	2,294,543	4,589,735
Auto registration	-	717,591	-	-	717,591
Interest	34,461	14,403	-	7,265	56,129
Other	259,775	140,631	-	40,618	441,024
Total revenues	<u>12,214,674</u>	<u>5,233,204</u>	<u>1,192,743</u>	<u>3,383,801</u>	<u>22,024,422</u>
<b>EXPENDITURES</b>					
General government	3,587,477	437,343	-	232,943	4,257,763
Judicial	1,962,893	-	-	29,596	1,992,489
Legal	592,522	-	-	49,019	641,541
Public facilities	637,634	-	2,466,204	-	3,103,838
Public safety	4,514,682	-	-	35,337	4,550,019
Health and welfare	-	-	-	669,312	669,312
Conservation	105,629	-	-	-	105,629
Roads	-	4,307,375	-	-	4,307,375
Cultural and recreation	-	-	-	1,175	1,175
Debt service					
Principal	-	-	-	175,000	175,000
Interest	-	-	-	29,120	29,120
Capital outlay	661,603	447,311	-	2,179,517	3,288,431
Total expenditures	<u>12,062,440</u>	<u>5,192,029</u>	<u>2,466,204</u>	<u>3,401,019</u>	<u>23,121,692</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>					
	<u>152,234</u>	<u>41,175</u>	<u>( 1,273,461)</u>	<u>( 17,218)</u>	<u>( 1,097,270)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	1,126,725	10,855	1,137,580
Transfers out	( 1,137,475)	-	-	( 105)	( 1,137,580)
Sale of assets	2,697	19,311	-	-	22,008
Total other financing sources (uses)	<u>( 1,134,778)</u>	<u>19,311</u>	<u>1,126,725</u>	<u>10,750</u>	<u>22,008</u>
<b>NET CHANGE IN FUND BALANCES</b>					
	( 982,544)	60,486	( 146,736)	( 6,468)	( 1,075,262)
<b>FUND BALANCES, BEGINNING</b>					
	<u>6,163,313</u>	<u>3,312,723</u>	<u>-</u>	<u>1,942,873</u>	<u>11,418,909</u>
<b>PRIOR PERIOD ADJUSTMENT</b>					
	<u>( 162,084)</u>	<u>116,959</u>	<u>-</u>	<u>-</u>	<u>( 45,125)</u>
<b>FUND BALANCES, BEGINNING AS RESTATED</b>					
	<u>6,001,229</u>	<u>3,429,682</u>	<u>-</u>	<u>-</u>	<u>9,430,911</u>
<b>FUND BALANCES, ENDING</b>					
	<u>\$ 5,018,685</u>	<u>\$ 3,490,168</u>	<u>\$( 146,736)</u>	<u>\$ 1,936,405</u>	<u>\$ 10,298,522</u>

The notes to the financial statements are an integral part of this statement.

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## JASPER COUNTY, TEXAS

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

FOR THE YEAR ENDED DECEMBER 31, 2015

Amounts reported for governmental activities in the Statement of Activities (page 10) are different because:

Net change in fund balances - total governmental funds (page 12)	\$( 1,075,262)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	4,150,208
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	401,988
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This amount is the net effect of these differences in the treatment of long-term debt and related items.	341,657
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	<u>( 23,353)</u>
Change in net position of governmental activities (page 10)	<u>\$ 3,795,238</u>

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# JASPER COUNTY, TEXAS

## GENERAL FUND

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

FOR THE YEAR ENDED DECEMBER 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		(Negative)
<b>REVENUES</b>				
Taxes	\$ 9,470,296	\$ 9,470,296	\$ 9,612,956	\$ 142,660
License and fees	852,580	852,580	840,152	( 12,428)
Fines and forfeitures	495,000	495,000	598,509	103,509
Intergovernmental	374,654	410,593	868,821	458,228
Interest	20,694	20,694	34,461	13,767
Other	75,731	119,004	259,775	140,771
Total revenues	11,288,955	11,368,167	12,214,674	846,507
<b>EXPENDITURES</b>				
General government	3,456,798	3,740,042	3,587,477	152,565
Judicial	1,791,495	2,003,607	1,962,893	40,714
Legal	623,975	631,723	592,522	39,201
Public facilities	548,457	668,444	637,634	30,810
Public safety	4,359,738	4,556,960	4,514,682	42,278
Conservation	104,879	107,117	105,629	1,488
Capital outlay	204,659	566,559	661,603	( 95,044)
Total expenditures	11,090,001	12,274,452	12,062,440	212,012
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>				
	198,954	( 906,285)	152,234	1,058,519
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	( 10,750)	( 685,704)	( 1,137,475)	( 451,771)
Sale of assets	-	2,500	2,697	197
Total other financing sources (uses)	( 10,750)	( 683,204)	( 1,134,778)	( 451,574)
<b>NET CHANGE IN FUND BALANCE</b>	188,204	( 1,589,489)	( 982,544)	606,945
<b>FUND BALANCES, BEGINNING</b>	6,163,313	6,163,313	6,163,313	-
<b>FUND BALANCE, ENDING</b>	\$ 6,351,517	\$ 4,573,824	\$ 5,018,685	\$ 444,861

The notes to the financial statements are an integral part of this statement.

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# JASPER COUNTY, TEXAS

## ROAD AND BRIDGE SPECIAL REVENUE FUND

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

FOR THE YEAR ENDED DECEMBER 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 3,915,963	\$ 3,915,963	\$ 3,927,217	\$ 11,254
Fines and forfeitures	111,000	111,000	199,734	88,734
Intergovernmental	56,000	84,415	233,628	149,213
Auto registration	896,328	896,328	717,591	( 178,737)
Interest	10,636	10,636	14,403	3,767
Other	125,169	125,169	140,631	15,462
Total revenues	5,115,096	5,143,511	5,233,204	89,693
<b>EXPENDITURES</b>				
General government	435,808	442,408	437,343	5,065
Roads	4,464,590	5,131,486	4,307,375	824,111
Capital outlay	142,739	583,582	447,311	136,271
Total expenditures	5,043,137	6,157,476	5,192,029	965,447
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>				
	71,959	( 1,013,965)	41,175	1,055,140
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	200,000	-	( 200,000)
Transfers out	-	( 200,000)	-	200,000
Sale of assets	1,000	9,889	19,311	9,422
Total other financing sources (uses)	1,000	9,889	19,311	9,422
<b>NET CHANGE IN FUND BALANCE</b>	72,959	( 1,004,076)	60,486	1,064,562
<b>FUND BALANCE, BEGINNING</b>	2,709,704	2,100,492	3,312,723	1,212,231
<b>PRIOR PERIOD ADJUSTMENT</b>	-	-	116,959	116,959
<b>FUND BALANCES, BEGINNING AS RESTATED</b>	2,709,704	2,100,492	3,429,682	1,329,190
<b>FUND BALANCE, ENDING</b>	\$ 2,782,663	\$ 1,096,416	\$ 3,490,168	\$ 2,393,752

The notes to the financial statements are an integral part of this statement.

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**JASPER COUNTY, TEXAS**

**STATEMENT OF FIDUCIARY NET POSITION**

**FIDUCIARY FUNDS**

**DECEMBER 31, 2015**

	<u>Private Purpose Trust</u>		<u>County Schools</u>	<u>Agency Funds</u>
<b>ASSETS</b>				
Cash	\$ 4,487,691		\$ 2,746,238	
Total assets	<u>\$ 4,487,691</u>		<u>\$ 2,746,238</u>	
<b>LIABILITIES</b>				
Due to other agencies and individuals	\$ 23		\$ 2,746,238	
Total liabilities	<u>\$ 23</u>		<u>\$ 2,746,238</u>	
<b>NET POSITION</b>				
Held in trust for schools	<u>\$ 4,487,668</u>			

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**JASPER COUNTY, TEXAS**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

		<u>Private Purpose Trust</u>
		<u>County Schools</u>
<b>ADDITIONS</b>		
Contributions	\$ 55,851	
Investment earnings	<u>71,962</u>	
Total additions	127,813	
<b>DEDUCTIONS</b>		( <u>55,861</u> )
<b>CHANGE IN NET POSITION</b>		71,952
<b>TOTAL NET POSITION, BEGINNING</b>		<u>4,415,716</u>
<b>TOTAL NET POSITION, ENDING</b>		<u>\$ 4,487,668</u>

The notes to the financial statements are an integral part of this statement.

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# JASPER COUNTY, TEXAS

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2015

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. Reporting Entity

Jasper County, Texas (the “County”) operates using a commission form of government under the laws and statutes of the Constitution of the State of Texas. The County provides various services to advance the welfare, health, comfort, safety and convenience of the County and its inhabitants.

The accounting and reporting policies of the County relating to the funds included in the accompanying financial statements conform to the generally accepted accounting principles (GAAP) applicable to state and local governments. The Government Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. As required by generally accepted accounting principles, these financial statements present Jasper County, Texas (the primary government) and its component units. There are no component units which meet the criteria for inclusion in the County’s reporting entity.

Related Organizations – The Commissioners and the County Judge are responsible for appointing a voting majority of the members of several organizations, but the County’s accountability for those organizations does not extend beyond making the appointments.

#### B. Government-wide and Fund Financial Statements

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

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

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

### **C. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be *available* when it is collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenue to be available if 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, franchise taxes, sales taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County.

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*** is used to account for the proceeds of specific revenue sources, mostly taxes and fees that are legally restricted to expenditures for street and highway improvements.

The ***Hurricane Ike Disaster Recovery Funds DRS 220078 Special Revenue Fund*** is used to account for the Hurricane Ike Disaster Recovery grant that the County received to help alleviate costs incurred during Hurricane Ike.

Additionally, the County reports the following fund types:

***Fiduciary Fund Types:***

The ***Private-purpose Trust Fund*** is used to account for investments, interest, rents and royalties for the benefit of various school districts in the County. The revenues are distributed to the various school districts.

***Agency Funds*** are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

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

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

**D. Assets, Liabilities and Net Position or Equity**

**Deposits and Investments**

The government's cash and investments are considered to be cash on hand, demand deposits and certificates of deposit.

State statutes authorize the County to invest in obligations of the U. S. Treasury, commercial paper, corporate bonds, repurchase agreements, and the State Treasurer's Investment Pool.

Investments for the government are reported at fair value. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

**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."

All trade and property tax receivables are shown net of an allowance for uncollectible accounts. Trade accounts receivable based on 2003 historical collection rates receivable allowance for uncollectibles. The property tax receivable allowance is equal to 21% of current year tax levy at December 31, 2015.

Property taxes are levied on October 1 and attach as an enforceable lien on property as of January 1. Statements are mailed on October 1, or as soon thereafter as possible, and are due upon receipt. All unpaid taxes become delinquent if not paid before February 1 of the following year.

**Deferred Inflows/Outflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Jasper County has no item that qualifies for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position of fund balance 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 only one type of item in the government-wide financial statements to report in this category. The County is reporting a balance for advance property tax collections in the government-wide statement of net position. Additionally, the County has items, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. The advance collections of property taxes are deferred inflows of resources as well as unavailable revenues for property taxes and court fines and fees.

**Capital Assets**

Capital assets, which include property, plant and equipment are reported in the applicable governmental 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 one year. 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 date of donation.

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.

Property, plant and equipment is depreciated using the straight-line method over the following useful lives:

Assets	Years
Buildings	15 - 39
Equipment	5 - 7
Infrastructure	15

## **Compensated Absences**

County employees earn 12 days of vacation with pay per year during the first 4 years of employment, 15 days of vacation with pay per year with after more than 5 years but less than a 9 years of employment, and 18 days of vacation with pay per year for after more than 10 years continuous employment. Employees may carry over one year's earned vacation and an additional three days. Vacation in excess of carryover shall be forfeited. Unused sick leave is paid upon retirement, but not termination.

## **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 or business-type activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts 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.

## **Fund Balance Classification**

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

- **Nonspendable:** This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. Nonspendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- **Restricted:** This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

- **Committed:** This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by the Commissioners' Court, the County's highest level of decision making authority. These amounts cannot be used for any other purpose unless the Commissioners' Court removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.
- **Assigned:** This classification includes amounts that are constrained by the County's intent to be used for a specific purpose but are neither restricted nor committed. This classification includes amounts that are constrained by the County's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the County Auditor.
- **Unassigned:** This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the County 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.

### **Net Position**

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislations adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

### **Prior Period Adjustment**

GASB has issued Statement No. 68, "*Accounting and Financial Reporting for Pensions-an amendment of GASB Statement No. 27,*" which became effective for fiscal year 2015. This statement changes the focus of pension accounting for employers from whether they are responsibly funding their plan over time to a point-in-time liability that is reflected in the employer's financial statements for any actuarially unfunded portion of pension benefits earned to date.

The implementation of Statement No. 68 resulted restatement of beginning net position for the recording of the beginning net pension liability in the amount of \$5,632,048, and the beginning deferred outflow for contributions made after the measurement date in the amount of \$1,150,202. These items cumulatively resulted in a restatement of governmental activities net position in the amount of \$4,481,846.

The Road and Bridge fund had a prior period adjustment in the amount of \$116,959 for grant activity.

The General Fund beginning fund balance was restated in the amount of \$162,084 due to FEMA grant revenue recorded in prior periods that were deemed uncollectable during the fiscal year.

**2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

**Explanation of Certain Differences Between the Governmental Fund Statement of Revenue, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities**

The governmental fund statement of revenue, expenditures and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental fund* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains, “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this \$4,150,208 difference are as follows:

Capital outlay	\$ 6,035,757
Depreciation expense	<u>( 1,885,549)</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 4,150,208</u>

Another element of that reconciliation states, “The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The details of this \$341,657 difference are as follows:

Principle repayments:	
General obligation debt	\$ 175,000
OPEB liability	<u>( 65,734)</u>
Net pension liability	<u>232,391</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 341,657</u>

Another element of that reconciliation states, “Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.” The details of this (\$23,353) difference are as follows:

Compensated absences	\$( 26,470)
Interest payable	<u>3,117</u>
Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u><u>\$( 23,353)</u></u>

### 3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

#### Budgetary Information

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

1. Prior to December 31, the County Judge and Commissioners prepare operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
2. A budget hearing, advertised in local papers, is conducted at the County Courthouse to obtain taxpayer comments prior to adoption. The budget must be adopted between August 16 and September 30, annually.
3. Amendments are made at the beginning of the budget year (January) to record the carry forward of previous year’s ending balances.
4. The budget is approved based on a line item basis. Any revisions altering the budget requires an amendment and must be approved by the Commissioners’ Court.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund and Special Revenue Funds. Formal budgetary integration is not employed for Debt Service Funds because effective budgetary control is alternatively achieved through general obligation bond indenture provisions.
6. Budgets for the General and Special Revenue Funds are adopted on a cash basis.
7. Budgeted amounts are as originally adopted, or as amended, by the Commissioners’ Court on December 31, 2015. Individual amendments were not material in relation to the original appropriations which were amended.

#### 4. DETAILED NOTES ON ALL FUNDS

##### Deposits and Investments

The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the County to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit. Statutes authorize the County to invest in (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. The Act also requires the County to have independent auditors perform test procedures related to investment practices as provided by the Act. The County is in substantial compliance with the requirements of the Act and with local policies.

***Custodial Credit Risk.*** In the case of deposits, this is the risk that in the event of a bank failure, the County's deposits may not be returned to it. As of December 31, 2015, all of the County's \$21,730,067 deposit balance was collateralized with securities held by the pledging financial institution.

##### Receivables

Receivables as of year-end for the government's individual major funds and nonmajor, internal service, and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Road and Bridge</u>	<u>Hurricane Ike Disaster Recovery Funds DRS 220078</u>	<u>Nonmajor Governmental</u>
Receivables:				
Taxes	\$ 2,857,729	\$ 1,392,353	\$ -	\$ 302,313
Accounts	175,200	2,094,864	-	31,556
Grants	<u>167,115</u>	<u>-</u>	<u>170,827</u>	<u>2,040</u>
Gross receivables	3,200,044	3,487,217	170,827	335,909
Less: allowance for uncollectibles	<u>( 277,962)</u>	<u>( 578,278)</u>	<u>-</u>	<u>( 39,484)</u>
Net Total				
Receivables	<u>\$ 2,922,082</u>	<u>\$ 2,908,939</u>	<u>\$ 170,827</u>	<u>\$ 296,425</u>

## Capital Assets

Capital asset activity for the year ended December 31, 2015, was as follows:

### Primary Government

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental activities:</b>				
Capital assets, not bring depreciated:				
Land	\$ 769,343	\$ 93,506	\$ -	\$ 862,849
CIP	7,053,835	4,412,111	5,028,688	6,437,258
Total assets not being depreciated	<u>7,823,178</u>	<u>4,505,617</u>	<u>5,028,688</u>	<u>7,300,107</u>
Capital assets, being depreciated:				
Buildings	9,854,500	5,089,959	-	14,944,459
Equipment	5,600,842	804,796	142,127	6,263,511
Infrastructure	28,751,842	689,913	-	29,441,755
Total capital assets, being depreciated	<u>44,207,184</u>	<u>6,584,668</u>	<u>142,127</u>	<u>50,649,725</u>
Less accumulated depreciation:				
Buildings	3,218,596	230,686	-	3,449,282
Equipment	4,455,527	922,751	116,287	5,261,991
Infrastructure	10,121,799	732,112	-	10,853,911
Total accumulated depreciation	<u>17,795,922</u>	<u>1,885,549</u>	<u>116,287</u>	<u>19,565,184</u>
Total capital assets being depreciated, net	<u>26,411,262</u>	<u>4,699,119</u>	<u>25,840</u>	<u>31,084,541</u>
Governmental activities capital assets, net	<u>\$ 34,234,440</u>	<u>\$ 9,204,736</u>	<u>\$ 5,054,528</u>	<u>\$ 38,384,648</u>

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

Governmental activities:	
General government	\$ 92,064
Public safety	531,812
Road and bridge	1,253,774
Public facility	<u>7,899</u>
	<u>\$ 1,885,549</u>

## Interfund Receivables, Payables and Transfers

The composition of interfund balances as of December 31, 2015, is as follows:

### Due to/from other funds:

Receivable Fund	Payable Fund	Amount
General	Nonmajor Governmental	\$ 51,573
Road and Bridge	General	1,077,301
Nonmajor Governmental	General	<u>222,126</u>
Total		<u>\$ 1,351,000</u>

All remaining balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

**Interfund transfers:**

	Transfers In	
	Hurricane Ike Disaster Recovery Funds DRS 220078	Nonmajor Governmental
Transfer Out:		
General	\$ 1,126,725	\$ 10,750
Nonmajor Governmental	-	105
Total	\$ 1,126,725	\$ 10,855

Transfers are used to (1) use unrestricted revenues in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, and (2) transfer funds out of a nonmajor fund to help finance the General Fund.

**Long-term Debt**

**Certificates of Obligation and Refunding Bonds**

The government issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for governmental activities. The original amount of general obligation bonds issued in prior years was \$3,500,000.

General obligation bonds are direct obligations and pledge the full faith and credit of the government. These bonds generally are issued as 20-year serial bonds with equal amounts of principal maturing each year. General obligation bonds currently outstanding are as follows:

Purpose	Interest Rate	Amount
Governmental activities	4.25% - 5.00%	\$ 430,000

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending December 31,	Governmental Activities	
	Principal	Interest
2016	\$ 175,000	\$ 20,807
2017	175,000	12,408
2018	80,000	2,920
Total	\$ 430,000	\$ 36,135

The bond obligation contains certain financial limitations and restrictions. The ordinances authorizing the issuance of general obligation bonds created an interest and sinking fund (general debt service fund). The ordinances require the County to ascertain a rate and amount of tax which will be sufficient to pay interest as it comes due and provide a reserve fund which is adequate to meet principal as it matures. The County is in compliance with all such significant financial restrictions.

**Changes in Long-term Liabilities**

Long-term liability activity (shown in thousands of dollars) for the year ended December 31, 2015, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Government activities</b>					
Certificates of obligation	\$ 605,000	\$ -	\$ 175,000	\$ 430,000	\$ 175,000
Compensated absences	267,618	544,103	517,633	294,088	58,818
OPEB liability	350,688	144,893	79,159	416,422	-
Net pension liability	<u>5,632,048</u>	<u>1,820,799</u>	<u>1,548,269</u>	<u>5,904,578</u>	<u>-</u>
Governmental activities long-term liability	<u>\$ 6,855,354</u>	<u>\$ 2,509,795</u>	<u>\$ 2,320,061</u>	<u>\$ 7,045,088</u>	<u>\$ 233,818</u>

Also, for the governmental activities, compensated absences are generally liquidated by the General Fund.

**Defined Benefit Pension Plan**

**Plan Description.** The County participates in a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System (“TCDRS”). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent, multiple-employer, public employee retirement system consisting of nontraditional defined benefit pension plans. TCDRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at [www.tcdrs.org](http://www.tcdrs.org).

All eligible employees of the County are required to participate in TCDRS.

**Benefits Provided.** TCDRS provides retirement, disability and death benefits for all of its fulltime employees. Benefit provisions are adopted by the governing body of the County, within the options available in the state statutes governing TCDRS.

Members can retire at age 60 and above with 8 or more years of service, with 20 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after eight years of service, but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer.

Benefit amounts are determined by the sum of the employee's contributions to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the employer within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute. At retirement, death or disability, the benefit is calculated by converting the sum of the employee's accumulated contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

***Employees covered by benefit terms***

At the December 31, 2014 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	127
Inactive employees entitled to but not yet receiving benefits	63
Active employees	<u>165</u>
	<u><u>355</u></u>

**Contributions.** The contribution rates for employees in TCDRS are either 4%, 5%, 6%, or 7% of employee gross earnings, as adopted by the employer's governing body. Participating employers are required to contribute at actuarially determined rates to ensure adequate funding for each employer's plan. Under the state law governing TCDRS, the contribution rate for each entity is determined annually by the actuary and approved by the TCDRS Board of Trustees. The replacement life entry age actuarial cost method is used in determining the contribution rate. The actuarially determined rate is the estimated amount necessary to fund benefits in an orderly manner for each participant over his or her career so that sufficient funds are accumulated by the time benefit payments begin, with an additional amount to finance any unfunded accrued liability.

Employees for the County were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the County were 17.55% and 17.88% in calendar years 2014 and 2015, respectively. The County's contributions to TCDRS for the year ended December 31, 2015, were \$1,260,533 and were equal to the required contributions.

**Net Pension Liability.** The County's Net Pension Liability (NPL) was measured as of December 31, 2014, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

***Actuarial Assumptions***

The Total Pension Liability in the December 31, 2014, actuarial valuation was determined using the following actuarial assumptions:

Inflation	3.0% per year
Overall payroll growth	3.5% per year
Investment rate of return	8.1%, net of pension plan investment expense, including inflation

Mortality rates for active members, retirees, and beneficiaries were based on the following:

Depositing members	The RP-2000 Active Employee Mortality Table for males with a two-year set-forward and the RP-2000 Active Employee Mortality Table for females with a four-year setback, both with the projection scale AA.
Service retirees, beneficiaries and non-depositing members	The RP-2000 Combined Mortality Table with the projection scale AA, with a one-year set-forward for males and no age adjustment for females.
Disabled retirees	RP-2000 Disabled Mortality Table for males with no age adjustment and RP-2000 Disabled Mortality Table for females with a two-year set-forward, both with the projection scale AA.

The actuarial assumptions that determined the total pension liability as of December 31, 2014, were based on the results of an actuarial experience study for the period January 1, 2009 through December 31, 2012, except where required to be different by GASB 68.

The long-term expected rate of return on pension plan investments is 8.10%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TCDRS Board of Trustees.

The long-term expected rate of return on TCDRS is determined by adding inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information below are based on January 2015 information for a 7 to 10 year time horizon. The valuation assumption for long-term expected return is re-assessed at a minimum of every four years, and is set based on a 30-year time horizon; the most recent analysis was performed in 2013. The target allocation and best estimates of geometric real rates return for each major assets class are summarized in the following table:

<b>Asset Class</b>	<b>Benchmark</b>	<b>Target Allocation <sup>(1)</sup></b>	<b>Geometric Real Rate of Return (Expected minus Inflation) <sup>(2)</sup></b>
US Equities	Dow Jones U.S. Total Stock Market Index	16.50%	5.35%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index <sup>(3)</sup>	12.00%	8.35%
Global Equities	MSCI World (net) Index	1.50%	5.65%
International Equities - Developed	50% MSCI World Ex USA (net) + 50% MSCI World ex USA 100% Hedged to USD (net) Index	11.00%	5.35%
International Equities - Emerging	50% MSCI EM Standard (net) Index + 50% MSCI EM 100% Hedged to USD (net) Index	9.00%	6.35%
Investment-Grade Bonds	Barclays Capital Aggregate Bond Index	3.00%	0.55%
High-Yield Bonds	Citigroup High-Yield Cash-Pay Capped Index	3.00%	3.75%
Opportunistic Credit	Citigroup High-Yield Cash-Pay Capped Index	5.00%	5.54%
Direct Lending	Citigroup High-Yield Cash-Pay Capped Index	2.00%	5.80%
Distressed Debt	Citigroup High-Yield Cash-Pay Capped Index	3.00%	6.75%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% FRSE EPRA/NAREIT Global Real Estate Index	2.00%	4.00%
Commodities	Bloomberg Commodities Index	2.00%	-0.20%
Master Limited Partnerships (MLPs)	Alerian MLP Index	2.00%	5.30%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index <sup>(4)</sup>	3.00%	7.20%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	25.00%	5.15%

<sup>(1)</sup> Target asset allocation adopted at the April 2015 TCDRS Board meeting.

<sup>(2)</sup> Geometric real rates of return in addition to assumed inflation of 1.7% per Cliffwater's 2015 capital market assumptions.

<sup>(3)</sup> Includes vintage years 2006-present of Quarter Pooled Horizon IRRs.

<sup>(4)</sup> Includes vintage years 2007-present of Quarter Pooled Horizon IRRs.

### ***Discount Rate***

The discount rate used to measure the Total Pension Liability was 8.1%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the Total Pension Liability.

### ***Changes in the Net Pension Liability***

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at 12/31/2013	\$ 31,920,654	\$ 26,288,606	\$ 5,632,048
Changes for the year:			
Service cost	971,579	-	971,579
Interest on total pension liability <sup>(1)</sup>	2,551,429	-	2,551,429
Effect of economic/demographic gains or losses	129,180	-	129,180
Refund of contributions	( 45,804)	( 45,804)	-
Benefit payments	( 1,785,584)	( 1,785,584)	-
Administrative expenses	-	( 20,838)	20,838
Member contributions	-	454,148	( 454,148)
Net investment income	-	1,796,794	( 1,796,794)
Employer contributions	-	1,138,612	( 1,138,612)
Other <sup>(2)</sup>	-	10,942	( 10,942)
Balance at 12/31/2014	<u>\$ 33,741,454</u>	<u>\$ 27,836,876</u>	<u>\$ 5,904,578</u>

<sup>(1)</sup> Reflects the change in the liability due to the time value of money. TCDRS does not charge fees

<sup>(2)</sup> Relates to allocation of system-wide items.

### *Sensitivity Analysis*

The following presents the net pension liability of the County, calculated using the discount rate of 8.1%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.1%) or 1-percentage-higher (9.1%) than the current rate:

	1% Decrease 7.1%	Current Discount Rate 8.1%	1% Increase 9.1%
Total pension liability	\$ 37,754,665	\$ 33,741,454	\$ 30,413,207
Fiduciary net position	<u>27,836,876</u>	<u>27,836,876</u>	<u>27,836,876</u>
Net pension liability/(asset)	<u>\$ 9,917,789</u>	<u>\$ 5,904,578</u>	<u>\$ 2,576,331</u>

### *Pension Plan Fiduciary Net Position*

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TCDRS financial report. The report may be obtained on the Internet at [www.tcdrs.org](http://www.tcdrs.org).

### **Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended December 31, 2015, the County recognized pension expense of \$1,260,533.

At December 31, 2015, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources
Differences between expected and actual economic experience	\$ 103,344
Difference between projected and actual investment earnings	274,841
Contributions subsequent to the measurement date	<u>1,276,938</u>
Total	<u>\$ 1,655,123</u>

\$1,655,123 reported as deferred outflows of resources related to pension resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending December 31, 2016. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expenses as follows:

Year Ended September 30,		
2016	\$	94,546
2017		94,546
2018		94,546

**Postemployment Health Care Plan**

**Plan Description and Funding Policy**

Permanent fulltime employees of the County who retire are eligible to participate in the Jasper County Retiree Health Care Plan (JCRHCP). Employees are eligible to retire when they are 60 years of age and have 8 years of service, or at any age with 30 years of service, or if their current age plus their years of service equals 75. Retirees may elect to continue medical coverage by paying premiums for the coverage elected until the retiree is eligible for Medicare Part A and Part B coverage, either by age or disability. Employees who qualify under the eligibility requirements for retirement, who are 60 years or older and who have worked the last 12 consecutive years with Jasper County qualify for medical insurance coverage paid by Jasper County until the retiree is eligible for Medicare Part A and Part B coverage, either by age or disability. Employees terminating before normal retirement conditions are not eligible for retiree health benefits. Survivors of employees who die while actively employed are not eligible for retiree health benefits. Surviving dependents of retired members may continue retiree health coverage for up to 36 months through COBRA. Retiree can also elect to continue coverage for eligible spouse, but must pay for the coverage cost of the spouse. Surviving spouse of retired members may continue retiree health care coverage for up to 36 months through COBRA. The County provides a \$5,000 term life insurance policy to retired employees. Life insurance coverage for dependents is not offered. This is offered through TCDRS. Retirees who decide to opt out of health care benefits are not eligible to opt back in at another time. There is no additional stipend provided for those who opt out of retiree health care benefits.

Jasper County is required to contribute the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The current ARC rate is 4.5 percent of annual covered payroll.

**Postemployment Benefits Other than Pension Benefits**

**Annual OPEB Cost**

The County’s annual other postemployment benefits (OPEB) cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameter 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 30 years. The County had its first OPEB actuarial valuation performed for the fiscal year beginning January 1, 2008, as required by GASB. The annual OPEB cost for the fiscal year ended December 31, 2015, is as follows:

Annual required contribution	\$ 143,733
Interest on net OPEB obligation	15,781
Adjustment to annual required contribution	<u>( 14,621)</u>
Annual OPEB cost (expense)	144,893
Contributions made	<u>( 79,159)</u>
Increase in net OPEB obligation	65,734
Net OPEB obligation, beginning of year	<u>350,688</u>
Net OPEB obligation, end of year	<u><u>\$ 416,422</u></u>

The County’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year ending December 31, 2015, and the two preceding fiscal years were as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Amount Contributed	Percentage Contributed	Net OPEB Obligation
December 31, 2013	\$ 136,297	\$ 87,020	63.8%	\$ 295,457
December 31, 2014	140,525	85,294	60.7%	350,688
December 31, 2015	144,893	79,159	54.6%	416,422

**Funding Status and Funding Progress**

The funded status of the County’s retiree health care plan, under GASB Statement No. 45 as of December 31, 2012, is as follows:

Actuarial Valuation Date as of December 31	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)
2012	\$ -	\$ 1,003,294	\$ 1,003,294	0%

Under the reporting parameters, the County’s retiree health care plan is 0% funded with an estimated actuarial accrued liability exceeding actuarial assets by \$1,003,294 at December 31, 2012.

## 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 recognition of the cost of 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 unfunded 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:

### Actuarial Methods and Assumptions

Inflation rate	3.00% per annum
Investment rate of return	4.50%, net of expenses
Actuarial cost method	Projected Unit Credit Cost Method
Amortization method	Level as a percentage of employee payroll
Amortization period	30-year open amortization
Salary growth	3.00% per annum
Health care cost trend rate	Initial rate of 7.25% declining to an ultimate rate of 5.0% after 9 years

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability 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 estimates made about the future. The required Schedule of Funding Progress presented as required supplementary information provides multiyear trend information that shows the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

# **REQUIRED SUPPLEMENTARY INFORMATION**

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## JASPER COUNTY, TEXAS

### SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

#### LAST FISCAL YEAR

<b>Plan Year Ended December 31</b>	<b><u>2014</u></b>
<b>Total Pension Liability</b>	
Service Cost	\$ 971,579
Interest total pension liability	2,551,429
Effect of economic/demographic (gains) or losses	129,180
Benefit payments/refunds of contributions	( 1,831,388)
Net change in total pension liability	1,820,800
Total pension liability - beginning	<u>31,920,654</u>
Total pension liability - ending (a)	<u>\$ 33,741,454</u>
<b>Plan Fiduciary Net Position</b>	
Employer contributions	\$ 1,138,612
Member contributions	454,148
Investment income net of investment expenses	1,796,794
Benefit payments refunds of contributions	( 1,831,388)
Administrative expenses	( 20,838)
Other	<u>10,942</u>
Net change in plan fiduciary net position	1,548,270
Plan fiduciary net position - beginning	<u>26,288,606</u>
Plan fiduciary net position - ending (b)	<u>27,836,876</u>
Net pension liability - ending (a) - (b)	<u>\$ 5,904,578</u>
Fiduciary net position as a percentage of total pension liability	82.50%
Pensionable covered payroll	\$ 6,487,833
Net pension liability as a percentage of covered payroll	91.01%

# JASPER COUNTY, TEXAS

## SCHEDULE OF EMPLOYER CONTRIBUTIONS

### LAST TEN FISCAL YEARS

<u>Fiscal Year Ended December 31</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Employer Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Pensionable Covered Payroll</u>	<u>Actual Contribution as a % of Covered Payroll</u>
2006	\$ 641,880	\$ 641,880	\$ -	\$ 4,513,926	14.2%
2007	700,153	700,153	-	4,775,940	14.7%
2008	850,697	850,697	-	5,199,861	16.4%
2009	875,047	875,047	-	5,616,474	15.6%
2010	889,501	889,501	-	5,658,402	15.7%
2011	888,820	888,820	-	5,905,793	15.0%
2012	954,884	954,884	-	6,039,800	15.8%
2013	1,050,450	1,050,450	-	6,374,109	16.5%
2014	1,138,612	1,138,612	-	6,487,833	17.5%
2015	1,260,531	1,260,531	-	7,049,963	17.9%

# JASPER COUNTY, TEXAS

## NOTES TO SCHEDULE OF EMPLOYER CONTRIBUTIONS

### FOR THE YEAR ENDED DECEMBER 31, 2015

<b>Valuation Timing</b>	Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of the fiscal year in which the contributions are reported.
<b>Actuarial Cost Method</b>	Entry age normal
<b>Asset Valuation Method</b>	
Smoothing period	5 years
Recognition method	Non-asymptotic
Corridor	None
<b>Inflation</b>	3.0%
<b>Salary Increases</b>	Annual salary increase rates assumed for individual members vary by length of service and by entry-age group. The annual rates consist of general wage inflation component of 3.5% (made up of 3.0% inflation and 0.5% productivity increase assumptions) and a merit, promotion and longevity component that on average approximates 1.4% per year for a career employee.
<b>Investment Rate of Return</b>	8.1%
<b>Cost-of Living Adjustments</b>	Cost-of-Living Adjustments are considered to be substantively automatic under GASB 68. Therefore, an annual 100% CPI cost-of-living adjustment is included in the GASB calculations. No assumption for future cost-of-living adjustments is included in the funding valuation.
<b>Retirement Age</b>	Experience-based table of rates based on a study of the period 2009-2012.
<b>Turnover</b>	New employees are assumed to replace any terminated members and have similar entry ages.
<b>Mortality</b>	
Depositing members	The RP-2000 Active Employee Mortality Table for males with a two-year set-forward and the RP-2000 Active Employee Mortality Table for females with a four-year setback, both with the projection scale AA.
Service retirees, beneficiaries and non-depositing members	The RP-2000 Combined Mortality Table with the projection scale AA, with a one-year set-forward for males and no age adjustment for females.
Disabled retirees	RP-2000 Disabled Mortality Table for males with no age adjustment and RP-2000 Disabled Mortality Table for females with a two-year set-forward, both with the projection scale AA.
<b>Other Information</b>	There were no benefit changes during the year.

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**COMBINING AND INDIVIDUAL  
FUND STATEMENTS AND SCHEDULES**

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## **NONMAJOR GOVERNMENTAL FUNDS**

*Special Revenue Funds* are used to account primarily for revenue from specific taxes and federal grant revenue which by law are designated to finance particular functions or activities of government and which, therefore, cannot be diverted to other uses.

*Debt Service Funds* are used to account for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

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## **NONMAJOR GOVERNMENTAL FUNDS**

*Special Revenue Funds* are used to account primarily for revenue from specific taxes and federal grant revenue which by law are designated to finance particular functions or activities of government and which, therefore, cannot be diverted to other uses.

*CDA County Forfeiture*

*Sheriff's Forfeiture*

*Federal Forfeiture*

*Preservation Fees – County Clerk*

*Check Collection and Processing*

*Law Library*

*Historical Commission*

*District Court Jury*

*County Records Management*

*District Attorney Supplemental*

*Title IV-E*

*VIT Interest*

*CDA LEOSE Training*

*Constable LEOSE Training*

*Justice Court Technology*

*County Clerk Archive Fees*

*District Clerk Preservation Fees*

*Courthouse Security for JP Offices*

*Jasper County Development District*

*Family Protection Fee*

*Appellate Judicial System*

*Alternative Dispute Resolution*

*Indigent Health*

*Supplemental Court Initiated Guardianship*

*Sheriff's Office LEOSE Training*

*Hurricane Ike Category E PW-2417*

*Hurricane Ike PA Pilot Program Disaster Recovery Funds*

*Rita Disaster Recovery #2 TX CDBG DRS 07/08*

*Tax Assessment and Collections Services*

*County and District Court Technology*

*County Child Abuse Protection*

*Court Records Preservation Fee*

*District Court Records Archive Fee*

*Hurricane Ike TXCDBG*

*Pre-Trial Intervention Program*

*Probate Additional Special Fee*

*County Juvenile Delinquency Prevention*

*County Clerk Vital Statistics Records Fee*

*Wingate Blvd. Road Improvements Projects*

*Jasper County Airport*

*Debt Service Funds* are used to account for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

*Debt Service Fund*

**JASPER COUNTY, TEXAS**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET**

**DECEMBER 31, 2015**

	Special Revenue				
	CDA County Forfeiture	Sheriff's Forfeiture	Federal Forfeiture	Preservation Fees County Clerk	Check Collection and Processing
<b>ASSETS</b>					
Cash and cash equivalents	\$ 13,456	\$ 19,463	\$ 18,674	\$ 17,398	\$ 6,930
Taxes receivable	-	-	-	-	-
Accounts receivable	-	-	-	493	-
Due from other funds	-	-	-	-	-
Due from other governments	-	-	-	-	-
Total assets	<u>13,456</u>	<u>19,463</u>	<u>18,674</u>	<u>17,891</u>	<u>6,930</u>
<b>LIABILITIES</b>					
Liabilities:					
Accounts payable	-	-	-	-	-
Other liabilities	-	-	-	-	-
Due to other funds	-	-	-	61	1
Unearned revenue	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>61</u>	<u>1</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue - property taxes	-	-	-	-	-
Property taxes received in advance of fiscal year levy	-	-	-	-	-
Unavailable revenue - court fines and fees	-	-	-	493	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>493</u>	<u>-</u>
<b>FUND BALANCES</b>					
Restricted for:					
Records management and preservation	-	-	-	17,337	-
Court technology and security	-	-	-	-	-
Tax assessment and collection services	-	-	-	-	-
Economic development	-	-	-	-	-
Jury services	-	-	-	-	-
Court system	-	-	-	-	-
Law library	-	-	-	-	-
Forfeitures	13,456	19,463	18,674	-	-
Check collection and processing	-	-	-	-	6,929
Foster care	-	-	-	-	-
Law enforcement	-	-	-	-	-
Historical commission	-	-	-	-	-
Indigent welfare	-	-	-	-	-
Debt service	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances	<u>13,456</u>	<u>19,463</u>	<u>18,674</u>	<u>17,337</u>	<u>6,929</u>
Total liabilities, deferred outflows of resources and fund balances	<u>\$ 13,456</u>	<u>\$ 19,463</u>	<u>\$ 18,674</u>	<u>\$ 17,891</u>	<u>\$ 6,930</u>

Special Revenue

Law Library	Historical Commission	District Court Jury	County Records Management	District Attorney Supplemental	Title IV-E	VIT Interest
\$ 225,366	\$ 3,521	\$ 37,174	\$ 163,412	\$ -	\$ 503,258	\$ -
-	-	-	-	-	-	-
-	-	-	17,676	-	-	-
-	-	-	5	-	-	-
-	-	2,040	-	-	-	-
<u>225,366</u>	<u>3,521</u>	<u>39,214</u>	<u>181,093</u>	<u>-</u>	<u>503,258</u>	<u>-</u>
1,194	-	-	105	-	-	-
-	-	-	-	-	-	-
-	-	530	-	4,009	40	683
-	-	-	-	-	-	-
<u>1,194</u>	<u>-</u>	<u>530</u>	<u>105</u>	<u>4,009</u>	<u>40</u>	<u>683</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	17,677	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>17,677</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	163,311	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	38,684	-	-	-	-
-	-	-	-	-	-	-
224,172	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	503,218	-
-	-	-	-	-	-	-
-	3,521	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>( 4,009)</u>	<u>-</u>	<u>( 683)</u>
<u>224,172</u>	<u>3,521</u>	<u>38,684</u>	<u>163,311</u>	<u>( 4,009)</u>	<u>503,218</u>	<u>( 683)</u>
<u>\$ 225,366</u>	<u>\$ 3,521</u>	<u>\$ 39,214</u>	<u>\$ 181,093</u>	<u>\$ -</u>	<u>\$ 503,258</u>	<u>\$ -</u>

**JASPER COUNTY, TEXAS**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET**  
**(Continued)**  
**DECEMBER 31, 2015**

	Special Revenue				
	CDA Leose Training	Constable LEOSE Training	Justice Court Technology	County Clerk Archive Fees	District Clerk Preservation Fees
<b>ASSETS</b>					
Cash and cash equivalents	\$ 5,309	\$ 5,170	\$ 96,326	\$ 417,951	\$ 11,029
Taxes receivable	-	-	-	-	-
Accounts receivable	-	-	659	-	1,797
Due from other funds	-	-	-	-	-
Due from other governments	-	-	-	-	-
Total assets	<u>5,309</u>	<u>5,170</u>	<u>96,985</u>	<u>417,951</u>	<u>12,826</u>
<b>LIABILITIES</b>					
Liabilities:					
Accounts payable	-	-	482	-	-
Other liabilities	-	-	-	-	-
Due to other funds	-	-	-	-	5
Unearned revenue	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>482</u>	<u>-</u>	<u>5</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue - property taxes	-	-	-	-	-
Property taxes received in advance of fiscal year levy	-	-	-	-	-
Unavailable revenue - court fines and fees	-	-	659	-	1,797
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>659</u>	<u>-</u>	<u>1,797</u>
<b>FUND BALANCES</b>					
Restricted for:					
Records management and preservation	-	-	-	417,951	11,024
Court technology and security	-	-	95,844	-	-
Tax assessment and collection services	-	-	-	-	-
Economic development	-	-	-	-	-
Jury services	-	-	-	-	-
Court system	-	-	-	-	-
Law library	-	-	-	-	-
Forfeitures	-	-	-	-	-
Check collection and processing	-	-	-	-	-
Foster care	-	-	-	-	-
Law enforcement	5,309	5,170	-	-	-
Historical commission	-	-	-	-	-
Indigent welfare	-	-	-	-	-
Debt service	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances	<u>5,309</u>	<u>5,170</u>	<u>95,844</u>	<u>417,951</u>	<u>11,024</u>
Total liabilities, deferred outflows of resources and fund balances	<u>\$ 5,309</u>	<u>\$ 5,170</u>	<u>\$ 96,985</u>	<u>\$ 417,951</u>	<u>\$ 12,826</u>

Special Revenue

Courthouse Security for JP Offices	Jasper County Development District	Family Protection Fee	Appellate Judicial System	Alternative Dispute Resolution	Indigent Health	Supplemental Court Initiated Guardianship
\$ 43,771	\$ 2,913	\$ 34,929	\$ 513	\$ 9,022	\$ 156,105	\$ 20,059
-	-	-	-	-	138,971	-
95	-	-	-	-	-	-
-	-	-	-	-	152,745	-
-	-	-	-	-	-	-
<u>43,866</u>	<u>2,913</u>	<u>34,929</u>	<u>513</u>	<u>9,022</u>	<u>447,821</u>	<u>20,059</u>
-	-	-	-	-	72,576	-
-	2,913	-	462	-	2,061	-
-	-	-	-	-	83	-
-	-	-	-	-	-	-
<u>-</u>	<u>2,913</u>	<u>-</u>	<u>462</u>	<u>-</u>	<u>74,720</u>	<u>-</u>
-	-	-	-	-	165,287	-
-	-	-	-	-	152,790	-
95	-	-	-	-	-	-
<u>95</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>318,077</u>	<u>-</u>
-	-	-	-	-	-	-
43,771	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	51	9,022	-	20,059
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	34,929	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	55,024	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>43,771</u>	<u>-</u>	<u>34,929</u>	<u>51</u>	<u>9,022</u>	<u>55,024</u>	<u>20,059</u>
<u>\$ 43,866</u>	<u>\$ 2,913</u>	<u>\$ 34,929</u>	<u>\$ 513</u>	<u>\$ 9,022</u>	<u>\$ 447,821</u>	<u>\$ 20,059</u>

**JASPER COUNTY, TEXAS**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET**  
**(Continued)**  
**DECEMBER 31, 2015**

	Special Revenue			
	Sheriff's Office LEOSE Training	Hurricane Ike Category E PW-2417	Hurricane Ike PA Pilot Program Disaster Recovery Funds	Rita Disaster Recovery #2 TX CDBG DRS 07/08
<b>ASSETS</b>				
Cash and cash equivalents	\$ 4,676	\$ 24,482	\$ 121,971	\$ 445
Taxes receivable	-	-	-	-
Accounts receivable	-	-	-	-
Due from other funds	-	-	9,597	-
Due from other governments	-	-	-	-
Total assets	4,676	24,482	131,568	445
<b>LIABILITIES</b>				
Liabilities:				
Accounts payable	-	-	-	-
Other liabilities	-	-	-	-
Due to other funds	-	-	-	-
Unearned revenue	-	24,482	131,568	-
Total liabilities	-	24,482	131,568	-
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue - property taxes	-	-	-	-
Property taxes received in advance of fiscal year levy	-	-	-	-
Unavailable revenue - court fines and fees	-	-	-	-
Total deferred inflows of resources	-	-	-	-
<b>FUND BALANCES</b>				
Restricted for:				
Records management and preservation	-	-	-	-
Court technology and security	-	-	-	-
Tax assessment and collection services	-	-	-	-
Economic development	-	-	-	445
Jury services	-	-	-	-
Court system	-	-	-	-
Law library	-	-	-	-
Forfeitures	-	-	-	-
Check collection and processing	-	-	-	-
Foster care	-	-	-	-
Law enforcement	4,676	-	-	-
Historical commission	-	-	-	-
Indigent welfare	-	-	-	-
Debt service	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	4,676	-	-	445
Total liabilities, deferred outflows of resources and fund balances	\$ 4,676	\$ 24,482	\$ 131,568	\$ 445

Special Revenue

Tax Assessment and Collections Services	County and District Court Technology	County Child Abuse Protection	Court Records Preservation Fee	District Court Records Archive Fee
\$ 90,330	\$ 4,976	\$ 1,599	\$ 19,024	\$ 15,485
-	-	-	-	-
-	2,644	1,486	-	-
-	-	-	-	-
-	-	-	-	-
<u>90,330</u>	<u>7,620</u>	<u>3,085</u>	<u>19,024</u>	<u>15,485</u>
-	-	-	-	-
1,918	-	-	-	-
69	-	-	13	6
<u>54,361</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>56,348</u>	<u>-</u>	<u>-</u>	<u>13</u>	<u>6</u>
-	-	-	-	-
-	-	-	-	-
-	2,643	1,486	-	-
<u>-</u>	<u>2,643</u>	<u>1,486</u>	<u>-</u>	<u>-</u>
-	-	-	-	-
-	-	-	19,011	15,479
-	4,977	-	-	-
33,982	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	1,599	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>33,982</u>	<u>4,977</u>	<u>1,599</u>	<u>19,011</u>	<u>15,479</u>
<u>\$ 90,330</u>	<u>\$ 7,620</u>	<u>\$ 3,085</u>	<u>\$ 19,024</u>	<u>\$ 15,485</u>

**JASPER COUNTY, TEXAS**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET**  
**(Continued)**  
**DECEMBER 31, 2015**

	Pre-trial Intervention Program	Probate Additional Special Fee	County Juvenile Delinquency Prevention
<b>ASSETS</b>			
Cash and cash equivalents	\$ 75,780	\$ 2,111	\$ 10
Taxes receivable	-	-	-
Accounts receivable	-	-	-
Due from other funds	-	-	-
Due from other governments	-	-	-
	<u>75,780</u>	<u>2,111</u>	<u>10</u>
<b>LIABILITIES</b>			
Liabilities:			
Accounts payable	-	-	-
Other liabilities	-	-	-
Due to other funds	-	-	-
Unearned revenue	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue - property taxes	-	-	-
Property taxes received in advance of fiscal year levy	-	-	-
Unavailable revenue - court fines and fees	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>			
Restricted for:			
Records management and preservation	-	-	-
Court technology and security	-	2,111	-
Tax assessment and collection services	-	-	-
Economic development	-	-	-
Jury services	-	-	-
Court system	-	-	-
Law library	-	-	-
Forfeitures	-	-	-
Check collection and processing	-	-	-
Foster care	-	-	-
Law enforcement	75,780	-	10
Historical commission	-	-	-
Indigent welfare	-	-	-
Debt service	-	-	-
Unassigned	-	-	-
	<u>75,780</u>	<u>2,111</u>	<u>10</u>
Total fund balances	<u>75,780</u>	<u>2,111</u>	<u>10</u>
Total liabilities, deferred outflows of resources and fund balances	<u>\$ 75,780</u>	<u>\$ 2,111</u>	<u>\$ 10</u>

Special Revenue			Debt Service	
County Clerk Vital Statistics Records Fee	Wingate Blvd. Road Improvements Project	Jasper County Airport	Debt Service	Totals
\$ 7,592	\$ 32	\$ -	117,156	\$ 2,297,418
-	-	-	130,564	269,535
-	-	-	-	24,850
-	-	-	59,779	222,126
-	-	-	-	2,040
<u>7,592</u>	<u>32</u>	<u>-</u>	<u>307,499</u>	<u>2,815,969</u>
-	-	-	-	74,357
-	-	-	-	7,354
-	-	46,073	-	51,573
-	-	-	-	210,411
-	-	<u>46,073</u>	-	<u>343,695</u>
-	-	-	133,163	298,450
-	-	-	59,779	212,569
-	-	-	-	24,850
-	-	-	<u>192,942</u>	<u>535,869</u>
7,592	-	-	-	651,705
-	32	-	-	146,735
-	-	-	-	33,982
-	-	-	-	445
-	-	-	-	38,684
-	-	-	-	29,132
-	-	-	-	224,172
-	-	-	-	51,593
-	-	-	-	6,929
-	-	-	-	503,218
-	-	-	-	127,473
-	-	-	-	3,521
-	-	-	-	55,024
-	-	-	114,557	114,557
-	-	( 46,073)	-	( 50,765)
<u>7,592</u>	<u>32</u>	<u>( 46,073)</u>	<u>114,557</u>	<u>1,936,405</u>
\$ <u>7,592</u>	\$ <u>32</u>	\$ <u>-</u>	\$ <u>307,499</u>	\$ <u>2,815,969</u>

## JASPER COUNTY, TEXAS

### COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

#### NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2015

	Special Revenue				
	CDA County Forfeiture	Sheriff's Forfeiture	Federal Forfeiture	Preservation Fees County Clerk	Check Collection and Processing
<b>REVENUES</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and fees	-	-	-	64,471	856
Fines and forfeitures	-	-	-	-	-
Intergovernmental	-	1,122	-	-	-
Interest	61	45	20	105	28
Other	-	-	-	-	-
Total revenues	<u>61</u>	<u>1,167</u>	<u>20</u>	<u>64,576</u>	<u>884</u>
<b>EXPENDITURES</b>					
General government	-	-	-	77,739	-
Judicial	-	-	-	-	-
Legal	-	-	-	-	5,518
Public safety	-	1,566	2,028	-	-
Cultural and recreation	-	-	-	-	-
Health and welfare	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay	<u>27,267</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>27,267</u>	<u>1,566</u>	<u>2,028</u>	<u>77,739</u>	<u>5,518</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>( 27,206)</u>	<u>( 399)</u>	<u>( 2,008)</u>	<u>( 13,163)</u>	<u>( 4,634)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>( 27,206)</u>	<u>( 399)</u>	<u>( 2,008)</u>	<u>( 13,163)</u>	<u>( 4,634)</u>
<b>FUND BALANCES, BEGINNING</b>	<u>40,662</u>	<u>19,862</u>	<u>20,682</u>	<u>30,500</u>	<u>11,563</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 13,456</u>	<u>\$ 19,463</u>	<u>\$ 18,674</u>	<u>\$ 17,337</u>	<u>\$ 6,929</u>

Special Revenue

Law Library	Historical Commission	District Court Jury	County Records Management	District Attorney Supplemental	Title IV-E	VIT Interest
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21,510	-	-	12,977	-	-	-
-	-	-	-	-	-	-
-	-	-	-	27,500	53,632	-
683	3	129	500	4	1,605	-
-	636	10,506	-	-	-	-
<u>22,193</u>	<u>639</u>	<u>10,635</u>	<u>13,477</u>	<u>27,504</u>	<u>55,237</u>	<u>-</u>
-	-	-	1,506	-	-	694
-	-	20,557	-	-	-	-
12,442	-	-	-	31,059	-	-
-	-	-	-	-	27,314	-
-	1,175	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	22,269	-	-	-
<u>12,442</u>	<u>1,175</u>	<u>20,557</u>	<u>23,775</u>	<u>31,059</u>	<u>27,314</u>	<u>694</u>
<u>9,751</u>	<u>( 536)</u>	<u>( 9,922)</u>	<u>( 10,298)</u>	<u>( 3,555)</u>	<u>27,923</u>	<u>( 694)</u>
-	750	-	105	-	-	-
-	-	-	-	-	-	-
-	<u>750</u>	<u>-</u>	<u>105</u>	<u>-</u>	<u>-</u>	<u>-</u>
9,751	214	( 9,922)	( 10,193)	( 3,555)	27,923	( 694)
<u>214,421</u>	<u>3,307</u>	<u>48,606</u>	<u>173,504</u>	<u>( 454)</u>	<u>475,295</u>	<u>11</u>
<u>\$ 224,172</u>	<u>\$ 3,521</u>	<u>\$ 38,684</u>	<u>\$ 163,311</u>	<u>\$ ( 4,009)</u>	<u>\$ 503,218</u>	<u>\$ ( 683)</u>

**JASPER COUNTY, TEXAS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**

**NONMAJOR GOVERNMENTAL FUNDS**

**(Continued)**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Special Revenue				
	CDA LEOSE Training	Constable LEOSE Training	Justice Court Technology	County Clerk Archive Fees	District Clerk Preservation Fees
<b>REVENUES</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and fees	-	-	-	64,031	4,522
Fines and forfeitures	-	-	-	-	-
Intergovernmental	659	4,519	-	-	-
Interest	16	-	306	1,276	29
Other	-	-	20,339	-	-
Total revenues	<u>675</u>	<u>4,519</u>	<u>20,645</u>	<u>65,307</u>	<u>4,551</u>
<b>EXPENDITURES</b>					
General government	-	-	14,810	-	-
Judicial	-	-	-	-	-
Legal	-	-	-	-	-
Public safety	-	-	-	-	-
Cultural and recreation	-	-	-	-	-
Health and welfare	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay	-	-	8,640	26,238	1,557
Total expenditures	<u>-</u>	<u>-</u>	<u>23,450</u>	<u>26,238</u>	<u>1,557</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>675</u>	<u>4,519</u>	<u>( 2,805)</u>	<u>39,069</u>	<u>2,994</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	( 105)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>( 105)</u>
<b>NET CHANGE IN FUND BALANCES</b>	675	4,519	( 2,805)	39,069	2,889
<b>FUND BALANCES, BEGINNING</b>	<u>4,634</u>	<u>651</u>	<u>98,649</u>	<u>378,882</u>	<u>8,135</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 5,309</u>	<u>\$ 5,170</u>	<u>\$ 95,844</u>	<u>\$ 417,951</u>	<u>\$ 11,024</u>

Special Revenue

Courthouse Security for JP Offices	Jasper County Development District	Family Protection Fee	Appellate Judicial System	Alternative Dispute Resolution	Indigent Health	Supplemental Court Initiated Guardianship
\$ -	\$ -	\$ -	\$ -	\$ -	594,491	\$ -
5,015	-	2,250	-	3,225	-	-
-	-	-	-	6,902	-	2,580
-	-	-	-	-	12,572	-
135	-	105	2	17	881	58
-	-	-	-	-	-	-
<u>5,150</u>	<u>-</u>	<u>2,355</u>	<u>2</u>	<u>10,144</u>	<u>607,944</u>	<u>2,638</u>
-	-	-	-	-	-	-
-	-	-	-	9,039	-	-
-	-	-	-	-	-	-
2,877	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	669,312	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>2,877</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,039</u>	<u>669,312</u>	<u>-</u>
<u>2,273</u>	<u>-</u>	<u>2,355</u>	<u>2</u>	<u>1,105</u>	<u>( 61,368)</u>	<u>2,638</u>
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
2,273	-	2,355	2	1,105	( 61,368)	2,638
<u>41,498</u>	<u>-</u>	<u>32,574</u>	<u>49</u>	<u>7,917</u>	<u>116,392</u>	<u>17,421</u>
<u>\$ 43,771</u>	<u>\$ -</u>	<u>\$ 34,929</u>	<u>\$ 51</u>	<u>\$ 9,022</u>	<u>\$ 55,024</u>	<u>\$ 20,059</u>

**JASPER COUNTY, TEXAS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**

**NONMAJOR GOVERNMENTAL FUNDS**

**(Continued)**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Special Revenue			
	Sheriff's Office LEOSE Training	Hurricane Ike Category E PW-2417	Hurricane Ike PA Pilot Program Disaster Recovery Funds	Rita Disaster Recovery #2 TX CDBG DRS 07/08
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and fees	-	-	-	-
Fines and forfeitures	-	-	-	-
Intergovernmental	1,852	-	-	-
Interest	13	-	-	194
Other	-	-	-	-
Total revenues	1,865	-	-	194
<b>EXPENDITURES</b>				
General government	-	-	-	708
Judicial	-	-	-	-
Legal	-	-	-	-
Public safety	750	-	-	-
Cultural and recreation	-	-	-	-
Health and welfare	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	750	-	-	708
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	1,115	-	-	( 514)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
<b>NET CHANGE IN FUND BALANCES</b>	1,115	-	-	( 514)
<b>FUND BALANCES, BEGINNING</b>	3,561	-	-	959
<b>FUND BALANCES, ENDING</b>	\$ 4,676	\$ -	\$ -	\$ 445

Special Revenue

Tax Assessment and Collections Services	County and District Court Technology	County Child Abuse Protection	Court Records Preservation Fee	District Court Records Archive Fee
\$ -	\$ -	\$ -	\$ -	\$ -
-	1,339	354	8,162	8,046
-	-	-	-	-
100,043	-	-	-	-
230	13	5	27	40
9,137	-	-	-	-
<u>109,410</u>	<u>1,352</u>	<u>359</u>	<u>8,189</u>	<u>8,086</u>
130,710	-	-	5,049	1,727
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	902
<u>130,710</u>	<u>-</u>	<u>-</u>	<u>5,049</u>	<u>2,629</u>
( 21,300)	1,352	359	3,140	5,457
10,000	-	-	-	-
-	-	-	-	-
<u>10,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
( 11,300)	1,352	359	3,140	5,457
<u>45,282</u>	<u>3,625</u>	<u>1,240</u>	<u>15,871</u>	<u>10,022</u>
<u>\$ 33,982</u>	<u>\$ 4,977</u>	<u>\$ 1,599</u>	<u>\$ 19,011</u>	<u>\$ 15,479</u>

**JASPER COUNTY, TEXAS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**

**NONMAJOR GOVERNMENTAL FUNDS**

(Continued)

**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Pre-trial Intervention Program	Probate Additional Special Fee	County Juvenile Delinquency Prevention
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Licenses and fees	18,740	600	3
Fines and forfeitures	-	-	-
Intergovernmental	-	-	-
Interest	206	6	-
Other	-	-	-
Total revenues	<u>18,946</u>	<u>606</u>	<u>3</u>
<b>EXPENDITURES</b>			
General government	-	-	-
Judicial	-	-	-
Legal	-	-	-
Public safety	-	-	-
Cultural and recreation	-	-	-
Health and welfare	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
Capital outlay	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>18,946</u>	<u>606</u>	<u>3</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	18,946	606	3
<b>FUND BALANCES, BEGINNING</b>	<u>56,834</u>	<u>1,505</u>	<u>7</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 75,780</u>	<u>\$ 2,111</u>	<u>\$ 10</u>

County Clerk Vital Statistics Records Fee	Special Revenue		Debt Service	
	Wingate Blvd. Road Improvements Project	Jasper County Airport	Debt Service Funds	Totals
\$ -	\$ -	\$ -	\$ 218,606	\$ 813,097
2,695	-	-	-	218,796
-	-	-	-	9,482
-	-	2,092,644	-	2,294,543
19	-	-	504	7,265
-	-	-	-	40,618
<u>2,714</u>	<u>-</u>	<u>2,092,644</u>	<u>219,110</u>	<u>3,383,801</u>
-	-	-	-	232,943
-	-	-	-	29,596
-	-	-	-	49,019
-	-	-	802	35,337
-	-	-	-	1,175
-	-	-	-	669,312
-	-	-	175,000	175,000
-	-	-	29,120	29,120
-	-	2,092,644	-	2,179,517
-	-	2,092,644	204,922	3,401,019
<u>2,714</u>	<u>-</u>	<u>-</u>	<u>14,188</u>	<u>( 17,218)</u>
-	-	-	-	10,855
-	-	-	-	( 105)
-	-	-	-	10,750
2,714	-	-	14,188	( 6,468)
<u>4,878</u>	<u>32</u>	<u>( 46,073)</u>	<u>100,369</u>	<u>1,942,873</u>
<u>\$ 7,592</u>	<u>\$ 32</u>	<u>\$ ( 46,073)</u>	<u>\$ 114,557</u>	<u>\$ 1,936,405</u>

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**FIDUCIARY FUNDS**

*Forfeiture Holding*

*Medical Insurance*

*State Fee Account*

*County Clerk*

*Tax Assessor Collector*

*District Clerk*

*District Court Royalty*

*1<sup>st</sup> Judicial District Juvenile Probation*

*1<sup>st</sup> Judicial District CSCD Probation*

*Sheriff*

*Justice of the Peace 1 Clearing Account*

*Justice of the Peace 2 Clearing Account*

*Justice of the Peace 3 Clearing Account*

*Justice of the Peace 4 Clearing Account*

*Justice of the Peace 5 Clearing Account*

*Justice of the Peace 6 Clearing Account*

*1<sup>st</sup> Judicial District CSCD Special*

*National Forest*

*Criminal District Attorney*

**JASPER COUNTY, TEXAS**

**STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS**

**DECEMBER 31, 2015**

	<u>Forfeiture Holding</u>	<u>Medical Insurance</u>	<u>State Fee Account</u>	<u>County Clerk</u>	<u>Tax Assessor Collector</u>	<u>District Clerk</u>	<u>District Court Royalty</u>
<b>ASSETS</b>							
Cash	\$ <u>135,593</u>	\$ <u>607,809</u>	\$ <u>209,008</u>	\$ <u>243,898</u>	\$ <u>149,780</u>	\$ <u>221,080</u>	\$ <u>197,438</u>
Total assets	\$ <u>135,593</u>	\$ <u>607,809</u>	\$ <u>209,008</u>	\$ <u>243,898</u>	\$ <u>149,780</u>	\$ <u>221,080</u>	\$ <u>197,438</u>
<b>LIABILITIES</b>							
Due to other agencies and individuals	\$ <u>135,593</u>	\$ <u>607,809</u>	\$ <u>209,008</u>	\$ <u>243,898</u>	\$ <u>149,780</u>	\$ <u>221,080</u>	\$ <u>197,438</u>
Total liabilities	\$ <u>135,593</u>	\$ <u>607,809</u>	\$ <u>209,008</u>	\$ <u>243,898</u>	\$ <u>149,780</u>	\$ <u>221,080</u>	\$ <u>197,438</u>

<u>1st Judicial District Juvenile Probation</u>	<u>1st Judicial District CSCD Probation</u>	<u>Sheriff</u>	<u>Justice of the Peace 1 Clearing Account</u>	<u>Justice of the Peace 2 Clearing Account</u>	<u>Justice of the Peace 3 Clearing Account</u>
\$ <u>252,541</u>	\$ <u>537,107</u>	\$ <u>65,001</u>	\$ <u>7,117</u>	\$ <u>20,165</u>	\$ <u>10,832</u>
\$ <u>252,541</u>	\$ <u>537,107</u>	\$ <u>65,001</u>	\$ <u>7,117</u>	\$ <u>20,165</u>	\$ <u>10,832</u>
\$ <u>252,541</u>	\$ <u>537,107</u>	\$ <u>65,001</u>	\$ <u>7,117</u>	\$ <u>20,165</u>	\$ <u>10,832</u>
\$ <u>252,541</u>	\$ <u>537,107</u>	\$ <u>65,001</u>	\$ <u>7,117</u>	\$ <u>20,165</u>	\$ <u>10,832</u>

**JASPER COUNTY, TEXAS**

**STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
(Continued)  
DECEMBER 31, 2015**

	Justice of the Peace 4 Clearing Account	Justice of the Peace 5 Clearing Account	Justice of the Peace 6 Clearing Account	1st Judicial District CSCD Special	National Forest	Criminal District Attorney	Totals
<b>ASSETS</b>							
Cash	\$ 2,695	\$ 5,135	\$ 25,648	\$ 8,655	\$ 45,954	\$ 782	\$ 2,746,238
Total assets	<u>\$ 2,695</u>	<u>\$ 5,135</u>	<u>\$ 25,648</u>	<u>\$ 8,655</u>	<u>\$ 45,954</u>	<u>\$ 782</u>	<u>\$ 2,746,238</u>
<b>LIABILITIES</b>							
Due to other agencies and individuals	\$ 2,695	\$ 5,135	\$ 25,648	\$ 8,655	\$ 45,954	\$ 782	\$ 2,746,238
Total liabilities	<u>\$ 2,695</u>	<u>\$ 5,135</u>	<u>\$ 25,648</u>	<u>\$ 8,655</u>	<u>\$ 45,954</u>	<u>\$ 782</u>	<u>\$ 2,746,238</u>

# **SINGLE AUDIT SECTION**

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PATTILLO, BROWN & HILL, L.L.P.  
CERTIFIED PUBLIC ACCOUNTANTS ■ BUSINESS CONSULTANTS

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

The Honorable County Judge and  
Commissioners’ Court of  
Jasper County, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Jasper County, Texas, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise Jasper County, Texas’ basic financial statements and have issued our report thereon dated September 30, 2016.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Jasper County, Texas’ internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Jasper County, Texas’ internal control. Accordingly, we do not express an opinion on the effectiveness of Jasper County, Texas’ internal control.

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

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

### **Compliance and Other Matters**

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

### **Purpose of this Report**

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

Pattillo, Brown & Hill, L.L.P.

Waco, Texas  
September 30, 2016



PATTILLO, BROWN & HILL, L.L.P.  
CERTIFIED PUBLIC ACCOUNTANTS ■ BUSINESS CONSULTANTS

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR  
EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL  
OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

The Honorable County Judge and  
Commissioners' Court of  
Jasper County, Texas

**Report on Compliance for Each Major Federal Program**

We have audited Jasper County, Texas' compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of Jasper County, Texas' major federal programs for the year ended December 31, 2015. Jasper County, Texas' major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of Jasper County, Texas' major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Jasper County, Texas' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Jasper County, Texas' compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, Jasper County, Texas complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2015.

### **Report on Internal Control over Compliance**

Management of Jasper County, Texas, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Jasper County, Texas' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program as a basis for determining auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Jasper County, Texas' internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Pattillo, Brown & Hill, L.L.P.*

Waco, Texas  
September 30, 2016

**JASPER COUNTY, TEXAS**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**YEAR ENDED DECEMBER 31, 2015**

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Expenditures</u>
<b><u>U. S. Department of Housing and Urban Development</u></b>			
Passed through the Texas General Land Office:			
TxCDBG Disaster Recovery Program	14.228	DRS220078	\$ <u>1,363,570</u>
Total Passed through the Texas General Land Office			<u>1,363,570</u>
Total U. S. Department of Housing and Urban Development			<u>1,363,570</u>
<b><u>U. S. Department of Justice</u></b>			
Crime Victim Assistance	16.575	2807701	34,010
Crime Victim Assistance	16.575	2807702	<u>15,827</u>
Total program 16.575			<u>49,837</u>
Mental Health Officer	16.738	2709802	19,350
Mental Health Officer	16.738	2709803	<u>15,179</u>
Total program 16.738			<u>34,529</u>
Total U. S. Department of Justice			<u>84,366</u>
<b><u>U. S. Election Assistance Commission</u></b>			
Passed through the Texas Secretary of State			
Help America Vote Act	90.401	78596	<u>1,089</u>
Total U. S. Election Assistance Commission			<u>1,089</u>
<b><u>Department of Health and Human Services</u></b>			
Passed through the Texas Department of Family & Protective Services			
Title IV-E Child Welfare	93.645	23939001	1,795
Title IV-E Child Welfare	93.645	23939001	<u>675</u>
Total Department of Health and Human Services			<u>2,470</u>
<b><u>Federal Emergency Management Agency</u></b>			
Passed through the Texas Department of Public Safety			
Division of Emergency Management:			
Public Assistance Grant, DR 4223	97.036	FEMA-4223-DR-TX	4,948
Emergency Management Performance Grant	97.042	15TX-EMPG-0429	<u>29,214</u>
Total Passed through the Texas Department of Public Safety			
Division of Emergency Management			<u>34,162</u>
Total Federal Emergency Management Agency			<u>34,162</u>
<b><u>U. S. Department of Homeland Security</u></b>			
Passed through the Office of the Governor			
Homeland Security Grant Program	97.067	EMW-2015-SS-00080	<u>14,101</u>
Total U. S. Department of Homeland Security			<u>14,101</u>
Total Federal Awards			\$ <u>1,499,758</u>

# **JASPER COUNTY, TEXAS**

## **NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**DECEMBER 31, 2015**

### **1. GENERAL**

The Schedule of Expenditures of Federal Awards presents the activity of all applicable federal award programs of Jasper County, Texas. The County's reporting entity is defined in Note 1 of the financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the Schedule of Expenditures of Federal Awards.

### **2. BASIS OF ACCOUNTING**

The Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting. The modified accrual basis of accounting is described in Note 1 of the financial statements.

**JASPER COUNTY, TEXAS**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

**Summary of Auditors' Results**

Financial Statements:

Type of auditors' report issued Unqualified

Internal control over financial reporting:

Material weakness(es) identified? None

Significant deficiency(ies) identified? None

Noncompliance material to financial statements noted? None

Federal Awards:

Internal control over major programs:

Material weakness(es) identified? No

Significant deficiency(ies) identified? None reported

Type of auditors' report issued on compliance for major programs Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a) or the State of Texas Uniform Grant Management Standards? None

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster:
#14.228	TxCDBG Disaster Recovery Program

Dollar threshold used to distinguish between type A and type B programs \$750,000

Auditee qualified as low-risk auditee? Yes

**Findings and Questioned Costs for Federal Awards**

None

**Findings Relating to the Financial Statements Which Are Required to be Reported in Accordance With Generally Accepted Auditing Standards**

None

**JASPER COUNTY, TEXAS**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

None