

Comprehensive Annual Financial Report

For Fiscal Year Ended

December 31, 2013

JIM WELLS COUNTY, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2013

Prepared by:

Jim Wells County, Texas – Auditor's Office

Eladio Gonzalez, Jr

County Auditor



Jim Wells County, Texas
 Comprehensive Annual Financial Report
 For The Year Ended December 31, 2013

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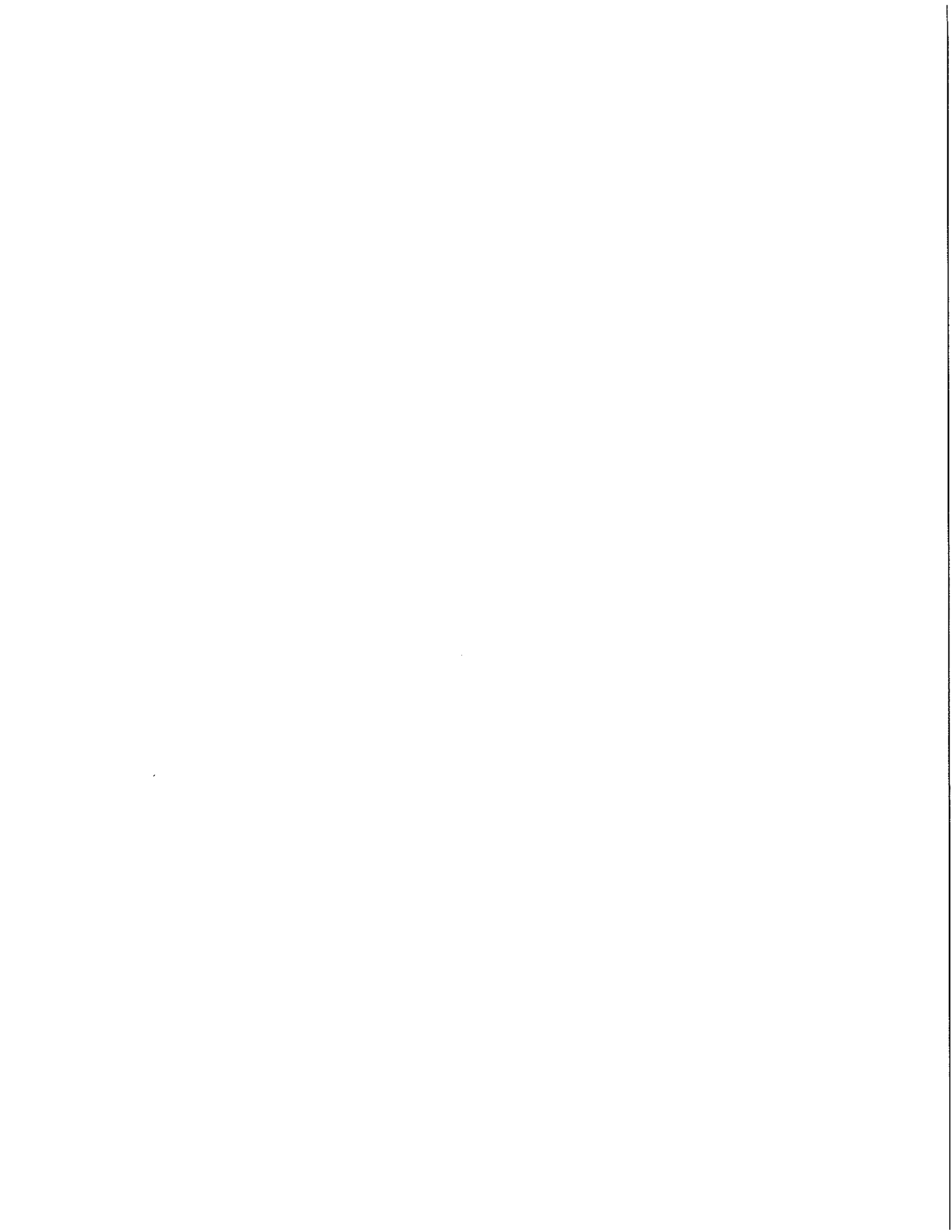
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INTRODUCTORY SECTION

Introductory Section

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COUNTY OF JIM WELLS

ELADIO GONZALEZ, JR.
COUNTY AUDITOR

OFFICE (361) 668-5701
FAX (361) 664-6366

August 28, 2014

Honorable District Judge
Honorable County Judge
Honorable County Commissioners
Jim Wells County
Alice, TX 78332

Ladies and Gentlemen:

State law, V.T.C.A. Local Government Code 114.025 and 115.045, requires issuance of an annual financial report, audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants, of all matters relating to fiscal affairs of the County. Pursuant to those requirements, we hereby issue the comprehensive annual financial report of the County of Jim Wells for the fiscal year ended December 31, 2013.

This report consists of management's representations concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and compile sufficient reliable information for the preparation of the County's financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. Responsibility for internal controls is shared by the Commissioners Court, which is the governing body; the County Auditor, who is appointed by the District Judge and, the County Treasurer. We believe that the County's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions. We assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The County's financial statements have been audited by Raul Hernandez & Company, P.C. The goal of the independent audit was to provide reasonable assurance that the financial statements of the

County for the fiscal year ended December 31, 2013, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was reasonable basis for rendering an unqualified opinion that the County's financial statements for the fiscal year ended December 31, 2013, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report. The independent audit of the financial statements of the County was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statement, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the other supplementary information section of this report.

Generally Accepted Accounting Principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The introduction includes this transmittal letter, the County's organizational chart and a list of principal officials. This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditors. The financial section also includes government-wide financial statements, fund financial statements, notes to the financial statements, required supplementary information and the combining and individual fund financial statements and schedules in addition to the report of the independent auditors on the financial statements and schedules. The statistical section of this report includes selected financial and demographic information, which is generally presented on a multi-year basis.

Profile of Jim Wells County

Jim Wells County is a political subdivision of the State of Texas. It has no legislative powers, and very restricted judicial and administrative powers. The governing body of the County is its Commissioners' Court of five members. The county judge is its chairman and the commissioner from each of the four road and bridge precincts is also a member. The Court has only such powers as are conferred upon it by the Constitution and the Statutes or by necessary implication there from. County government provides many varied services for the public it serves. Among these services are maintenance and minor construction work on county owned and operated roads and bridges, recording functions related to property rights and vital statistics of the county, operation of the county and district judicial system, operation of the county jail, operation of the county welfare department, operation of the county agriculture extension service, and the operation and maintenance of the city/county library and county fairgrounds.

The commissioners' court sets the tax rates, establishes policies for County operations, approves contracts for the County and develops and adopts the County budget within the resources as estimated by the county auditor. The commissioners' court is also responsible for development of policies and order, approving financial commitments and appointment of various department heads.

The management and leadership provided by members of the commissioners' court and the elected and appointed officials of other departments are crucial to the success of the County's financial management and growth.

The county auditor has responsibilities for prescribing the systems and procedures for handling the finances of the County and “examining, auditing and approving” all disbursements from County funds prior to their submission to the commissioners court for approval.

The County provides many varied services for the public it serves. These services include operation of the district, county and justices of the peace judicial systems, voting operations for national, state and some local elections, maintenance on and construction of county owned roads and bridges, recording functions relating to property rights and vital statistics, operation of the law enforcement agencies (sheriff and constables), operation of the county jail, operation of the public health department in conjunction with the City of Alice, operation of the park services department, operation of the county libraries, assistance to indigents, the provision of juvenile, health, education and welfare services involving the care and correction of dependent or delinquent children as well as property tax collections for multiple agencies.

The annual budget serves as the foundation for the County’s financial planning and control. All departments of the County are required to submit requests for appropriation to the county auditor on or before June 30 of each year. The county judge, assisted by the county auditor, uses these requests as the starting point for developing a base line budget, but without any tax increases or personnel changes. The county auditor then presents this base line budget to the commissioners’ court for review prior to July. The commissioners’ court holds several budget workshops to discuss priorities or meet with department heads. The county judge, assisted by the county auditor, then prepares the proposed budget with all the revisions as directed by commissioners’ court. A copy of the proposed budget is filed with the county clerk and county auditor. The commissioners’ court then must hold a public hearing on a day within seven calendar days after the date the proposed budget is filed but before October 1st of the current year. The commissioners’ court must take action on the proposed budget at the conclusion of the public hearing. The appropriated budget is prepared by fund, department, and budget category. On some items of greater importance, the budget is prepared by line item. All transfers between budget categories and departments require the special approval of the commissioners’ court, except State and Federal grants. The appropriate department head can make a budget transfer with the approval of grantor agency for those special revenue funds.

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented as part of the basis financial statements for the governmental funds. For governmental funds, other than the general fund, with appropriated annual budgets, this comparison is presented in the Supplemental Nonmajor Governmental Funds subsection of this report. Also included in the governmental fund subsection is project-length budget-to-actual comparison for each governmental fund for which a project length budget has been adopted (road & bridges, small dams, law library and capital projects fund).

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the County operates.

Local Economy

Oil and Gas. The oil and gas industry is a major employer in Jim Wells County. Our strategic central location makes Alice ideal for companies to utilize all forms of transportation: rail, air, land or sea. Several major oilfield service companies and drilling contractors have established regional operations in Alice. Approximately 90 percent of local oilfield activity is related to natural gas exploration and production.

According to the US Department of Agriculture Economic Research Service, Jim Wells County is categorized as a mining dependent county. This means that mining contributed a weighted annual average of 15 percent or more of total labor and proprietor income over the three years from 1987 to 1989. By far, the majority of employees in the category "Mining" are in the area of oil and gas field services.

Alice is the Hub of the South Texas oil and gas industry with five major drilling companies, six international oilfield service companies, and an array of rental tool companies, completion and production companies and trucking companies. Currently the Eagle Ford Shale boom is bringing many new companies and workers to Alice and Jim Wells County. Many job openings exist for workers looking to train into the oilfield with good pay and benefits. Alice is rapidly growing to the next tier community. (1).

Agriculture. Since the late 1800's, agribusiness has been a heavy contributor to the economy of the Alice area and South Texas. The combination of rich, fertile soils and long growing seasons provide farmers and ranchers with ideal conditions. Agribusiness is the second most important source of income for the Alice area. The city is also one of Texas' largest beef cattle centers.

Jim Wells County boasts more than 510,000 acres of agriculture land. Agricultural commodities include wheat, corn, hay sorghum, cotton, sunflower oil and melons. Cattle, goats, hogs, horses, exotic animals and aquaculture are also agricultural related commodities that are significant contributors to agribusiness in Alice and Jim Wells County.

The agricultural business is still a leading contributor to the economy of Jim Wells County, Texas in 2013.

Unemployment Rate. The current unemployment rate of Jim Wells County, Texas is 4.7%, which is lower than the national unemployment rate of 7.0% and the statewide average rate is 6.1%.

Retail Trades. For many years Alice, Texas, the county seat of Jim Wells County, has served as the retail trade center for many surrounding communities. The general public still remains mobile and uses Corpus Christi, Texas (located 55 miles east of Alice) as the principle retail center for our area. Tourism is on the rise in Alice, and the City is focusing on the tourism industry and working to attract Winter Texans to boost local retail trade. (1) Alice is the Hub of South Texas retail. A Super Wal-Mart, HEB, 6 banks, 2 credit unions, 3 car dealerships and the Alice News Papers Inc. form the core of the Alice retail community. In 2012, the sales tax revenues were up compared to 2010.

Healthcare. Alice is the Hub of the South Texas health care community. The health care cluster in Alice consists of a 138 bed primary care hospital, kidney dialysis center, heart center, cancer center, orthopedic clinic, nursing homes and rehabilitation centers.

The CHRISTUS Spohn Hospital System in 1999 opened a \$20 million, 71-bed hospital. The facility offers primary care, obstetrics, diagnostic and emergency services as well as wellness, educational and disease prevention programs. In addition, the facility has a helicopter pad for air-ambulance transport www.christusspohn.org

During 2004 CHRISTUS Spohn Health System purchased Triad's Alice Regional Hospital which was established in 1931 and opened a new \$40 million hospital in Alice during 1999. The facility consists of 177,000 square feet and is licensed for 138 beds. The purchase immediately transforms CHRISTUS Spohn Hospital Alice from a 73-bed facility to a 148-bed facility. Alice Regional Hospital was renamed CHRISTUS Spohn Hospital Alice. CHRISTUS Spohn Hospital Alice was renamed CHRISTUS Spohn Laviana Plaza and will house physician office and a 10-bed inpatient geropsychiatric unit. The full service, acute care hospital offers 24 hour emergency service, outpatient and inpatient surgical services, intensive and critical care units, diagnostic radiology, geriatric psychiatric unit, obstetrical and newborn services, pediatric wing, women's center, physical therapy, nuclear medicine, rural health clinics, home health services, and community outreach services.

Transportation. Alice and Jim Wells County offer an enviable location to any firm dependent on transportation or trade in the United States, its immediate neighbors or Central America. The city has an advantage over other regions in its close proximity to Mexico and to deep-water ports. There are 15 ports of entry within 120 miles of Alice and Jim Wells County. These ports are:

- The Port of Corpus Christi
- La Quinta Terminal
- Laredo - Juarez-Lincoln Bridge, Gateway to the Americas Bridge, World Trade Bridge, Colombia Bridge
- Roma - Roma-Miguel Aleman Bridge
- Rio Grande City - Rio Grande City-Camargo Bridge
- Los Ebanos Ferry
- McAllen - Hidalgo-Reynosa Bridge
- Pharr - Pharr-Reynosa Bridge
- Progreso - Progreso International Bridge
- Harlingen - Free Trade Bridge
- Brownsville - Gateway International Bridge, B & M Bridge, The Port of Brownsville

Alice is equally accessible to both coasts, and the central time zone eases communication with other zones. There has been considerable focus on the region and the impact of trade with Mexico. First, the maquiladora or twin plant concept became an important development along the border with Mexico. Then, the passage of NAFTA had the effect of opening markets. Because of our location, much of the goods in trade pass through Jim Wells County. The county is positioned to provide valuable resources and to take advantage of opportunities that will accompany expanded trade with Mexico and Canada. Also our transportation infrastructure is being expanded to take advantage of these opportunities.

Major Highways: SH44/US 59 provides a major east-west trade corridor between the Port of Corpus Christi, Laredo, and Monterrey, Mexico and points south. US 281 provides a major north-south trade corridor between Northern Mexico, the Rio Grande Valley and points north. Alice is

strategically located at the intersection of SH 44 and US 281, an essential component of the proposed Interstate Highway 69 International Trade Corridor. I-69 will connect Mexico, the United States and Canada.

Railroad: Texas Mexican Railway operates its main line through Alice. Tex-Mex recently merged with Kansas City Southern Railway and now provides service from Mexico through Laredo, to Corpus Christi, Houston, the Midwest and the East Coast.

Airports: Alice International Airport provides a 6,000-foot runway. Corpus Christi International Airport, 35 minutes east of Alice, provides daily passenger, commercial and cargo service.

Professional Sports: During May 2005, a 21.5 million dollar baseball stadium named “Whataburger Field” was completed in Corpus Christi, Texas , (which is 35 miles east of Alice, Texas) and is the new home of the Corpus Christi Hooks, Houston Astros AA league affiliate for 2005. The addition of a professional baseball team has provided a positive impact to the economy throughout all of South Texas.

Law Enforcement: Alice and Jim Wells County are served by numerous law enforcement agencies including the Alice Police Department, Jim Wells County Sheriff's Department, Texas Department of Public Safety, Texas Parks and Wildlife, the U.S. Border Patrol, and other municipal police departments in Orange Grove, Premont, and San Diego.

Attractions

Visitors and residents of Jim Wells County enjoy the outdoor-oriented lifestyle of South Texas. With an abundance of wildlife, hunting, fishing, and bird watching are favorite activities of those both living in Alice and visiting in the area. Other attractions in the area include:

South Texas Museum- focuses on distinctive history and traditions of this South Texas region. Exhibits trace habitation from American Indian to 20th Century farm, ranch, railroad, and oil activities, with emphasis on pioneer ranch and household artifacts. Includes mounted wildlife and livestock specimens. The museum is located at 66 South Wright Street.

Tejano ROOTS- is a private, non-profit organization established June 9, 1999. The Hall of Fame honors and recognizes Tejano artists, musicians, composers and any other persons who have contributed to the awareness and entertainment of the Tejano culture. The museum preserves the historical artifacts, documents and culture of the Tejano Music Industry. The museum is located at 213 N. Wright Street. www.tejanorootshalloffame.com.

Jose De Escandon Statue- Don Jose de Escandón was chosen in 1746 to explore and settle the South Texas area. He founded 23 settlements in the area over a two year period. Ranching and farming were the economic foundation of these settlements. This still held true through the 1800's, as Alice was recognized as the largest cattle-shipping center in the world. On November 14, 1999 a statue of Don Jose de Escandón was donated to the City of Alice by the children of the late Tomas and Eloisa Pena Martinez: Jose C. Martinez, Rita Martinez Jaso, Lucila Martinez Reynolds and Guadalupe T. Martinez

Guinness Book of World Records-Only in Alice will one find the world's tallest, cement water tower. Located in downtown Alice near City Hall, is what the 1976 Guinness Book of Records calls the tallest concrete water tower in the world. Built in 1926-27, the 165-foot tall tower has a 3-foot tall tank which; measures 28.4 feet in diameter.

Golf Courses- Golfers have two courses to choose from in the Hub City. The two courses with a total of 27 holes are home for golfing organizations such as the Alice Pan American Golf Association and the Alice 50 Plus Golf Association. Benefit and high school tournaments are also held at the courses. Lined with mesquite trees, the Alice Municipal Golf Course is the larger of the two courses with 18 holes. The course, located at Anderson Park on North Texas Boulevard, features everything from long fairways to water hazards with a total of 5,911 yards of fairways and greens. Green fees on Monday through Friday vary according to days and tee-times.

Long-term financial planning.

The County is participating in the Jim Wells County & Alice Economic Development Task Force which is a public/private county wide alliance for the purpose of developing strategies and support for economic development proposals. The Jim Wells County & Alice Transportation Committee, also a public/private effort in which the County is a participant, has successfully worked with the Texas Department of Transportation to develop the State Highway 44 Relief Route and the U.S. 281 Relief Route and the improvement of S.H. 44 and U.S. 281 business routes through our County. The Transportation Committee is active in promoting the upgrade of U.S. 281, U.S. 59/S.H. 44 and U.S. 77 to interstate standards. These roadways link our area to the proposed I-69 project, which connects South Texas to Houston and the Midwest.

The County of Jim Wells and the City of Alice jointly operate the Municipal Airport. Through grant programs offered by the FAA and TAC, this facility has been upgraded to a level that could be of enormous benefit to any industry considering the area as a location site.

The essential components are coming together to open the door to diversification of our local industrial base and release the County from the swings of the volatile oil market.

Awards and acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Jim Wells County, Texas for its comprehensive annual financial report for the year ended December 31, 2012. The Certificate of Achievement is a prestigious national award-recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

The preparation and execution of this audit could not have been accomplished without the efforts and cooperation of my staff, other County officials, their staffs, and the Commissioners' Court. I wish to thank them all.

Respectfully Submitted,



Eladio Gonzalez, Jr.

County Auditor

(1)Source: Alice Chamber of Commerce, Alice/Jtm Wells Economic Development Corp.



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

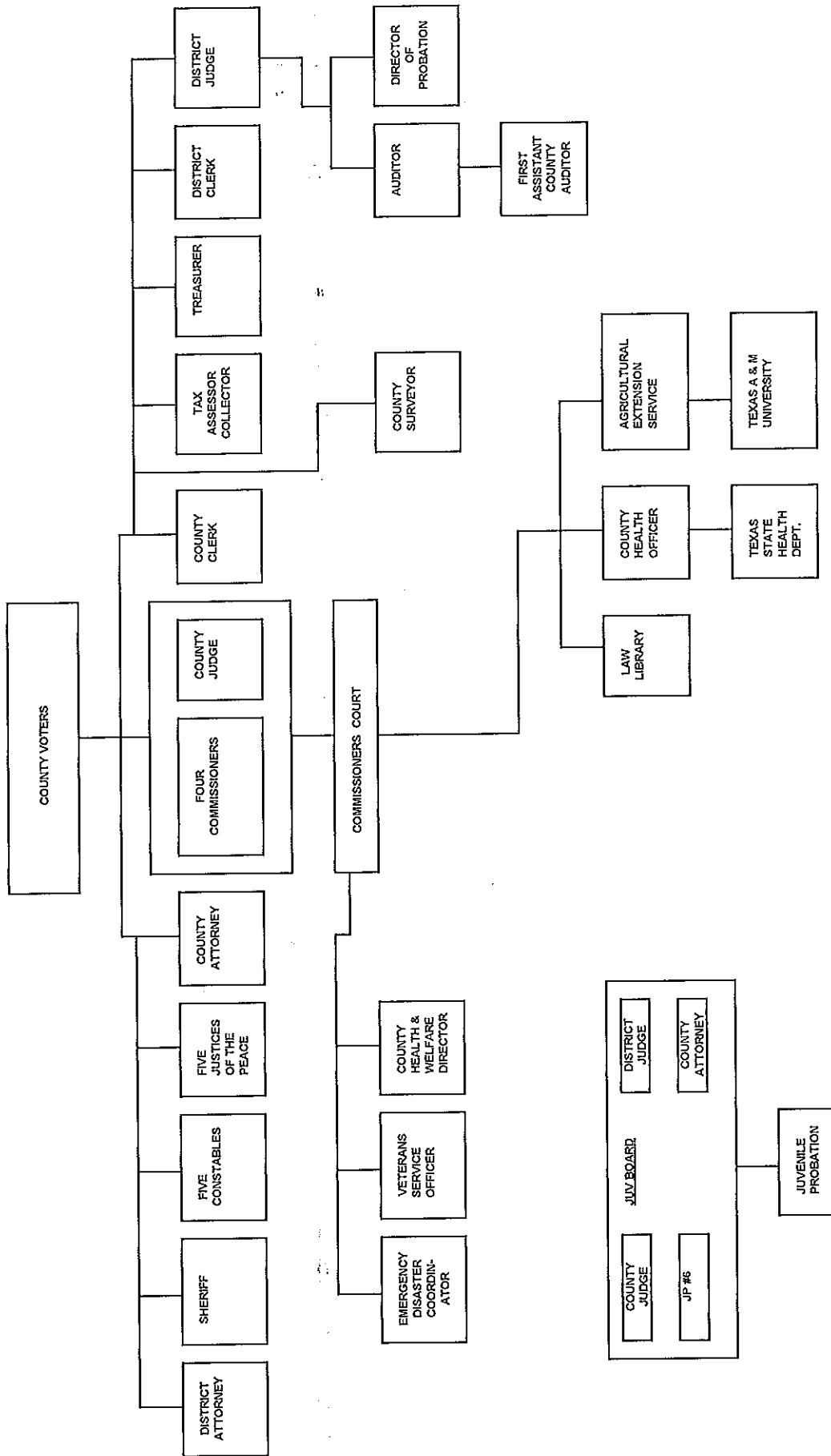
**Jim Wells County
Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2012

Executive Director/CEO

JIM WELLS COUNTY, TEXAS ORGANIZATION



**JIM WELLS COUNTY, TEXAS
DIRECTORY OF OFFICIALS**

DECEMBER 31, 2013

DISTRICT COURT

Richard Terrell	Judge, 79th Judicial District
Carlos O. Garcia	District Attorney
R. David Guerrero	District Clerk
Sonia Trevino	District Court Reporter
Gerardo Flores	District Court Interpreter

COMMISSIONERS COURT

L. Arnolando Saenz	County Judge
Margie H. Gonzalez	County Commissioner, Precinct No. 1
Ventura Garcia	County Commissioner, Precinct No. 2
Richard Miller	County Commissioner, Precinct No. 3
Javier Garcia	County Commissioner, Precinct No. 4

OTHER COUNTY OFFICIALS

Oscar Lopez	Sheriff
J.C. Perez	County Clerk
Rebecca Dominguez	County Treasurer
Mary Lozano	Tax Assessor-Collector
Jesusa Sanchez-Vera	County Attorney
Eladio Gonzalez, Jr.	County Auditor
Noe Gamez	First Assistant County Auditor

JUSTICES OF THE PEACE

Juan Rodriguez, Jr.	Precinct No. 1
Karin Knolle	Precinct No. 3
Sylvia Johnson	Precinct No. 4
Luz Paiz	Precinct No. 5
Jose L. Rodriguez	Precinct No. 6

CONSTABLES

Jesus Salinas	Precinct No. 1
Jim Long	Precinct No. 3
Frank Davila	Precinct No. 4
Robert Vasquez, Sr.	Precinct No. 5
Bartolo Guajardo	Precinct No. 6

JIM WELLS COUNTY, TEXAS
DIRECTORY OF OFFICIALS

DECEMBER 31, 2013
(continued)

OTHER OFFICIALS

Alejandro Lopez, M.D.

Robert Owens

Rogelio Mercado

Roberto Juarez

Dalia A. Garcia

James A. Schmidt

County Health Officer

County Surveyor

Agriculture Agent

Veterans Service Officer

79th Judicial District Adult
Probation

Chief Juvenile Probation
Officer

FINANCIAL SECTION

Financial Section

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RAUL HERNANDEZ & COMPANY, P.C.
Certified Public Accountants
5422 Holly Rd
Corpus Christi, Texas 78411
Phone (361) 980-0428 Fax (361) 980-1002

Independent Auditors' Report

To the Commissioners' Court
Jim Wells County, Texas
200 N. Almond
Alice, Texas 78332

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 Jim Wells County, Texas ("the County") as of and for the year ended December 31, 2013, 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 of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of 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 County'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 County'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 Jim Wells County, Texas as of December 31, 2013, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note A to the financial statements, in 2013, Jim Wells County, Texas adopted new accounting guidance, Government Accounting Standards Board Statement No. 65, *Items Previously Reported as Assets and Liabilities*. 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 and budgetary comparison information identified as Required Supplementary Information in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Required Supplementary Information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Jim Wells County, Texas's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, budgetary comparison schedules, and statistical section are presented for purposes of additional analysis and are not required parts of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by US. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.


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

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 28, 2014 on our consideration of Jim Wells County, Texas's 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 Jim Wells County, Texas's internal control over financial reporting and compliance.

Respectfully submitted,



Raul Hernandez & Company, P.C.

Corpus Christi, Texas

August 28, 2014

MANAGEMENT'S DISCUSSION AND ANALYSIS

JIM WELLS COUNTY, TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management's Discussion and Analysis (MD&A) offers readers of the County financial statements a narrative overview and analysis of the County's financial activities for the fiscal year ended December 31, 2013. Readers are encouraged to consider the information presented here in conjunction with additional information furnished in our letter of transmittal, and in the financial statements and notes to the financial statements (which immediately follow this discussion). In 2004, the County implemented the new financial reporting requirements of GASB Statement No. 34 (Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments). These sections include this Management's Discussion and Analysis, the Government-wide Statement of Net Position, the Government-wide Statement of Activities, the concept of major fund reporting, and the reporting of infrastructure capital assets and long term debt liabilities in the governmental activities. These concepts are explained throughout this discussion and analysis.

FINANCIAL HIGHLIGHTS

- The assets of the County of Jim Wells exceeded its liabilities at the close of the most recent fiscal year by \$33,717,723 (net position).
- As of the close of the current fiscal year, the County of Jim Wells governmental funds reported combined ending fund balances of \$11,121,288, of which, \$6,246,745 represents an unassigned fund balance and places the County in a favorable position.
- The County of Jim Wells' total debt decreased by a net of (\$319,541) compared to the previous year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts—*management's discussion and analysis* (this section), the *basic financial statements*, and *required supplementary information*. The basic financial statements include two kinds of statements that present different views of the County:

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the County's overall financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the government, reporting the County's operations in more detail than the government-wide statements.
- *The governmental funds* statements tell how *general government* services were financed in the *short term* as well as what remains for future spending.
- *Fiduciary fund* statements provide information about the financial relationships in which the County acts solely as a *trustee or agent* for the benefit of others, to whom the resources in question belong.
- *Notes to the financial statements*. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

JIM WELLS COUNTY, TEXAS

- *Other information.* In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the county's progress in funding its obligation to provide pension benefits to its employees. Immediately following the required supplementary information on pensions are the two budgetary schedules on the general fund and major special revenue fund. The combining statements in connection to nonmajor governmental funds and fiduciary funds are then presented.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements.

Figure A-1 summarizes the major features of the County's financial statements, including the portion of the County government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

Figure A-1 Major Features of the County's Government-wide and Fund Financial Statements

<u>Type of Statements</u>	<u>Government-wide</u>	<u>Governmental Funds</u>	<u>Proprietary Funds</u>	<u>Fiduciary Funds</u>
<u>Scope</u>	Entire county Government (except Fiduciary funds) and the county's component units	The activities of the county that are not proprietary or fiduciary	Activities of County similar to private business; self insurance	Instances in which the county is the trustee or agent for someone else's resources
<u>Required Financial position Statements</u>	<i>Statement of Net position</i>	<i>Balance Sheet</i> <i>Statement of revenues, expenditures & changes in fund balances</i> <i>Statement of cash flows</i>	<i>Statement of net position</i> <i>Statement of rev, exp, & changes in net position</i> <i>Statement of flows</i>	<i>Statement of fiduciary net position</i>
<u>Accounting basis and measurement focus</u>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial	Accrual accounting and economic focus	Accrual accounting economic resources focus

JIM WELLS COUNTY, TEXAS

Government-wide Statements

The two government-wide statements report the County's net position and how they have changed. Net Position—the difference between the County's assets and liabilities—is one way to measure the County's financial health or *position*.

- Over time, increases or decreases in the County's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the County, one needs to consider additional nonfinancial factors such as changes in the County's tax base

The government-wide financial statements of the County include the *Governmental activities*. Most of the County's basic services are included here, such as general government, public safety, highways and streets, sanitation, economic development, culture and recreation, and interest on long-term debt. Property taxes and grants finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the County's most significant *funds*—not the County as a whole. Funds are accounting devices that the County uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law and by bond covenants.
- The Commissioner's Court establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The County has the following kinds of funds:

- *Governmental funds*—Most of the County's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explain the relationship (or differences) between them.
- *Fiduciary funds*—The County is the trustee, or *fiduciary*, for certain funds. It is also responsible for other assets that—because of a trust arrangement—can be used only for the trust beneficiaries. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the County's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the County's government-wide financial statements because the County cannot use these assets to finance its operations.

JIM WELLS COUNTY, TEXAS

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

Net position. As stated earlier, over time, increases or decreases in the County's net position are an indicator of whether its financial health is improving or deteriorating, respectively. At the close of the fiscal year, the County assets exceeded liabilities by \$33,717,723; furthermore, the government's financial position has increased by \$494,410 compared to prior year. Net position is summarized below along with comparative data from the previous year. (See Table A-1).

**Table A-1
County's Net position**

	Governmental Activities	Governmental Activities	Increase (Decrease)
	<u>2013</u>	<u>2012</u>	<u>2013-2012</u>
Current Assets:			
Cash/Cash equivalents	10,770,199	11,393,668	(623,469)
Taxes receivable	1,502,408	1,471,588	30,820
Sales taxes receivable	427,162	516,252	(89,090)
Total current assets:	\$ 12,699,769	\$ 13,381,508	(681,739)
Non-current assets:			
Capital Assets	63,583,615	62,058,222	1,525,393
Less Accumulated Depreciation	(39,808,746)	(38,828,296)	(980,450)
Total non-current assets:	23,774,869	23,229,926	544,943
Total Assets	\$ 36,474,638	\$ 36,611,434	(136,796)
Current Liabilities			
Accounts payable and other current liabilities	76,073	385,536	(309,463)
Accrued Interest Payable	27,180	29,385	(2,205)
Total current liabilities	103,253	414,921	(311,668)
Long-term liabilities:			
Due within one year	389,607	374,581	15,026
Due in more than one year	2,264,055	2,598,621	(334,566)
Total Liabilities	\$ 2,756,915	\$ 2,973,202	(631,208)
Net Position:			
Invested in capital assets, net of related debt	21,121,207	20,612,073	509,134
Restricted For:			-
Debt Service	264,987	251,580	13,407
Capital Projects	1,191,616	1,186,860	4,756
Unrestricted	11,139,913	11,172,800	(32,887)
Total Net Position	\$ 33,717,723	\$ 33,223,313	494,410

The \$264,987 and \$1,191,616 of the County's restricted net position represents funds available for the debt service and capital projects funds, respectively. These funds when spent are restricted for repayment of debt and capital asset acquisitions respectively. The \$11,139,913 unrestricted net position represents resources available to fund the programs of the County next year.

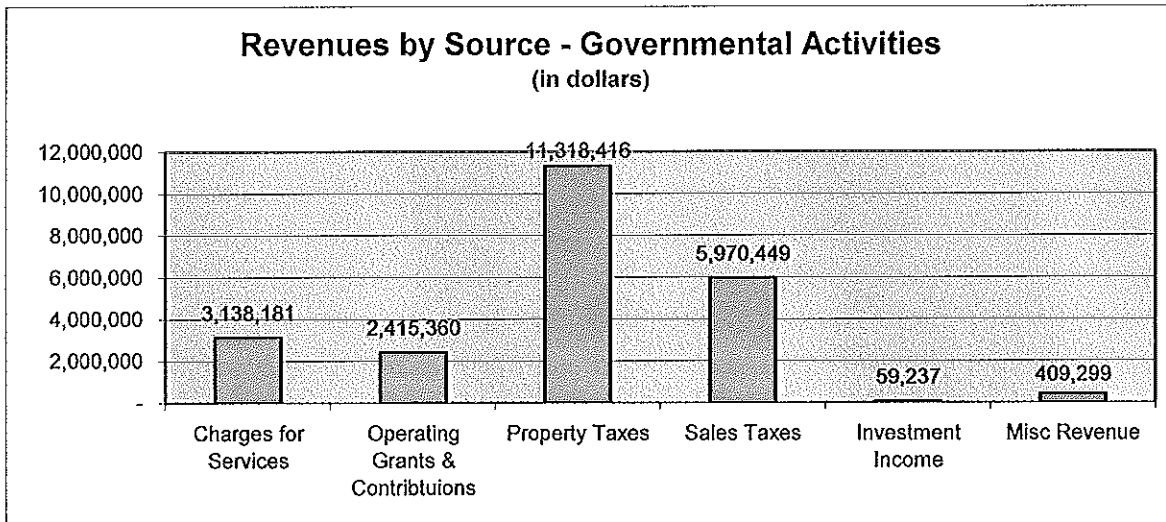
JIM WELLS COUNTY, TEXAS

Revenues. The County's total revenues were \$23,310,942. A significant portion, 48.6 percent, of the County's revenue comes from property taxes. 25.7 percent comes from sales taxes and 13.5 percent relates to charges for services. (See Figure A-2 and Table A-2)

Governmental Activities

- Property tax rates had a total direct rate of .454430, which is a decrease of (.0324) from the previous year. Net taxable value of property increased by \$282,279,484. Sales taxes increased as a result of an increase in retail trade and the Eagle Ford shale production boom during 2013.
- Grant revenues had an increase from the prior year due to increases in intergovernmental revenues in the CDBG Colonia Grant and the Home Program Investment Grant.
- Sales tax revenues in 2013 decreased compared to the prior year by 13%.

Figure A-1



JIM WELLS COUNTY, TEXAS

Table A-2
Jim Wells County's Changes in Net position – Governmental Activities

	Governmental Activities		Increase (Decrease)
	<u>2013</u>	<u>2012</u>	<u>2013-2012</u>
Revenues:			
Program:			
Charges for services	\$ 3,138,181	\$ 4,975,912	\$ (1,837,731)
Operating Grants and Contributions	2,415,360	2,040,835	374,525
General:			
Property Taxes	11,318,416	11,317,777	639
Sales Taxes	5,970,449	6,878,706	(908,257)
Investment Income	59,237	50,817	8,420
Miscellaneous Revenues	409,299	371,301	37,998
Total Revenues	<u>\$ 23,310,942</u>	<u>\$ 25,635,348</u>	<u>\$ (2,324,406)</u>
Cost of Services:			
General Government	4,716,157	4,189,787	526,370
Judicial	4,377,675	3,732,690	644,985
Public Safety	8,622,918	8,611,259	11,659
Public Transportation	3,735,364	3,631,227	104,137
Health and Welfare	734,734	582,913	151,821
Culture and Recreation	86,888	69,692	17,196
Conservation	215,021	193,607	21,414
Economic Development and Assistance	229,631	130,926	98,705
Interest on Long-term Debt	98,144	110,193	(12,049)
Total Cost of Services	<u>\$ 22,816,532</u>	<u>\$ 21,252,294</u>	<u>\$ 1,564,238</u>
Change in net assets	494,410	4,383,054	(3,888,644)
Net position - beginning	33,223,313	28,734,908	4,488,405
Prior Period Adjustment	-	105,351	(105,351)
Net position - ending	<u>\$ 33,717,723</u>	<u>\$ 33,223,313</u>	<u>\$ 494,410</u>

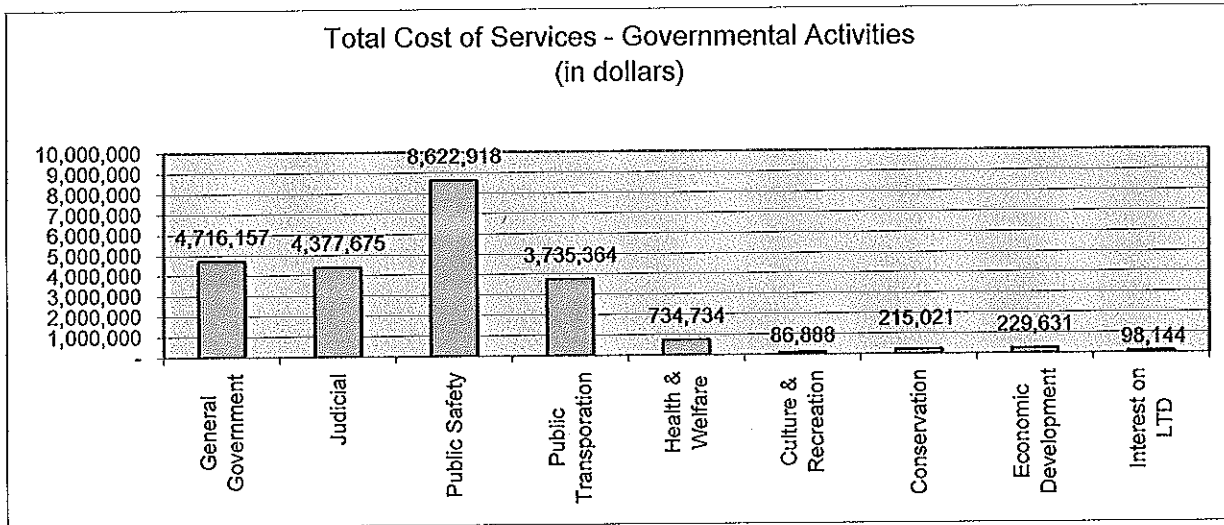
Table A-2 and Figure A-3 present the cost of each of the County's largest functions.

- The cost of all governmental activities this year was \$22,816,532. Public Safety was a significant part of the amount totaling \$8,622,918, which was due to costs in the Adult & Juvenile Probation funds, 79th Judicial District Attorney Forfeiture fund, Drug Forfeiture funds, and the Sheriff's department.
- However, the amount that our taxpayers paid for these activities through property taxes was approximately \$11,318,416.

JIM WELLS COUNTY, TEXAS

- Some of the cost was paid by those who directly benefited from the programs such as human services, state juvenile and adult probationary fees, and fees of office.
- \$8,622,918 of these costs were for public safety, which increased by \$11,659 from the prior year. This increase was due, in part, to the purchases of vehicles, trailers, and communication equipment.

Figure A-2



FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

As noted earlier, the County uses *fund accounting* to ensure and demonstrate compliance with finance-related legal requirements. Fund accounting and budget controls has been the framework of the County's strong fiscal management and accountability.

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

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$11,121,288, a decrease of (\$403,097) compared with the prior year. As shown on page 36 the unassigned fund balance resulted in an amount of \$6,246,745. The *unassigned fund balance*, used as a management and budgetary tool, is available for spending at the County's discretion. A major factor in causing the change to fund balance came from decreases in general property taxes, sales taxes, charges for services, fees of office, and fines & forfeitures.

JIM WELLS COUNTY, TEXAS

The General fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the General Fund increased to \$6,246,745 from the previous year's balance of \$6,745,919 in the prior year. As a measure of the general fund's liquidity, we compare both unassigned fund balance and total fund balance to total fund expenditures. This decrease is a direct result from decreases in revenues in general property taxes, sales taxes, fines & forfeitures, intergovernmental, fees of office, and miscellaneous revenues.

The Debt Service Fund (county-wide), which was created during 2004, has a total fund balance of \$77,127. The reserves for the payment of debt service combined with the estimated first quarter collections on current year assessments will be sufficient to meet next year's scheduled debt.

The Capital Projects Funds reflect a fund balance of \$1,191,616. The County has plans in the near future to invest in construction projects, including improvements to buildings throughout the county.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

Revenues

Alice's revenue closely follows oil prices and oil field activities. In the previous year, the economic boom in Eagle Ford shale production led to hotels being booked, stores expanding, and businesses hiring. However, in 2013, the amount of the impact has leveled off and is currently dropping. As a result, revenues from governmental fund types had a net decrease of 9.5% from the preceding year, totaling \$23,280,123. General property taxes and sales taxes were the most significant portion in governmental fund revenue sources, which totaled \$17,258,046, which is a decrease of (\$1,008,604) from the previous year.

The County's primary source of revenue consists of taxes, which comprise 74% of the County's total revenues. In addition, intergovernmental and fees of office revenues comprise 11.1% and 5.6% of total revenues, respectively. The county departments that charge for services include park & recreational, fees of office from justice of the peace precincts, and constables, which are all an important part of the County's revenues. They are an integral part of the County's ability to provide the services to which citizens have become accustomed. (See Figure A-4 and Table A-3)

Fines & Forfeitures decreased by (\$1,023,151) from the prior year. This change was due to a decrease in cash seizures and fines. Furthermore, fees of office decreased by (\$647,602) from the previous year, as a result of a decrease in collection of fees in the general fund.

JIM WELLS COUNTY, TEXAS

Figure A-3

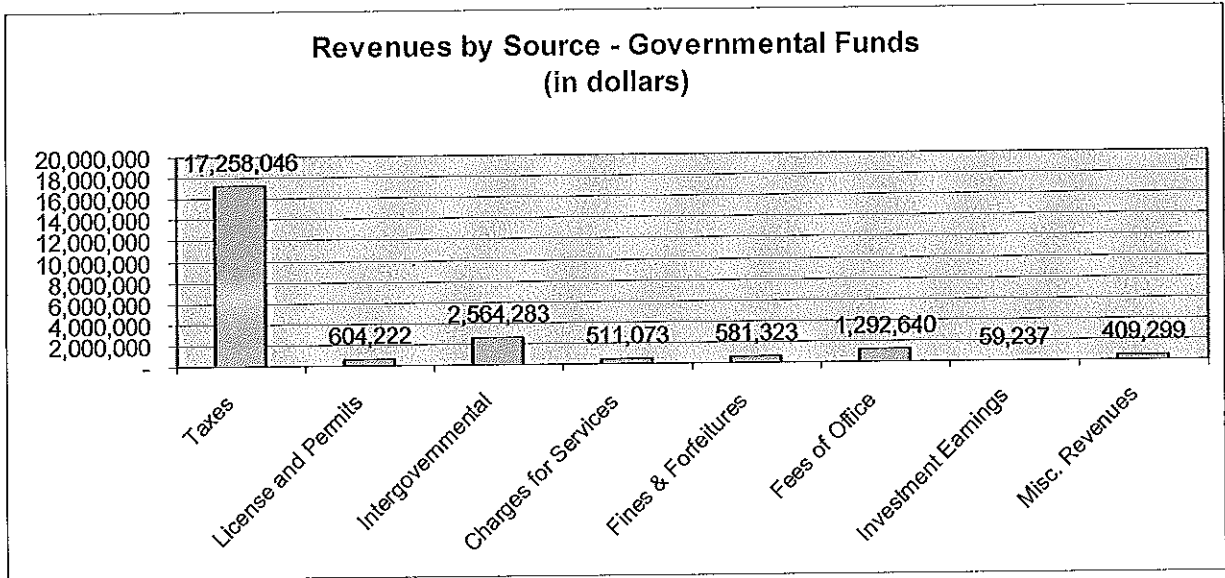


Table A-3
Governmental Funds – Revenues by Source

	<u>FY 2013</u>	<u>FY 2012</u>	<u>Increase (Decrease)</u>
Taxes	\$ 17,258,046	\$ 18,266,650	\$ (1,008,604)
License and Permits	604,222	572,295	31,927
Intergovernmental	2,564,283	2,216,490	347,793
Charges for Services	511,073	683,246	(172,173)
Fines & Forfeitures	581,323	1,604,474	(1,023,151)
Fees of Office	1,292,640	1,940,242	(647,602)
Investment Earnings	59,237	50,817	8,420
Misc. Revenues	409,299	371,301	37,998
Total Revenues	<u>\$ 23,280,123</u>	<u>\$ 25,705,515</u>	<u>\$ (2,425,392)</u>

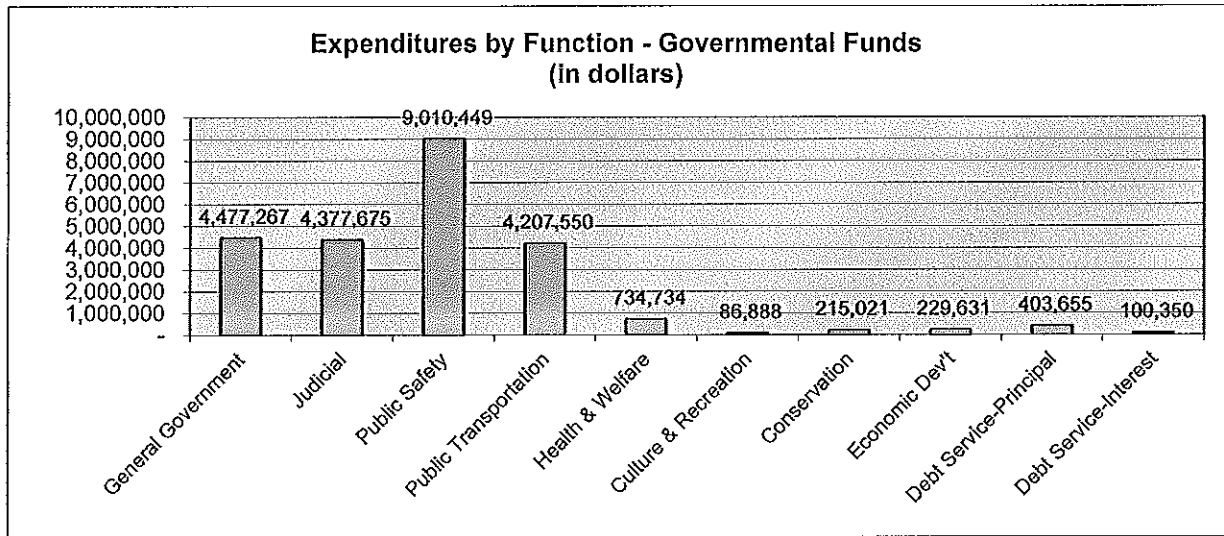
Expenditures

Debt-principal payments decreased in the amount of (\$95,156), compared to the result of the previous year. The increase in public safety of \$36,864 is partly due to the purchase of vehicles, trailers, tractors, and communication equipment.

The County's primary expenditures were for public safety, public transportation, and general government. Public safety now accounts for over 37.8% of total expenditures. (See Figure A-5 and Table A-4)

JIM WELLS COUNTY, TEXAS

Figure A-4



**Table A-4
Governmental Funds – Expenditures by Function**

	FY 2013	FY 2012	Increase (Decrease)
General Government	\$ 4,477,267	\$ 4,157,172	\$ 320,095
Judicial	4,377,675	3,758,584	619,091
Public Safety	9,010,449	8,973,585	36,864
Public Transportation	4,207,550	4,631,140	(423,590)
Health and Welfare	734,734	582,913	151,821
Culture and Recreation	86,888	69,692	17,196
Conservation	215,021	193,607	21,414
Economic Development and Assistance	229,631	130,926	98,705
Debt Service:			-
Principal	403,655	498,812	(95,157)
Interest and Fiscal Charges	100,350	112,334	(11,984)
Total Expenditures	<u>\$ 23,843,220</u>	<u>\$ 23,108,765</u>	<u>\$ 734,455</u>

JIM WELLS COUNTY, TEXAS

Other financing sources from the County came from:

**Table A-5
Other Financing Resources**

	<u>FY 2013</u>	<u>FY 2012</u>	<u>Increase (Decrease)</u>
Transfers In	\$ 92,000	\$ 346,736	\$ (254,736)
Transfers Out	(343,643)	(346,736)	3,093
Capital Leases	-	288,095	(288,095)
	<u>\$ (251,643)</u>	<u>\$ 288,095</u>	<u>\$ (539,738)</u>

General Fund Budgetary Highlights

The final budget was adopted with total General Fund revenues of \$14,204,517 and expenditures of \$19,571,564, which both include transfers.

The following are significant variations between the final budget and actual amount.

- Actual revenues (before transfers) were higher than budgeted figures by \$1,144,067. Of this amount, general property taxes and general sales & use taxes provided favorable variances of \$352,262 and \$422,669, respectively. These favorable variances are a result of the benefits of the economic flood that is Eagle Ford shale production. Alice's revenue booms and busts through the years closely follow oil prices and oil field activities. Intergovernmental revenues provided a favorable variance of \$109,505 and fees of office provided a favorable variance of \$74,245.
- Actual expenditures (before transfers) were \$2,853,014 below final budget amounts. This favorable variance resulted from over-budgeted expenditures in the tax assessor-collector, non-departmental, district court, sheriff, and economic development & assistance departments. County departments were encouraged to monitor expenditures to help support the overall County budget since the County was incurring higher costs of items such as medical insurance, data services and utilities.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2013, the County had invested \$63,583,615 in a broad range of capital assets, including land, infrastructure, buildings & improvements, and equipment. (See Table A-6.)

JIM WELLS COUNTY, TEXAS

The capital assets of the County are those assets (land, infrastructure, buildings & improvements, and equipment), which are used in the performance of the County's functions including infrastructure assets. At December 31, 2013 net capital assets of the governmental activities totaled \$23,774,870. Depreciation on capital assets is recognized in the Government-wide financial statements. Accumulated depreciation for infrastructure, buildings & improvements, and machinery & equipment totaled \$39,808,745. More detailed information about the county's capital assets is presented in the notes to the financial statements on page 47.

**Table A-6
County's Capital Assets**

	Governmental Activities		Increase (Decrease)
	2013	2012	2013-2012
Land	\$ 293,873	\$ 227,789	\$ 66,084
Infrastructure	43,327,509	43,052,392	275,117
Buildings and Improvements	13,340,608	13,057,522	283,086
Machinery & Equipment	6,621,625	5,720,519	901,106
Total at historical cost	\$ 63,583,615	\$ 62,058,222	\$ 1,525,393
Total Accumulated Depreciation	(39,808,745)	(38,828,296)	(980,449)
Net Capital Assets	\$ 23,774,870	\$ 23,229,926	\$ 544,944

The largest increase to capital assets was attributed to machinery & equipment in the net amount of \$901,106 due to vehicles, communication equipment, tractors, & trailers. Buildings & Improvements a increase of \$283,086 as compared to 2012. Additional details on capital assets can be found in the notes to the financial statements on page 47.

Long Term Debt

At year-end the County had \$2,653,661 in bonds, capital leases obligations, and other long-term liabilities outstanding as shown in Table A-7. The County's total debt decreased by a *net* of (\$319,541) from 2012 through capital lease payments, general obligation bonds, and compensated absences. More detailed information about the County's debt is presented in the notes to the financial statements on page 50.

**Table A-7
Long Term Debt**

	Governmental Activities	
	2013	2012
General obligation bonds	\$ 2,095,000	\$ 2,265,000
Capital leases	279,199	352,855
Compensated absences	279,462	355,347
Total governmental activities	\$ 2,653,661	\$ 2,973,202

JIM WELLS COUNTY, TEXAS

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- Appraised value used for the 2014 budget preparation is up from the prior year.
- General operating fund spending in the 2014 budget is expected to have a moderate increase as compared to 2013.

These indicators were taken into account when adopting the general fund budget for 2014. Property taxes will decrease due to decreasing property values.

Expenditures are expected to experience a moderate increase. These include increases in public safety, utilities, insurance, courthouse improvements, and personal benefits. Through the budget, the County Commissioners set the direction of the County, allocate its resources and establish its priorities. The priorities inherent to the 2013-2014 budget were to make county government: (1) communicative and open to the public and departmental staff; (2) have attainable and realistic budgets to enhance accountability; (3) recognize employee talent by continuing a longevity pay step plan, and (4) establish procedures that are in compliance with statutory requirements to improve efficiency.

If these estimates are realized, they will help the County's budgetary general fund balance with efficient, effective, and controlled use of its' resources.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the County Auditor's Department at 200 N. Almond, Alice, Texas 78332

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BASIC FINANCIAL STATEMENTS

Basic Financial Statements

JIM WELLS COUNTY, TEXAS
STATEMENT OF NET POSITION
DECEMBER 31, 2013

	<u>Governmental Activities</u>
ASSETS:	
<i>Cash and Cash Equivalents</i>	\$ 10,770,199
<i>Taxes Receivables (net of allowances for uncollectibles):</i>	1,502,408
<i>Sales Taxes Receivable</i>	427,162
Capital Assets (net of accumulated depreciation):	
<i>Land</i>	293,873
<i>Buildings and System</i>	8,551,835
<i>Machinery and Equipment</i>	3,756,646
<i>Infrastructure</i>	11,172,515
Total Assets	<u>36,474,638</u>
LIABILITIES:	
<i>Accounts Payable and Other Current Liabilities</i>	76,073
<i>Accrued Interest Payable</i>	27,180
Noncurrent Liabilities-	
<i>Due within one year</i>	389,607
<i>Due in more than one year</i>	2,264,055
Total Liabilities	<u>2,756,915</u>
NET POSITION	
Net Investment in Capital Assets	21,400,670
Restricted For:	
Debt Service	264,987
Capital Projects	1,191,616
Unrestricted	10,860,450
Total Net Position	<u>\$ 33,717,723</u>

The accompanying notes are an integral part of this statement.

JIM WELLS COUNTY, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2013

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
PRIMARY GOVERNMENT:				
Governmental Activities:				
General Government	\$ 4,716,157	\$ 934,260	\$ --	\$ (3,781,897)
Judicial	4,377,675	439,521	--	(3,938,154)
Public Safety	8,622,918	725,109	1,379,336	(6,518,473)
Public Transportation	3,735,364	1,039,291	149,252	(2,546,821)
Health and Welfare	734,734	--	886,772	152,038
Culture and Recreation	86,888	--	--	(86,888)
Conservation	215,021	--	--	(215,021)
Economic Development and Assistance	229,631	--	--	(229,631)
Interest on Long-term Debt	98,144	--	--	(98,144)
Total Governmental Activities	<u>22,816,532</u>	<u>3,138,181</u>	<u>2,415,360</u>	<u>(17,262,991)</u>
Total Primary Government	<u>\$ 22,816,532</u>	<u>\$ 3,138,181</u>	<u>\$ 2,415,360</u>	<u>(17,262,991)</u>
General Revenues:				
Property Taxes				11,318,416
Sales Taxes				5,970,449
Investment Income				59,237
Miscellaneous Revenues				409,299
Total General Revenues and Transfers				<u>17,757,401</u>
Change in Net Position				494,410
Net Position - Beginning				33,223,313
Net Position - Ending				<u>\$ 33,717,723</u>

The accompanying notes are an integral part of this statement.

JIM WELLS COUNTY, TEXAS
BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2013

	General Fund	Other Governmental Funds	Total Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Assets:			
<i>Cash and Cash Equivalents</i>	\$ 5,981,088	\$ 4,789,111	\$ 10,770,199
<i>Taxes Receivables (net of allowances for uncollectibles):</i>	7,229,681	2,180,862	9,410,543
<i>Sales Taxes Receivable</i>	341,730	85,432	427,162
Total Assets	<u>\$ 13,552,499</u>	<u>\$ 7,055,405</u>	<u>\$ 20,607,904</u>
LIABILITIES AND FUND BALANCES:			
Liabilities:			
<i>Accounts Payable</i>	\$ 76,073	\$ --	\$ 76,073
Total Liabilities	<u>76,073</u>	<u>--</u>	<u>76,073</u>
DEFERRED INFLOWS OF RESOURCES:			
<i>Unavailable Revenue Property Taxes</i>	7,229,681	2,180,862	9,410,543
Total Deferred Inflows of Resources	<u>7,229,681</u>	<u>2,180,862</u>	<u>9,410,543</u>
Fund Balances:			
Restricted Fund Balances:			
Federal or State Funds Grant Restriction	--	3,605,800	3,605,800
Retirement of Long-Term Debt	--	77,127	77,127
Committed Fund Balance:			
Construction	--	1,191,616	1,191,616
Other Committed Fund Balance	--	--	--
Assigned Fund Balance:			
Other Assigned Fund Balance	--	--	--
Unassigned Fund Balance	6,246,745	--	6,246,745
Total Fund Balance	<u>6,246,745</u>	<u>4,874,543</u>	<u>11,121,288</u>
Total Liabilities and Fund Balance	<u>\$ 13,552,499</u>	<u>\$ 7,055,405</u>	<u>\$ 20,607,904</u>

JIM WELLS COUNTY, TEXAS
*RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
 TO THE STATEMENT OF NET POSITION
 DECEMBER 31, 2013*

Total fund balances - governmental funds balance sheet	\$ 11,121,288
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not reported in the funds.	25,910,609
Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds.	1,502,408
Payables for bond principal which are not due in the current period are not reported in the funds.	(2,280,347)
Payables for capital leases which are not due in the current period are not reported in the funds.	(279,199)
Payables for bond interest which are not due in the current period are not reported in the funds.	(27,180)
Payables for compensated absences which are not due in the current period are not reported in the funds.	(2,059,856)
Payables for contracts which are not due in the current period are not reported in the funds.	<u>(170,000)</u>
Net position of governmental activities - Statement of Net Position	<u>\$ 33,717,723</u>

The accompanying notes are an integral part of this statement.

JIM WELLS COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

	General Fund	Other Governmental Funds	Total Governmental Funds
Revenue:			
Taxes:			
<i>General Property Taxes</i>	\$ 8,699,418	\$ 2,588,179	\$ 11,287,597
<i>General Sales and Use Taxes</i>	4,775,991	1,194,458	5,970,449
<i>License and Permits</i>	92,931	511,291	604,222
<i>Intergovernmental</i>	224,755	2,339,528	2,564,283
<i>Charges for Services</i>	61,338	449,735	511,073
<i>Fines and Forfeitures</i>	297,035	284,288	581,323
<i>Fees of Office</i>	666,341	626,299	1,292,640
<i>Investment Earnings</i>	41,049	18,188	59,237
<i>Miscellaneous Revenues</i>	307,133	102,166	409,299
Total revenues	<u>15,165,991</u>	<u>8,114,132</u>	<u>23,280,123</u>
Expenditures:			
Current:			
<i>General Government</i>	4,386,430	90,837	4,477,267
<i>Judicial</i>	3,894,877	482,798	4,377,675
<i>Public Safety</i>	6,347,438	2,663,011	9,010,449
<i>Public Transportation</i>	--	4,207,550	4,207,550
<i>Health and Welfare</i>	147,359	587,375	734,734
<i>Culture and Recreation</i>	86,888	--	86,888
<i>Conservation</i>	215,021	--	215,021
<i>Economic Development and Assistance</i>	229,631	--	229,631
Debt Service:			
<i>Principal</i>	99,819	303,836	403,655
<i>Interest and Fiscal Charges</i>	6,059	94,291	100,350
Total Expenditures	<u>15,413,522</u>	<u>8,429,698</u>	<u>23,843,220</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(247,531)</u>	<u>(315,566)</u>	<u>(563,097)</u>
Other Financing Sources (Uses):			
<i>Transfers In</i>	92,000	485,149	577,149
<i>Transfers Out</i>	(343,643)	(233,506)	(577,149)
<i>Capital Leases</i>	--	160,000	160,000
Total Other Financing Sources (Uses)	<u>(251,643)</u>	<u>411,643</u>	<u>160,000</u>
Net Change in Fund Balances	(499,174)	96,077	(403,097)
Fund Balances - Beginning	6,745,919	4,778,466	11,524,385
Fund Balances - Ending	<u>\$ 6,246,745</u>	<u>\$ 4,874,543</u>	<u>\$ 11,121,288</u>

The accompanying notes are an integral part of this statement.

JIM WELLS COUNTY, TEXAS

*RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2013*

Net change in fund balances - total governmental funds	\$ (403,097)
Amounts reported for governmental activities in the Statement of Activities ("SOA") are different because:	
Capital outlays are not reported as expenses in the SOA.	1,542,160
The depreciation of capital assets used in governmental activities is not reported in the funds.	(997,217)
Certain property tax revenues are deferred in the funds. This is the change in these amounts this year.	30,819
Repayment of bond principal is an expenditure in the funds but is not an expense in the SOA.	170,000
Repayment of capital lease principal is an expenditure in the funds but is not an expense in the SOA.	301,399
(Increase) decrease in accrued interest from beginning of period to end of period.	2,205
Compensated absences are reported as the amount earned in the SOA but as the amount paid in the funds.	75,884
Proceeds of leases do not provide revenue in the SOA, but are reported as current resources in the funds.	<u>(227,743)</u>
Change in net position of governmental activities - Statement of Activities	<u>\$ 494,410</u>

The accompanying notes are an integral part of this statement.

JIM WELLS COUNTY, TEXAS
 STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 DECEMBER 31, 2013

	Agency Funds
ASSETS:	
<i>Cash and Cash Equivalents</i>	\$ 5,992,294
Total Assets	<u>\$ 5,992,294</u>
LIABILITIES:	
<i>Due to Other Governments and Agencies</i>	\$ 5,992,294
Total Liabilities	<u>\$ 5,992,294</u>

The accompanying notes are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

A. Summary of Significant Accounting Policies

The combined financial statements of Jim Wells County, Texas (the "County") have been prepared in conformity with accounting principles applicable to governmental units which are generally accepted in the United States of America. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

1. Reporting Entity

The County's basic financial statements include the accounts of all its operations. The County evaluated whether any other entity should be included in these financial statements. The criteria for including organizations as component units within the County's reporting entity, as set forth in GASB Statement No. 14, "The Financial Reporting Entity," include whether:

- the organization is legally separate (can sue and be sued in its name)
- the County holds the corporate powers of the organization
- the County appoints a voting majority of the organization's board
- the County is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the County
- there is fiscal dependency by the organization on the County
- the exclusion of the organization would result in misleading or incomplete financial statements

Based on these criteria, the County has no component units. Additionally, the County is not a component unit of any other reporting entity as defined by the GASB Statement.

2. Basis of Presentation, Basis of Accounting

a. Basis of Presentation

Government-wide Statements: The statement of net position and the statement of activities include the financial activities of the overall government, except for fiduciary activities. These statements distinguish between the governmental and business-type activities by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The County does not allocate indirect expenses in the statement of activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the County's funds, with separate statements presented for each fund category. The emphasis of fund financial major governmental funds, each displayed in a separate column. All remaining governmental and aggregated and reported as nonmajor funds.

The County reports the following major governmental funds:

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

All other governmental funds are combined and reported as nonmajor. Nonmajor funds include the road and bridge funds, grants-in-aid, capital projects and other special revenue funds.

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

In addition, the County reports the following fund types:

Agency Funds: The County has only agency funds which are used to account for assets that are held by the County as an agent for the Payroll fund, DA Escrow fund, District Clerk fund, County Clerk fund, and other governmental units, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The County's agency funds cannot be said to have a measurement focus (i.e., since they do not report equity they cannot present an operating statement reporting changes in equity.)

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

b. **Measurement Focus, Basis of Accounting**

Government-wide and Fiduciary Fund Financial Statements: These financial statements are reported using the economic resources measurement focus. They are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The County considers all revenues reported. Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the State are recognized under the susceptible-to-accrual concept. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources. When the County incurs an expenditure or expense for which both restricted and unrestricted resources may be used, it is the County's policy to use restricted resources first, then unrestricted resources.

3. **Financial Statement Amounts**

a. **Property Taxes**

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available when they become due or past due and receivable within the current period.

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

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

b. Inventories and Prepaid Items

Inventories on the balance sheet are stated at weighted average cost. Inventory items are recorded as expenditures when they are consumed. Inventories and prepaid item at December 31, 2013 were nominal

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

c. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of the donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. A capitalization threshold of \$5,000 is used.

Capital assets are being depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Infrastructure	30
Buildings	50
Building Improvements	20
Vehicles	2-15
Office Equipment	3-15
Computer Equipment	3-15

GASB Statement No. 34 requires the County to report and depreciate new infrastructure assets effective with the beginning of the current year. Infrastructure assets include roads, and bridges, These infrastructure assets are likely to be the largest asset class of the County. Neither their historical cost nor related depreciation has historically been reported in the financial statements.

d. Deferred Inflows of Resources

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 that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The County has only one type of item that qualifies for reporting in this category. The amounts in property taxes are deferred and recognized as an inflow of resources in the period that the amounts become available.

e. Receivable and Payable Balances

The County believes that sufficient detail of receivable and payable balances is provided in the financial statements to avoid the obscuring of significant components by aggregation. Therefore, no disclosure is provided which disaggregates those balances.

There are no significant receivables which are not scheduled for collection within one year of year end.

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

f. Interfund Activity

Interfund activity results from loans, services provided, reimbursements or transfers between funds. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers In and Transfers Out are netted and presented as a single "Transfers" line on the government-wide statement of activities. Similarly, interfund receivables and payables are netted and presented as a single "Internal Balances" line of the government-wide statement of net assets.

g. Use of Estimates

The preparation of financial statements in conformity with GAAP requires the use of management's estimates.

4. Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the county's policy does not permit payments of any amounts when employees separate from service with the county. All vacation pay is accrued when in the government-wide statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example as a result of employee resignations and retirements.

5. Fund balances of the governmental funds are classified as follows:

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

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

Committed Fund Balance - represents amounts that can only be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The Commissioner's Court is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation

Assigned Fund Balance - represents amounts that are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The Commissioner's Court (court) has by resolution authorized the finance director to assign fund balance. The court may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

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

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

When an expenditure is incurred for a purpose 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.

6. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

B. Compliance and Accountability

1. Deficit Fund Balance or Fund Net Assets of Individual Funds

The County did not have any deficit fund balances or fund net assets of individual funds.

2. Excess of expenditures over appropriations

For the year ended December 31, 2013, the County did not have any funds that had expenditures exceeding appropriations.

C. Deposits and Investments

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

Cash Deposits:

At December 31, 2013, the carrying amount of the County's deposits (cash, certificates of deposit, and interest-bearing savings accounts included in temporary investments) was \$16,762,493 and the bank balance was \$10,174,093. The County's cash deposits at December 31, 2013 and during the year ended December 31, 2013, were entirely covered by FDIC insurance or by pledged collateral held by the County's agent bank in the County's name.

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

In addition, the following is disclosed regarding coverage of combined balances on the date of highest deposit:

- a. Depository: Prosperity Bank
- b. The market value of securities pledged as of the date of the highest combined balance on deposit was \$23,926,343.
- c. The highest combined balances of cash, savings and time deposit accounts amounted to \$23,372,579 and occurred during the month of February, 2013.
- d. Total amount of FDIC coverage at the time of the largest combined balance was \$250,000.

Investments:

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

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

The Act determines the types of investments which are allowable for the County. These include, with certain restrictions, (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas, (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, and (10) common trust funds.

The County did not have investments at December 31, 2013.

Investment or Investment Type	Maturity	Fair Value
None	N/A	\$ --

Analysis of Specific Deposit and Investment Risks:

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

a. Credit Risk

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

b. Custodial Credit Risk

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

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

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

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

c. Concentration of Credit Risk

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

d. Interest Rate Risk

This is the risk that changes in interest rates will adversely affect the fair value of an investment. At year end, the County was not exposed to interest rate risk.

e. Foreign Currency Risk

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

Investment Accounting Policy

The County's general policy is to report money market investments and short-term participating interest-earning investment contracts at amortized cost and to report nonparticipating interest-earning investment contracts using a cost-based measure. However, if the fair value of an investment is significantly affected by the impairment of the credit standing of the issuer or by other factors, it is reported at fair value. All other investments are reported at fair value unless a legal contract exists which guarantees a higher value. The term "short-term" refers to investments which have a remaining term of one year or less at time of purchase. The term "nonparticipating" means that the investment's value does not vary with market interest rate changes. Nonnegotiable certificates of deposit are examples of nonparticipating interest-earning investment contracts.

D. Capital Assets

Capital asset activity for the year ended December 31, 2013, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<u>Governmental activities:</u>				
<i>Capital assets not being depreciated:</i>				
Land	\$ 227,789	\$ 66,084	\$ --	\$ 293,873
Total capital assets not being depreciated	<u>227,789</u>	<u>66,084</u>	<u>--</u>	<u>293,873</u>
<i>Capital assets being depreciated:</i>				
Infrastructure	43,052,392	275,117	--	43,327,509
Buildings and improvements	13,057,522	283,086	--	13,340,608
Machinery & Equipment	5,720,519	917,874	(16,768)	6,621,625
Total capital assets being depreciated	<u>61,830,433</u>	<u>1,476,077</u>	<u>(16,768)</u>	<u>63,289,742</u>
Less accumulated depreciation for:				
Infrastructure	(32,043,532)	(118,385)	--	(32,161,917)
Buildings and improvements	(4,510,017)	(271,832)	--	(4,781,849)
Machinery & Equipment	(2,274,747)	(607,000)	16,768	(2,864,979)
Total accumulated depreciation	<u>(38,828,296)</u>	<u>(997,217)</u>	<u>16,768</u>	<u>(39,808,745)</u>
Total capital assets being depreciated, net	<u>23,002,137</u>	<u>478,860</u>	<u>--</u>	<u>23,480,997</u>
Governmental activities capital assets, net	<u>\$ 23,229,926</u>	<u>\$ 544,944</u>	<u>\$ --</u>	<u>\$ 23,774,870</u>

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

Depreciation was charged to functions as follows:

General Government	\$ 417,979
Public Protection:	
Courthouse & Buildings	214,590
Probation	19,805
Sheriff	186,357
Fire Protection	40,101
Public Ways and Facilities, Including	
Depreciation of General Infrastructure Assets	118,385
	<u>\$ 997,217</u>

E. Interfund Balances and Activity

1. Due To and From Other Funds

The County did not have any balances in due to and due from other funds at December 31, 2013,

2. Transfers To and From Other Funds

Transfers to and from other funds at December 31, 2013, consisted of the following:

<u>Transfers out:</u>	<u>Transfers In:</u>		
	<u>General Fund</u>	<u>Nonmajor Governmental</u>	<u>Total</u>
General fund	\$ --	\$ 343,643	\$ 343,643
Nonmajor governmental	92,000	141,506	233,506
Total transfers out	<u>92,000</u>	<u>485,149</u>	<u>577,149</u>

Transfers are used to 1) move revenues from the fund with collection authorization to the debt service fund as debt service principal and interest payments become due, 2) move unrestricted general fund revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs.

F. Fund Balances

Minimum fund balance policy. The governing council has adopted a financial policy to maintain a minimum level of unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) in the general fund. The target level is set at two months of general fund annual revenues. This amount is intended to provide fiscal stability when economic downturns and other unexpected events occur. If fund balance falls below the minimum target level because it has been used, essentially as a "revenue" source, as dictated by current circumstances, the policy provides for actions to replenish the amount to the minimum target level. Generally, replenishment is to occur within a three-year period.

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

The County has restricted, committed, assigned, and unassigned fund balance as follows.

Restricted Fund Balance:	
Federal or State Funds Grant Restriction	\$ 3,605,800
Retirement of Long-Term Debt	<u>77,127</u>
	<u>3,682,927</u>
Committed Fund Balance:	
Construction	1,191,616
Other Committed Fund Balance	<u>--</u>
	<u>1,191,616</u>
Assigned Fund Balance:	
Other Assigned Fund Balance	<u>--</u>
	<u>--</u>
Unassigned Fund Balance	<u>6,246,745</u>
	<u>6,246,745</u>
Total Fund Balance	<u>\$ 11,121,288</u>

G. Leases

Operating Leases

Commitments under operating (noncapitalized) lease agreements for facilities and equipment provide for minimum future rental payments as of December 31, 2013, as follows:

Year Ending December 31,	
2014	\$ 69,253
2015	36,980
2016	17,440
2017	4,551
Total Minimum Rentals	<u>\$ 128,224</u>
Rental Expenditures in 2013	<u>\$ 80,094</u>

Capital Leases

The County has entered into three lease agreements as lessee for financing the acquisition of two fire trucks and six police vehicles. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date.

1. On July 22, 2011, the County entered into a five year lease agreement, secured with a new Mauldin Model M413XT Maintainer, with Government Capital Corporation with a maturity date of Feb. 15th, 2016. Payments are due in annual installments of \$16,781.54, including interest of 4.597%.

2. On April 22, 2013, the County entered into a three year lease agreement, secured with 5 vehicles with Government Capital Corporation, with a maturity of April 15, 2016. Payments are due in annual installments of \$56,536.19, including interest of 2.982%.

3. On June 4, 2009, the County entered into a five year lease agreement, secured by a vehicle with Kansas State Bank of Manhattan, with a maturity date of June 4, 2014. Payments are due in annual installments of \$7,425.88 including interest of 6.05%.

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

4. On July 6, 2011, the County entered into a three year agreement, secured by a Brush Fire Truck with Government Capital with a maturity date of February 15, 2014. Payments are due in annual installments of \$46,497.91, including interest of 4.597%.

5. On July 22, 2011, the County entered into a three year lease agreement secured by John Deere 310 Backhoe, with Government Capital Corporation, with a maturity date of February 15, 2014. Payments are due in annual installments of \$22,691.88 including interest of 4.597%.

The assets acquired through capital leases are as follows:

Asset:	Governmental Activities
Machinery and Equipment	\$ 1,803,987
Less: accumulated depreciation	(613,309)
Total	<u>\$ 1,190,678</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2013 were as follows:

<u>Year Ending December 31,</u>	
2014	\$ 149,933
2015	73,318
2016	73,318
Total Minimum Lease Payments	<u>\$ 296,569</u>
Less: amount representing interest	<u>(17,370)</u>
Present Value of Minimum Lease Payments	<u>\$ 279,199</u>

H. Long-Term Obligations

1. Long-Term Obligation Activity

On May 1, 2008, the County issued \$2,735,000 in Certificate of Obligation Refunding Bonds, Series 2008 installments of \$145,000 to \$250,000 through September 1, 2023, with interest rate of 3.86%. Proceeds were used to renovate the jail and make improvements to county buildings.

The following is the certificates of obligation outstanding at December 31, 2013.

<u>Description</u>	<u>Interest Rates (%)</u>	<u>Date of Issuance</u>	<u>Date of Maturity</u>	<u>Bonds Outstanding</u>
Certificates of Obligation Refunding Bonds, Series 2008	3.86%	May 1, 2008	September 1 2023	\$2,095,000

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

Long-term obligations include debt and other long-term liabilities. Changes in long-term obligations for the year ended December 31, 2013, are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental activities:					
General obligation bonds	\$ 2,265,000	\$ --	\$ 170,000	\$ 2,095,000	175,000
Capital leases	352,855	160,000	233,656	279,199	139,607
Compensated absences *	355,347	70,000	145,885	279,462	75,000
Total governmental activities	\$ 2,973,202	\$ 230,000	\$ 549,541	\$ 2,653,661	\$ 389,607

* Other long-term liabilities

The funds typically used to liquidate other long-term liabilities in the past are as follows:

Liability	Activity Type	Fund
Compensated absences	Governmental	General

2. Debt Service Requirements

Debt service requirements on long-term debt at December 31, 2013, are as follows:

Year Ending December 31,	Governmental Activities		
	Principal	Interest	Total
2014	\$ 175,000	\$ 79,227	\$ 254,227
2015	180,000	72,375	252,375
2016	190,000	65,427	255,427
2017	195,000	57,997	252,997
2018	205,000	50,277	255,277
2019-2023	1,150,000	125,933	1,275,933
Totals	\$ 2,095,000	\$ 451,236	\$ 2,546,236

I. Risk Management

The County is exposed to various risks of loss related to torts, theft, damage or destruction of assets, errors and omissions, injuries to employees, and natural disasters. During fiscal year 2013, the County obtained general liability coverage at a cost that is considered to be economically justifiable by joining together with other governmental entities in the State as a member of the Texas Municipal League Intergovernmental Risk Pool ("TML"). TML is a self-funded pool operating as a common risk management and insurance program. The County pays an annual premium to TML for its above insurance coverage. The agreement for the formation of TML provides that TML will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of acceptable risk levels; however, each category of coverage has its own level of reinsurance. The County continues to carry commercial insurance for other risks of loss. There were no significant reductions in commercial insurance coverage in the past fiscal year and settled claims resulting from these risks have not exceeded coverage in any of the past three fiscal years.

J. Pension Plan

1. Plan Description

The County provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS) is a qualified pension plan under Section 401(a) of Internal Revenue Code. The Board of Trustees of TCDRS is responsible for the administration of the statewide agent-multiple-employer public employee retirement system consisting of 586 nontraditional defined benefit pension plans. TCDRS in the aggregate issues a comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034.

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

The plan provisions are adopted by the governing body of the employer, within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with 10 or more years of service, with 20 years of services regardless of age, or when the sum of their age and years of service equals 75 or more.

Members are vested after 8 years of employment with any organization with an accredited plan (not just the County), 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 deposits 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 TCRDS 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 deposits and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

2. Funding Policy

The employer has elected the annually determined contribution rate (variable-rate) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. It was 11.19 for the calendar year 2013. The deposit rate payable by the employee members is the rate of 6.00% as adopted by the governing body of the employer within the options available in the TCDRS Act.

3. Annual Pension Cost

For the employers accounting ending December 31, 2013, the annual pension cost for the TCDRS plan for its employees was \$1,030,835 and the actual contributions were \$552,726.

The annual required contributions were actuarially determined as a percent of the covered payroll of the participating employees, and were in compliance with the GASB No. 27 parameters based on the actuarial valuation as of December 31, 2012, the basis for determining the contribution rate for the calendar year 2012. The December 31, 2012 actuarial valuation is the most recent valuation.

	Actuarial	Valuation	Information
Actuarial valuation date	<u>12/31/2010</u>	<u>12/31/2011</u>	<u>12/31/2012</u>
Actuarial cost method	entry age	entry age	entry age
Amortization method	level percentage of payroll. closed	level percentage of payroll. closed	level percentage of payroll. closed
Amortization period	20 yrs	20 yrs	20 yrs
Asset valuation method	SAF: 10yr smoothed value ESF Fund Value	SAF: 10 yr smoothed value ESF Fund Value	SAF: 10 yr smoothed value ESF Fund Value
Actuarial Assumptions:			
Investment return*	8.00%	8.00%	8.00%
Project salary incr. *	5.4%	5.4%	5.4%
Inflation	3.5%	3.5%	3.5%
Cost-of-living adjust.	0.0%	0.0%	0.0%

* Includes inflation at the stated rate

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

4. Trend Information for the Plan

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
December 31, 2011	\$ 877,763	100%	\$ --
December 31, 2012	948,093	100%	--
December 31, 2013	1,030,835	100%	--

5. Funded Status and Funding Progress. The funded status of the plan as of December 31, 2013

Actuarial accrued liability (AAL)	\$ 27,772,918
Actuarial value of plan assets	<u>23,789,938</u>
Unfunded actuarial accrued liability (UAAL)	<u>3,982,980</u>
Funded ratio (actuarial value of plan assets/AAL)	85.66%
Covered payroll (active plan members)	\$ 8,502,135
UAAL as a percentage of covered payroll	46.85%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

K. Health Care Coverage

During the year ended December 31, 2013, employees of the County were covered by a health insurance plan (the Plan). The County paid premiums of \$359 per month per employee to the Plan. Employees, at their option, authorized payroll withholdings to pay premiums for dependents. All premiums were paid to a licensed insurer. The Plan was authorized by Article 3.51-2, Texas Insurance Code and was documented by contractual agreement.

The contract between the County and the licensed insurer is renewable June 30, 2014, and terms of coverage and premium costs are included in the contractual provisions.

Latest financial statements for the are available for the year ended , have been filed with the Texas State Board of Insurance, Austin, Texas, and are public records.

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

L. Commitments and Contingencies

1. Contingencies

The County participates in grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the County has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectibility of any related receivable may be impaired. In the opinion of the County, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying basic financial statements for such contingencies.

2. Litigation

No reportable litigation was pending against the County at December 31, 2013.

M. Other Related Disclosures

The following funds had adopted budgets for the fiscal year ended December 31, 2013:

General Fund
Road and Bridge Funds
Small Dams Fund
Law Library Fund
Debt Service Fund
Jail Expansion Fund
Road Bond 1967 Fund

N. Subsequent Event

The County has evaluated subsequent events through August 28, 2014, the date which the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

Required Supplementary Information

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

JIM WELLS COUNTY, TEXAS
 REQUIRED SUPPLEMENTARY INFORMATION
 December 31, 2013

Schedule of Funding Progress for the Retirement Plan
 for the Employees of Jim Wells County

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) -Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/c
December 31, 2010	\$ 20,272,855	\$ 23,557,602	\$ 3,284,747	86.06%	\$ 7,582,547	43.32%
December 31, 2011	22,007,325	25,533,468	3,526,143	86.19%	8,023,420	43.95%
December 31, 2012	23,789,938	27,772,918	3,982,980	85.66%	8,502,135	46.85%

GENERAL FUND

The General Fund is a constitutional fund and is utilized to account for All County revenues and expenditures except those, which are required, by law, to be classed in other constitutional funds and such other funds that are presented separately to facilitate proper accountability.

JIM WELLS COUNTY, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2013

EXHIBIT B-1
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	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE:				
Taxes:				
<i>General Property Taxes</i>	\$ 8,347,156	\$ 8,347,156	\$ 8,699,418	\$ 352,262
<i>General Sales and Use Taxes</i>	4,353,322	4,353,322	4,775,991	422,669
License and Permits	83,000	83,000	92,931	9,931
Intergovernmental	115,250	115,250	224,755	109,505
Charges for Services	33,400	33,400	61,338	27,938
Fines and Forfeitures	277,000	277,000	297,035	20,035
Fees of Office	592,096	592,096	666,341	74,245
Investment Earnings	25,000	25,000	41,049	16,049
Miscellaneous Revenues	195,700	195,700	307,133	111,433
Total revenues	<u>14,021,924</u>	<u>14,021,924</u>	<u>15,165,991</u>	<u>1,144,067</u>
EXPENDITURES:				
General Government				
County Judge				
<i>Personal Services</i>	293,091	293,091	291,545	1,546
<i>Supplies</i>	3,900	3,900	6,351	(2,451)
<i>Other Services and Charges</i>	13,950	13,950	13,298	652
<i>Capital Outlay</i>	2,150	2,150	--	2,150
Total County Judge	<u>313,091</u>	<u>313,091</u>	<u>311,194</u>	<u>1,897</u>
County Clerk				
<i>Personal Services</i>	451,727	451,727	388,564	63,163
<i>Supplies</i>	9,500	9,500	19,737	(10,237)
<i>Other Services and Charges</i>	63,925	63,925	68,280	(4,355)
<i>Capital Outlay</i>	1,700	1,700	--	1,700
Total County Clerk	<u>526,852</u>	<u>526,852</u>	<u>476,581</u>	<u>50,271</u>
Veterans Service				
<i>Personal Services</i>	42,538	42,538	13,092	29,446
<i>Supplies</i>	1,000	1,000	730	270
<i>Other Services and Charges</i>	34,083	34,083	30,070	4,013
<i>Capital Outlay</i>	900	900	--	900
Total Veterans Service	<u>78,521</u>	<u>78,521</u>	<u>43,892</u>	<u>34,629</u>
County Auditor				
<i>Personal Services</i>	440,667	440,667	474,404	(33,737)
<i>Supplies</i>	12,000	12,000	15,231	(3,231)
<i>Other Services and Charges</i>	46,530	46,530	15,017	31,513
<i>Capital Outlay</i>	3,030	3,030	--	3,030
Total County Auditor	<u>502,227</u>	<u>502,227</u>	<u>504,652</u>	<u>(2,425)</u>
County Treasurer				
<i>Personal Services</i>	167,990	167,990	166,899	1,091
<i>Supplies</i>	1,800	1,800	1,319	481
<i>Other Services and Charges</i>	5,163	5,163	5,062	101
<i>Capital Outlay</i>	300	300	96	204
Total County Treasurer	<u>175,253</u>	<u>175,253</u>	<u>173,376</u>	<u>1,877</u>
Tax Assessor-Collector				
<i>Personal Services</i>	479,489	479,489	454,957	24,532
<i>Supplies</i>	4,500	4,500	5,503	(1,003)
<i>Other Services and Charges</i>	400,017	400,017	267,893	132,124
<i>Capital Outlay</i>	1,700	1,700	--	1,700
Total Tax Assessor-Collector	<u>885,706</u>	<u>885,706</u>	<u>728,353</u>	<u>157,353</u>

JIM WELLS COUNTY, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2013

EXHIBIT B-1
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	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
County Courthouse and Annex				
<i>Personal Services</i>	135,783	135,783	121,006	14,777
<i>Supplies</i>	53,000	53,000	42,612	10,388
<i>Other Services and Charges</i>	1,235,730	1,235,730	882,933	352,797
<i>Capital Outlay</i>	421,569	421,569	367,962	53,607
<i>Total County Courthouse and Annex</i>	<u>1,846,082</u>	<u>1,846,082</u>	<u>1,414,513</u>	<u>431,569</u>
County Airport				
<i>Personal Services</i>	275,669	275,669	275,144	525
<i>Total County Airport</i>	<u>275,669</u>	<u>275,669</u>	<u>275,144</u>	<u>525</u>
Elections				
<i>Personal Services</i>	208,122	208,122	168,019	40,103
<i>Supplies</i>	689	689	4,161	(3,472)
<i>Other Services and Charges</i>	50,036	50,036	39,513	10,523
<i>Capital Outlay</i>	3,045	3,045	--	3,045
<i>Total Elections</i>	<u>261,892</u>	<u>261,892</u>	<u>211,693</u>	<u>50,199</u>
Non-Departmental				
<i>Personal Services</i>	16,568	16,568	18,230	(1,662)
<i>Supplies</i>	84,000	84,000	68,744	15,256
<i>Other Services and Charges</i>	1,853,262	1,853,262	160,058	1,693,204
<i>Total Non-Departmental</i>	<u>1,953,830</u>	<u>1,953,830</u>	<u>247,032</u>	<u>1,706,798</u>
<i>Total General Government</i>	<u>6,819,123</u>	<u>6,819,123</u>	<u>4,386,430</u>	<u>2,432,693</u>
Judicial				
County court				
<i>Personal Services</i>	37,414	37,414	--	37,414
<i>Supplies</i>	500	500	--	500
<i>Other Services and Charges</i>	184,870	184,870	183,901	969
<i>Total County Court</i>	<u>222,784</u>	<u>222,784</u>	<u>183,901</u>	<u>38,883</u>
District Court				
<i>Personal Services</i>	524,060	524,060	450,307	73,753
<i>Supplies</i>	5,500	5,500	3,969	1,531
<i>Other Services and Charges</i>	493,724	493,724	221,346	272,378
<i>Capital Outlay</i>	33,900	33,900	13,122	20,778
<i>Total District Court</i>	<u>1,057,184</u>	<u>1,057,184</u>	<u>688,744</u>	<u>368,440</u>
District Clerk				
<i>Personal Services</i>	522,562	522,562	537,997	(15,435)
<i>Supplies</i>	15,500	15,500	20,417	(4,917)
<i>Other Services and Charges</i>	65,900	65,900	23,787	42,113
<i>Capital Outlay</i>	13,000	13,000	--	13,000
<i>Total District Clerk</i>	<u>616,962</u>	<u>616,962</u>	<u>582,201</u>	<u>34,761</u>
Justice of the Peace				
<i>Personal Services</i>	718,271	718,271	723,195	(4,924)
<i>Supplies</i>	7,650	7,650	7,795	(145)
<i>Other Services and Charges</i>	91,864	91,864	109,298	(17,434)
<i>Capital Outlay</i>	800	800	--	800
<i>Total Justice of the Peace</i>	<u>818,585</u>	<u>818,585</u>	<u>840,288</u>	<u>(21,703)</u>
County Attorney				
<i>Personal Services</i>	626,232	626,232	617,599	8,633
<i>Supplies</i>	4,500	4,500	9,759	(5,259)
<i>Other Services and Charges</i>	13,500	13,500	19,185	(5,685)
<i>Capital Outlay</i>	17,120	17,120	8,721	8,399
<i>Total County Attorney</i>	<u>661,352</u>	<u>661,352</u>	<u>655,264</u>	<u>6,088</u>

JIM WELLS COUNTY, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2013

EXHIBIT B-1
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	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
District Attorney				
<i>Personal Services</i>	798,360	798,360	876,152	(77,792)
<i>Supplies</i>	10,000	10,000	16,842	(6,842)
<i>Other Services and Charges</i>	52,100	52,100	51,485	615
<i>Capital Outlay</i>	5,500	5,500	--	5,500
<i>Total District Attorney</i>	<u>865,960</u>	<u>865,960</u>	<u>944,479</u>	<u>(78,519)</u>
Total Judicial	<u>4,242,828</u>	<u>4,242,828</u>	<u>3,894,877</u>	<u>347,951</u>
Public Safety				
Ambulance				
<i>Other Services and Charges</i>	305,800	305,800	196,200	109,600
<i>Total Ambulance</i>	<u>305,800</u>	<u>305,800</u>	<u>196,200</u>	<u>109,600</u>
Fire Protection				
<i>Other Services and Charges</i>	167,903	167,903	121,405	46,498
<i>Total Fire Protection</i>	<u>167,903</u>	<u>167,903</u>	<u>121,405</u>	<u>46,498</u>
Constable				
<i>Personal Services</i>	429,514	429,514	437,440	(7,926)
<i>Supplies</i>	12,932	12,932	21,097	(8,165)
<i>Other Services and Charges</i>	21,004	21,004	85,809	(64,805)
<i>Capital Outlay</i>	83,844	83,844	6,281	77,563
<i>Total Constable</i>	<u>547,294</u>	<u>547,294</u>	<u>550,627</u>	<u>(3,333)</u>
Sheriff				
<i>Personal Services</i>	3,628,469	3,628,469	3,562,890	65,579
<i>Supplies</i>	416,437	416,437	435,714	(19,277)
<i>Other Services and Charges</i>	921,459	921,459	689,228	232,231
<i>Capital Outlay</i>	85,802	85,802	59,720	26,082
<i>Total Sheriff</i>	<u>5,052,167</u>	<u>5,052,167</u>	<u>4,747,552</u>	<u>304,615</u>
Juvenile Corrections Board				
<i>Personal Services</i>	70,752	70,752	64,334	6,418
<i>Supplies</i>	23,670	23,670	24,148	(478)
<i>Other Services and Charges</i>	336,000	336,000	210,472	125,528
<i>Capital Outlay</i>	32,381	32,381	26,526	5,855
<i>Total Juvenile Corrections Board</i>	<u>462,803</u>	<u>462,803</u>	<u>325,480</u>	<u>137,323</u>
Emergency Management				
<i>Supplies</i>	--	--	3,700	(3,700)
<i>Capital Outlay</i>	--	--	6,976	(6,976)
<i>Total Emergency Management</i>	<u>--</u>	<u>--</u>	<u>10,676</u>	<u>(10,676)</u>
Safety Department				
<i>Personal Services</i>	224,313	224,313	212,888	11,425
<i>Supplies</i>	3,500	3,500	11,765	(8,265)
<i>Other Services and Charges</i>	32,317	32,317	18,387	13,930
<i>Capital Outlay</i>	34,398	34,398	30,795	3,603
<i>Total Safety Department</i>	<u>294,528</u>	<u>294,528</u>	<u>273,835</u>	<u>20,693</u>
Vector Control				
<i>Supplies</i>	4,000	4,000	966	3,034
<i>Other Services and Charges</i>	4,000	4,000	1,784	2,216
<i>Capital Outlay</i>	2,000	2,000	--	2,000
<i>Total Vector Control</i>	<u>10,000</u>	<u>10,000</u>	<u>2,750</u>	<u>7,250</u>
Adult Probation				
<i>Supplies</i>	--	--	1,990	(1,990)
<i>Other Services and Charges</i>	65,000	65,000	46,320	18,680
<i>Total Adult Probation</i>	<u>65,000</u>	<u>65,000</u>	<u>48,310</u>	<u>16,690</u>
Total Public Safety	<u>6,979,727</u>	<u>6,979,727</u>	<u>6,347,438</u>	<u>632,289</u>

JIM WELLS COUNTY, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2013

EXHIBIT B-1
Page 4 of 4

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Health and Welfare				
<i>Personal Services</i>	89,068	89,068	49,615	39,453
<i>Supplies</i>	1,900	1,900	370	1,530
<i>Other Services and Charges</i>	113,396	113,396	97,056	16,340
<i>Capital Outlay</i>	2,000	2,000	318	1,682
<i>Total Health and Welfare</i>	<u>206,364</u>	<u>206,364</u>	<u>147,359</u>	<u>59,005</u>
Culture and Recreation				
<i>Jim Wells County Library</i>				
<i>Other Services and Charges</i>	50,000	50,000	45,833	4,167
<i>Total Jim Wells County Library</i>	<u>50,000</u>	<u>50,000</u>	<u>45,833</u>	<u>4,167</u>
Parks Department				
<i>Other Services and Charges</i>	37,200	37,200	41,055	(3,855)
<i>Total Parks Department</i>	<u>37,200</u>	<u>37,200</u>	<u>41,055</u>	<u>(3,855)</u>
<i>Total Culture and Recreation</i>	<u>87,200</u>	<u>87,200</u>	<u>86,888</u>	<u>312</u>
Conservation				
Agriculture Extension Service				
<i>Personal Services</i>	182,032	182,032	148,709	33,323
<i>Supplies</i>	1,643	1,643	3,980	(2,337)
<i>Other Services and Charges</i>	57,874	57,874	62,332	(4,458)
<i>Capital Outlay</i>	9,583	9,583	--	9,583
<i>Total Agriculture Extension Service</i>	<u>251,132</u>	<u>251,132</u>	<u>215,021</u>	<u>36,111</u>
Economic Development and Assistance				
<i>Personal Services</i>	213,906	213,906	211,922	1,984
<i>Supplies</i>	3,000	3,000	--	3,000
<i>Other Services and Charges</i>	42,934	42,934	17,709	25,225
<i>Capital Outlay</i>	12,600	12,600	--	12,600
<i>Total Economic Development and Assistance</i>	<u>272,440</u>	<u>272,440</u>	<u>229,631</u>	<u>42,809</u>
Debt Service:				
<i>Principal</i>	--	--	99,819	(99,819)
<i>Interest and Fiscal Charges</i>	--	--	6,059	(6,059)
<i>Total Debt Service</i>	<u>--</u>	<u>--</u>	<u>105,878</u>	<u>(105,878)</u>
Total Expenditures	<u>18,858,814</u>	<u>18,858,814</u>	<u>15,413,522</u>	<u>3,445,292</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>(4,836,890)</u>	<u>(4,836,890)</u>	<u>(247,531)</u>	<u>4,589,359</u>
OTHER FINANCING SOURCES (USES):				
<i>Transfers In</i>	182,593	182,593	92,000	(90,593)
<i>Transfers Out</i>	(1,305,028)	(1,305,028)	(343,643)	(961,385)
<i>Total Other Financing Sources (Uses)</i>	<u>(1,122,435)</u>	<u>(1,122,435)</u>	<u>(251,643)</u>	<u>(870,792)</u>
Net Change in Fund Balances	(5,959,325)	(5,959,325)	(499,174)	5,460,151
Fund Balances - Beginning	6,745,919	6,745,919	6,745,919	--
Fund Balances - Ending	<u>\$ 786,594</u>	<u>\$ 786,594</u>	<u>\$ 6,246,745</u>	<u>\$ 5,460,151</u>

JIM WELLS COUNTY, TEXAS

*NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2013*

BUDGETARY INFORMATION – The budget is prepared in accordance with financial policies approved by the County Budget Officer and the Commissioners Court following a public hearing. The Budget Officer is required by policy to present Commissioners Court with a balanced budget that contains a no-tax increase assumption as a starting point for budget discussions. The amounts budgeted in a fiscal year for expenditures in various funds may not exceed the balances in those funds as of the first day of the fiscal year plus any anticipated revenue for the fiscal year as estimated by the County Auditor.

The following are the funds which have legally adopted annual budgets prepared on a basis consistent with GAAP. General Fund, Debt Service Fund, and Special Revenue Funds which includes all four Road & Bridge Funds, the Small Dams Fund and the Law Library Fund. Project-length financial plans are adopted for the Capital Projects Funds.

The budget law of the State of Texas provides that “the amounts budgeted for current expenditures from the various funds of the County shall not exceed the balances in said funds plus the anticipated revenues for the current year for which the budget is made as estimated by the County Auditor. In addition, law provides that the Commissioners Court may, upon proper application, transfer an existing budget surplus during the year to a budget of like kind and fund but no such transfer shall increase the total budget.

Each year, all departments submit to the Budget Officer requests for appropriation. These requests are reviewed, compiled and presented to the Commissioners Court for approval. The Commissioners Court conducts departmental budget reviews, adjusts budget requests to final form and conducts a public hearing in the County Administration Building. Once copy of the proposed budget must be filed with the County Clerk and one with the County Auditor. Copies must be available to the public. The Commissioners Court must provide for the public hearing on the budget on some date within seven calendar days after the filing of the budget and prior to October 1st of the current fiscal year.

The County controls appropriations at the category level (i.e., salaries/allowances, operations and property) for each department/project within the General Fund and some of the Special Revenue Funds. Grants are budgeted in total and not at the category level. All Debt Service Funds' expenditures for principal and interest of long-term debt are considered to be in the operations category. Certain appropriation transfers may be made between categories or departments only with the approval of the Commissioners Court. Other transfers (e.g. court costs) may be authorized by the County Judge. Transfers that were made during fiscal year 2012 did not increase the County's overall budget. Unencumbered funds lapse at fiscal year end. The original budgets presented in the report are the approved budgets before amendments and transfers. The final budgets presented in this report reflect the budgets as amended for all appropriation transfers processed during the fiscal year. The legal level of budgetary control (the level on which expenditures may not exceed appropriations) is on an object class basis. More comprehensive accounting of activity on the budgetary basis is provided in a separate report, which available for public inspection in the office of the Jim Wells County Auditor, 200 N. Almond, Alice, Texas 78332.

*Combining Statements and Budget Comparisons
as Supplementary Information*

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

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NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

The Special Revenue Funds for Jim Wells County, Texas, consist of the Road and Bridge Funds which collectively comprise the constitutional Road and Bridge Fund, all Grant Funds, the Law Library Fund, the County Attorney Check Collection Fee Fund, Sheriff's Federal Detention Fund, and Special Funds. The Special Revenue Funds have revenue earmarked for the financing of particular functions and activities of government as shown in the various expenditure schedules.

ROAD AND BRIDGE FUNDS

The Road and Bridge Funds are constitutional funds established to account for current funds used for the purpose of constructing and maintaining roads and bridges. The principle sources of revenue for these funds are ad valorem taxes, auto registration, and intergovernmental revenues.

The Road and Bridge Funds consist of the following:

1. The Flood Control-Small Dams Precinct No. 2 Fund is used to account for transfers received from the Road and Bridge Precinct Funds that are used for costs associated with the maintenance of small dams in the County.
2. The Road and Bridge Precinct Funds (Nos. 1, 2, 3, and 4) were used to account for costs associated with the construction and maintenance of roads and bridges in the four Commissioners' Precincts.

GRANTS-IN-AID FUNDS

The Grants-in-Aid Funds account for revenues received from the Federal and State Governments.

The Grants-in-Aid Special Revenue Funds consist of the following funds:

1. The Adult Probation Fund and the Community Corrections Fund are used to account for funds received for the Judicial District Adult Probation Program. The Community Corrections Fund is used to account for funds received for special caseloads, educational and literacy programs, and substance abuse programs.
2. The Juvenile Probation Fund is used to account for funds received for the Judicial District Juvenile Probation Program.
3. The Colonia Grant is used to account for grant funds to plan studies for an improved standard of living. The Home Program used to accounts for grant funds to assist in the purchasing of a home.

4. County Attorney Crime Prevention is used to account for grant funds, which assist law enforcement and public safety the community.
5. The State Juvenile Probation Fund accounts for a state grant, which is used for administrative and other costs to supervise Juvenile offenders.
6. The Juvenile Law Enforcement Officer Fund is used to account for a matching grant from the state to improve law enforcement.
7. The Indigent Health Care Fund is used to account for state funds received which match basic medical care expenditures provided to eligible people.
8. The Job Access and Reverse Commute Fund is used to lead planning, coordination and sustainability activities designed to increase access and capacity of public transportation services within the 12 counties of the Coastal Bend.
9. The Public Transportation Planning Fund is used to conduct a demonstration project to assess which intervention strategies, venues, and channels of communication are most effective in prompting use of transportation services by target audiences in select counties of the Coastal Bend.
10. The Pre-Trial Bond Supervision Fund is used to assure the safety of the community and the return of the defendant to court by providing supervision and referrals to appropriate treatment sources.

OTHER SPECIAL REVENUE FUNDS

The Other Special Revenue Funds consists of Other Funds that account for particular functions and activities. The Other Special Revenue Funds consists of the following funds:

1. The Sheriff Impound Fees Fund is used to account for funds collected in the every day operations of the impound yard. The Jail Commissary Fund is used to account for funds collected from the jail commissary.
2. The Law Library Fund provides for the establishment and maintenance of a library for the use of members of the Texas Bar Association. It is stocked with several thousand books. Revenues are derived from fees, which are assessed against each civil case filed in County and District Courts.
3. The CSCD After Care Caseload fund accounts for the fees collected related to after care.
4. The County Attorney Check Collection Fee Fund accounts for County Attorney hot check collection fees.

5. The 79th Judicial District Attorney Drug Forfeiture Fund and Task Escrow Fund, Constable Prct. 5 Drug Forfeiture Fund, and the JWC Sheriff Drug Forfeiture Fund accounts for monies received through seizures pursuant to the forfeiture law(House Bill No. 65) of the State of Texas.

6. The Records, Management, and Preservation Fund is used to account for fees charged for the preservation and management of County records.

7. The Relief Route Capital Fund is used for the establishment of funds authorizing the County to support and fund the U.S. Highways 77/281 Coalition and Alliance for I-69 South Texas highway projects for an improved highway system.

8. The Drug Abuse and Rehabilitation Fund is used to account for its share of 10% of monies received from drug forfeitures. These monies are used to defray costs for drug and alcohol rehabilitation.

9. The J.P. Technology Fund and County and District Court Technology Fund are used to account for technology fees collected from misdemeanor convictions. The fees collected can only be used for technology enhancements.

CAPITAL PROJECTS FUND

These funds are used to account for financial resources to be used for the acquisition and construction of major capital facilities and are principally financed by capital grants, certificates of obligation, from the sale of bonds, and donations. These funds are not ordinarily used to account for the acquisition of furniture, fixtures, machinery, equipment, and other relatively minor or comparatively short-lived general fixed assets. The Capital Projects Funds in use by the County are the Right-of-Way Fund, which is used to account for costs incurred in purchase of land right-of-way for major road improvements and construction and the Jail Expansion Fund which is being used to provide improvements to the County Jail.

JIM WELLS COUNTY, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

DECEMBER 31, 2013

	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Total Nonmajor Governmental Funds (See Exhibit A-3)
ASSETS				
Assets:				
<i>Cash and Cash Equivalents</i>	\$ 3,520,368	\$ 77,127	\$ 1,191,616	\$ 4,789,111
<i>Taxes Receivables (net of allowances for uncollectibles):</i>	2,180,862	--	--	2,180,862
<i>Sales Taxes Receivable</i>	85,432	--	--	85,432
Total Assets	<u>\$ 5,786,662</u>	<u>\$ 77,127</u>	<u>\$ 1,191,616</u>	<u>\$ 7,055,405</u>
LIABILITIES AND FUND BALANCES:				
Liabilities:				
DEFERRED INFLOWS OF RESOURCES:				
<i>Unavailable Revenue Property Taxes</i>	\$ 2,180,862	\$ --	\$ --	\$ 2,180,862
Total Deferred Inflows of Resources	<u>2,180,862</u>	<u>--</u>	<u>--</u>	<u>2,180,862</u>
Fund Balances:				
Restricted Fund Balances:				
<i>Federal or State Funds Grant Restriction</i>	3,605,800	--	--	3,605,800
<i>Retirement of Long-Term Debt</i>	--	77,127	--	77,127
Committed Fund Balance:				
Construction	--	--	1,191,616	1,191,616
Other Committed Fund Balance	--	--	--	--
Assigned Fund Balance:				
Other Assigned Fund Balance	--	--	--	--
<i>Unassigned Fund Balance</i>	--	--	--	--
Total Fund Balance	<u>3,605,800</u>	<u>77,127</u>	<u>1,191,616</u>	<u>4,874,543</u>
Total Liabilities and Fund Balance	<u>\$ 5,786,662</u>	<u>\$ 77,127</u>	<u>\$ 1,191,616</u>	<u>\$ 7,055,405</u>

JIM WELLS COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Total Nonmajor Governmental Funds (See Exhibit A-5)
Revenue:				
Taxes:				
<i>General Property Taxes</i>	\$ 2,327,317	\$ 260,862	\$ --	\$ 2,588,179
<i>General Sales and Use Taxes</i>	1,194,458	--	--	1,194,458
<i>License and Permits</i>	511,291	--	--	511,291
<i>Intergovernmental</i>	2,338,372	--	1,156	2,339,528
<i>Charges for Services</i>	449,735	--	--	449,735
<i>Fines and Forfeitures</i>	284,288	--	--	284,288
<i>Fees of Office</i>	626,299	--	--	626,299
<i>Investment Earnings</i>	17,282	529	377	18,188
<i>Miscellaneous Revenues</i>	98,943	--	3,223	102,166
Total revenues	<u>7,847,985</u>	<u>261,391</u>	<u>4,756</u>	<u>8,114,132</u>
Expenditures:				
Current:				
<i>General Government</i>	90,837	--	--	90,837
<i>Judicial</i>	482,798	--	--	482,798
<i>Public Safety</i>	2,663,011	--	--	2,663,011
<i>Public Transportation</i>	4,207,550	--	--	4,207,550
<i>Health and Welfare</i>	587,375	--	--	587,375
Debt Service:				
<i>Principal</i>	133,836	170,000	--	303,836
<i>Interest and Fiscal Charges</i>	8,502	85,789	--	94,291
Total Expenditures	<u>8,173,909</u>	<u>255,789</u>	<u>--</u>	<u>8,429,698</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(325,924)</u>	<u>5,602</u>	<u>4,756</u>	<u>(315,566)</u>
Other Financing Sources (Uses):				
<i>Transfers In</i>	485,149	--	--	485,149
<i>Transfers Out</i>	(233,506)	--	--	(233,506)
<i>Capital Leases</i>	160,000	--	--	160,000
Total Other Financing Sources (Uses)	<u>411,643</u>	<u>--</u>	<u>--</u>	<u>411,643</u>
Net Change in Fund Balances	85,719	5,602	4,756	96,077
Fund Balances - Beginning	3,520,081	71,525	1,186,860	4,778,466
Fund Balances - Ending	<u>\$ 3,605,800</u>	<u>\$ 77,127</u>	<u>\$ 1,191,616</u>	<u>\$ 4,874,543</u>

JIM WELLS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2013

	Public Transportation Planning Fund	Job Access & Reverse Commute Fund	Road & Bridge No. 21 Fund	Road & Bridge No. 22 Fund
ASSETS				
Assets:				
<i>Cash and Cash Equivalents</i>	\$ 20,082	\$ 8,975	\$ 237,409	\$ 653,235
<i>Taxes Receivables (net of allowances for uncollectibles):</i>	--	--	478,589	320,184
<i>Sales Taxes Receivable</i>	--	--	16,488	12,763
Total Assets	<u>\$ 20,082</u>	<u>\$ 8,975</u>	<u>\$ 732,486</u>	<u>\$ 986,182</u>
LIABILITIES AND FUND BALANCES:				
Liabilities:				
DEFERRED INFLOWS OF RESOURCES:				
<i>Unavailable Revenue Property Taxes</i>	\$ --	\$ --	\$ 478,589	\$ 320,185
Total Deferred Inflows of Resources	<u>--</u>	<u>--</u>	<u>478,589</u>	<u>320,185</u>
Fund Balances:				
Reserved Fund Balances:				
Federal or State Funds Grant Restriction	20,082	8,975	253,897	665,997
Retirement of Long-Term Debt	--	--	--	--
Committed Fund Balance:				
Construction	--	--	--	--
Other Committed Fund Balance	--	--	--	--
Assigned Fund Balance:				
Other Assigned Fund Balance	--	--	--	--
Unassigned Fund Balance				
Total Fund Balance	<u>20,082</u>	<u>8,975</u>	<u>253,897</u>	<u>665,997</u>
Total Liabilities and Fund Balance	<u>\$ 20,082</u>	<u>\$ 8,975</u>	<u>\$ 732,486</u>	<u>\$ 986,182</u>

Road & Bridge No. 23 Fund	Road & Bridge No. 24 Fund	Indigent Health Care Fund	Sheriff Impound Fees	Small Dams No. 32 Fund
\$ 587,857 657,717 27,894	\$ 520,170 724,372 28,287	\$ 12,315 -- --	\$ 64,556 -- --	\$ 93,816 -- --
<u>\$ 1,273,468</u>	<u>\$ 1,272,829</u>	<u>\$ 12,315</u>	<u>\$ 64,556</u>	<u>\$ 93,816</u>
<u>\$ 657,717</u> <u>657,717</u>	<u>\$ 724,371</u> <u>724,371</u>	<u>\$ --</u> <u>--</u>	<u>\$ --</u> <u>--</u>	<u>\$ --</u> <u>--</u>
615,751	548,458	12,315	64,556	93,816
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>615,751</u>	<u>548,458</u>	<u>12,315</u>	<u>64,556</u>	<u>93,816</u>
<u>\$ 1,273,468</u>	<u>\$ 1,272,829</u>	<u>\$ 12,315</u>	<u>\$ 64,556</u>	<u>\$ 93,816</u>

JIM WELLS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2013

	<u>Jail Commissary Fund</u>	<u>Commissary Operating Account</u>	<u>Inmate Unclaimed Funds</u>	<u>Pre-Trial Bond Supervision</u>
ASSETS				
Assets:				
<i>Cash and Cash Equivalents</i>	\$ 11,519	\$ --	\$ --	\$ 107,727
<i>Taxes Receivables (net of allowances for uncollectibles):</i>	--	--	--	--
<i>Sales Taxes Receivable</i>	--	--	--	--
Total Assets	<u>\$ 11,519</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 107,727</u>
LIABILITIES AND FUND BALANCES:				
Liabilities:				
DEFERRED INFLOWS OF RESOURCES:				
<i>Unavailable Revenue Property Taxes</i>	\$ --	\$ --	\$ --	\$ --
Total Deferred Inflows of Resources	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund Balances:				
Reserved Fund Balances:				
Federal or State Funds Grant Restriction	11,519	--	--	107,727
Retirement of Long-Term Debt	--	--	--	--
Committed Fund Balance:				
Construction	--	--	--	--
Other Committed Fund Balance	--	--	--	--
Assigned Fund Balance:				
Other Assigned Fund Balance	--	--	--	--
Unassigned Fund Balance				
Total Fund Balance	<u>11,519</u>	<u>--</u>	<u>--</u>	<u>107,727</u>
Total Liabilities and Fund Balance	<u>\$ 11,519</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 107,727</u>

<u>CSCD After Care Caseload</u>	<u>County Attorney Check Collection</u>	<u>Juvenile Probation Fund</u>	<u>Adult Probation Fund</u>	<u>State Juvenile Probation Fund</u>
\$ 17,961	\$ 24,518	\$ 61,977	\$ 200,531	\$ 121,744
--	--	--	--	--
--	--	--	--	--
<u>\$ 17,961</u>	<u>\$ 24,518</u>	<u>\$ 61,977</u>	<u>\$ 200,531</u>	<u>\$ 121,744</u>
<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
--	--	--	--	--
17,961	24,518	61,977	200,531	121,744
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>17,961</u>	<u>24,518</u>	<u>61,977</u>	<u>200,531</u>	<u>121,744</u>
<u>\$ 17,961</u>	<u>\$ 24,518</u>	<u>\$ 61,977</u>	<u>\$ 200,531</u>	<u>\$ 121,744</u>

JIM WELLS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2013

	Colonia Grant Fund	Home Program Fund	Law Library Fund	Disaster Relief Fund
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
ASSETS				
Assets:				
<i>Cash and Cash Equivalents</i>	\$ 4,315	\$ 127	\$ 29,218	\$ --
<i>Taxes Receivables (net of allowances for uncollectibles):</i>	--	--	--	--
<i>Sales Taxes Receivable</i>	--	--	--	--
Total Assets	<u>\$ 4,315</u>	<u>\$ 127</u>	<u>\$ 29,218</u>	<u>\$ --</u>
LIABILITIES AND FUND BALANCES:				
Liabilities:				
DEFERRED INFLOWS OF RESOURCES:				
<i>Unavailable Revenue Property Taxes</i>	\$ --	\$ --	\$ --	\$ --
Total Deferred Inflows of Resources	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund Balances:				
Reserved Fund Balances:				
Federal or State Funds Grant Restriction	4,315	127	29,218	--
Retirement of Long-Term Debt	--	--	--	--
Committed Fund Balance:				
Construction	--	--	--	--
Other Committed Fund Balance	--	--	--	--
Assigned Fund Balance:				
Other Assigned Fund Balance	--	--	--	--
Unassigned Fund Balance				
Total Fund Balance	<u>4,315</u>	<u>127</u>	<u>29,218</u>	<u>--</u>
Total Liabilities and Fund Balance	<u>\$ 4,315</u>	<u>\$ 127</u>	<u>\$ 29,218</u>	<u>\$ --</u>

<u>Drug Abuse and Rehabilitation Fund</u>	<u>County Attorney Crime Prevention Fund</u>	<u>79th Judicial District Attorney Forfeiture Fund</u>	<u>Sheriff Drug Forfeiture Fund</u>	<u>Community Corrections Fund</u>
\$ 43,335	\$ 1,309	\$ 342,267	\$ 104,908	\$ 23,196
--	--	--	--	--
--	--	--	--	--
<u>\$ 43,335</u>	<u>\$ 1,309</u>	<u>\$ 342,267</u>	<u>\$ 104,908</u>	<u>\$ 23,196</u>
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
--	--	--	--	--
43,335	1,309	342,267	104,908	23,196
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>43,335</u>	<u>1,309</u>	<u>342,267</u>	<u>104,908</u>	<u>23,196</u>
<u>\$ 43,335</u>	<u>\$ 1,309</u>	<u>\$ 342,267</u>	<u>\$ 104,908</u>	<u>\$ 23,196</u>

JIM WELLS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2013

	Constable Prct 5 Drug Forfeiture Fund	Juvenile Law Enforcement Officer Fund
ASSETS		
Assets:		
<i>Cash and Cash Equivalents</i>	\$ 11,597	\$ --
<i>Taxes Receivables (net of allowances for uncollectibles):</i>	--	--
<i>Sales Taxes Receivable</i>	--	--
Total Assets	<u>\$ 11,597</u>	<u>\$ --</u>
LIABILITIES AND FUND BALANCES:		
Liabilities:		
DEFERRED INFLOWS OF RESOURCES:		
<i>Unavailable Revenue Property Taxes</i>	\$ --	\$ --
Total Deferred Inflows of Resources	<u>--</u>	<u>--</u>
Fund Balances:		
Reserved Fund Balances:		
Federal or State Funds Grant Restriction	11,597	--
Retirement of Long-Term Debt	--	--
Committed Fund Balance:		
Construction	--	--
Other Committed Fund Balance	--	--
Assigned Fund Balance:		
Other Assigned Fund Balance	--	--
Unassigned Fund Balance		
Total Fund Balance	<u>11,597</u>	<u>--</u>
Total Liabilities and Fund Balance	<u>\$ 11,597</u>	<u>\$ --</u>

<u>JP Technology Fund</u>	<u>County and District Court Technology Fund</u>	<u>Records Preservation Fund</u>	<u>Total Nonmajor Special Revenue Funds (See Exhibit C-1)</u>
\$ 3,170	\$ 1,619	\$ 210,915	\$ 3,520,368
--	--	--	2,180,862
--	--	--	85,432
<u>\$ 3,170</u>	<u>\$ 1,619</u>	<u>\$ 210,915</u>	<u>\$ 5,786,662</u>
<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 2,180,862</u>
<u>--</u>	<u>--</u>	<u>--</u>	<u>2,180,862</u>
3,170	1,619	210,915	3,605,800
--	--	--	--
--	--	--	--
--	--	--	--
--	--	--	--
<u>3,170</u>	<u>1,619</u>	<u>210,915</u>	<u>3,605,800</u>
<u>\$ 3,170</u>	<u>\$ 1,619</u>	<u>\$ 210,915</u>	<u>\$ 5,786,662</u>

JIM WELLS COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

	Public Transportation Planning Fund	Job Access & Reverse Commute Fund	Road & Bridge No. 21 Fund	Road & Bridge No. 22 Fund
Revenue:				
Taxes:				
General Property Taxes	\$ --	\$ --	\$ 472,231	\$ 387,603
General Sales and Use Taxes	--	--	230,442	178,596
License and Permits	--	--	103,245	65,301
Intergovernmental	144,805	31,769	27,182	16,748
Charges for Services	--	--	--	--
Fines and Forfeitures	--	--	1,158	684
Fees of Office	--	--	106,836	63,131
Investment Earnings	73	45	1,635	2,952
Miscellaneous Revenues	--	--	1,277	--
Total revenues	<u>144,878</u>	<u>31,814</u>	<u>944,006</u>	<u>715,015</u>
Expenditures:				
Current:				
General Government	--	--	--	--
Judicial	--	--	--	--
Public Safety	--	--	--	--
Public Transportation	142,807	9,280	1,082,125	515,105
Health and Welfare	--	--	--	--
Debt Service:				
Principal	--	--	14,020	--
Interest and Fiscal Charges	--	--	2,761	--
Total Expenditures	<u>142,807</u>	<u>9,280</u>	<u>1,098,906</u>	<u>515,105</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,071</u>	<u>22,534</u>	<u>(154,900)</u>	<u>199,910</u>
Other Financing Sources (Uses):				
Transfers In	1,074	--	198,968	2,471
Transfers Out	(7,000)	(35,000)	(57,301)	(4,314)
Capital Leases	--	--	--	--
Total Other Financing Sources (Uses)	<u>(5,926)</u>	<u>(35,000)</u>	<u>141,667</u>	<u>(1,843)</u>
Net Change in Fund Balances	(3,855)	(12,466)	(13,233)	198,067
Fund Balances - Beginning	23,937	21,441	267,130	467,930
Fund Balances - Ending	<u>\$ 20,082</u>	<u>\$ 8,975</u>	<u>\$ 253,897</u>	<u>\$ 665,997</u>

Road & Bridge No. 23 Fund	Road & Bridge No. 24 Fund	Indigent Health Care Fund	Sheriff Impound Fees	Small Dams No. 32 Fund
\$ 729,415	\$ 738,068	\$ --	\$ --	\$ --
389,840	395,580	--	--	--
187,878	154,867	--	--	--
36,601	46,631	--	--	--
--	--	--	6,525	--
1,685	1,737	--	--	--
155,398	160,254	--	--	--
2,384	3,765	--	282	307
434	350	7,013	--	--
<u>1,503,635</u>	<u>1,501,252</u>	<u>7,013</u>	<u>6,807</u>	<u>307</u>
--	--	--	--	--
--	--	--	--	--
--	--	--	15,079	--
982,477	1,442,894	--	--	32,862
--	--	97,238	--	--
20,741	--	--	--	--
1,951	--	--	--	--
<u>1,005,169</u>	<u>1,442,894</u>	<u>97,238</u>	<u>15,079</u>	<u>32,862</u>
<u>498,466</u>	<u>58,358</u>	<u>(90,225)</u>	<u>(8,272)</u>	<u>(32,555)</u>
5,251	7,764	84,170	161	33,185
(10,619)	(85,951)	--	--	--
--	--	--	--	--
<u>(5,368)</u>	<u>(78,187)</u>	<u>84,170</u>	<u>161</u>	<u>33,185</u>
493,098	(19,829)	(6,055)	(8,111)	630
122,653	568,287	18,370	72,667	93,186
<u>\$ 615,751</u>	<u>\$ 548,458</u>	<u>\$ 12,315</u>	<u>\$ 64,556</u>	<u>\$ 93,816</u>

JIM WELLS COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

	Jail Commissary Fund	Pre-Trial Bond Supervision	CSCD After Care Caseload	County Attorney Check Collection
Revenue:				
Taxes:				
General Property Taxes	\$ --	\$ --	\$ --	\$ --
General Sales and Use Taxes	--	--	--	--
License and Permits	--	--	--	--
Intergovernmental	64,460	59,207	47,346	--
Charges for Services	--	--	--	--
Fines and Forfeitures	--	--	--	3,650
Fees of Office	--	--	--	--
Investment Earnings	--	389	--	95
Miscellaneous Revenues	--	--	--	--
Total revenues	<u>64,460</u>	<u>59,596</u>	<u>47,346</u>	<u>3,745</u>
Expenditures:				
Current:				
General Government	--	--	--	--
Judicial	--	--	--	2,326
Public Safety	57,689	49,622	--	--
Public Transportation	--	--	--	--
Health and Welfare	--	--	48,121	--
Debt Service:				
Principal	--	--	--	--
Interest and Fiscal Charges	--	--	--	--
Total Expenditures	<u>57,689</u>	<u>49,622</u>	<u>48,121</u>	<u>2,326</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>6,771</u>	<u>9,974</u>	<u>(775)</u>	<u>1,419</u>
Other Financing Sources (Uses):				
Transfers In	--	--	358	--
Transfers Out	--	--	--	--
Capital Leases	--	--	--	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>358</u>	<u>--</u>
Net Change in Fund Balances	6,771	9,974	(417)	1,419
Fund Balances - Beginning	4,748	97,753	18,378	23,099
Fund Balances - Ending	<u>\$ 11,519</u>	<u>\$ 107,727</u>	<u>\$ 17,961</u>	<u>\$ 24,518</u>

Juvenile Probation Fund	Adult Probation Fund	State Juvenile Probation Fund	Colonia Grant Fund	Home Program Fund
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
--	--	--	--	--
--	294,257	549,187	403,902	440,441
--	443,210	--	--	--
--	--	--	--	--
--	--	--	--	--
313	998	331	--	--
--	84,820	--	--	--
<u>313</u>	<u>823,285</u>	<u>549,518</u>	<u>403,902</u>	<u>440,441</u>
--	--	--	--	--
--	--	--	--	440,441
34,926	965,435	508,092	--	--
--	--	--	--	--
--	--	--	399,587	--
--	--	--	--	--
--	--	--	--	--
<u>34,926</u>	<u>965,435</u>	<u>508,092</u>	<u>399,587</u>	<u>440,441</u>
<u>(34,613)</u>	<u>(142,150)</u>	<u>41,426</u>	<u>4,315</u>	<u>--</u>
--	90,130	3,276	--	--
--	(23,266)	--	--	--
--	--	--	--	--
--	<u>66,864</u>	<u>3,276</u>	<u>--</u>	<u>--</u>
(34,613)	(75,286)	44,702	4,315	--
96,590	275,817	77,042	--	127
<u>\$ 61,977</u>	<u>\$ 200,531</u>	<u>\$ 121,744</u>	<u>\$ 4,315</u>	<u>\$ 127</u>

JIM WELLS COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

	Law Library Fund	Disaster Relief Fund	Drug Abuse and Rehabilitation Fund	County Attorney Crime Prevention Fund
Revenue:				
Taxes:				
General Property Taxes	\$ --	\$ --	\$ --	\$ --
General Sales and Use Taxes	--	--	--	--
License and Permits	--	--	--	--
Intergovernmental	--	42,429	5,209	43,247
Charges for Services	--	--	--	--
Fines and Forfeitures	--	--	--	--
Fees of Office	27,030	--	--	--
Investment Earnings	101	--	245	9
Miscellaneous Revenues	--	--	--	--
Total revenues	<u>27,131</u>	<u>42,429</u>	<u>5,454</u>	<u>43,256</u>
Expenditures:				
Current:				
General Government	--	--	--	--
Judicial	27,161	--	--	--
Public Safety	--	--	90,000	56,853
Public Transportation	--	--	--	--
Health and Welfare	--	42,429	--	--
Debt Service:				
Principal	--	--	--	--
Interest and Fiscal Charges	--	--	--	--
Total Expenditures	<u>27,161</u>	<u>42,429</u>	<u>90,000</u>	<u>56,853</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(30)</u>	<u>--</u>	<u>(84,546)</u>	<u>(13,597)</u>
Other Financing Sources (Uses):				
Transfers In	5,000	--	--	10,358
Transfers Out	--	--	--	--
Capital Leases	--	--	--	--
Total Other Financing Sources (Uses)	<u>5,000</u>	<u>--</u>	<u>--</u>	<u>10,358</u>
Net Change in Fund Balances	4,970	--	(84,546)	(3,239)
Fund Balances - Beginning	24,248	--	127,881	4,548
Fund Balances - Ending	<u>\$ 29,218</u>	<u>\$ --</u>	<u>\$ 43,335</u>	<u>\$ 1,309</u>

	79th Judicial District Attorney Forfeiture Fund	Sheriff Drug Forfeiture Fund	Community Corrections Fund	Constable Prct 5 Drug Forfeiture Fund	Juvenile Law Enforcement Officer Fund
\$	--	\$ --	\$ --	\$ --	\$ --
	--	--	--	--	--
	--	--	--	--	--
	--	--	84,951	--	--
	182,437	89,261	--	3,676	--
	--	--	--	--	--
	1,575	1,126	--	47	--
	--	5,049	--	--	--
	<u>184,012</u>	<u>95,436</u>	<u>84,951</u>	<u>3,723</u>	<u>--</u>
	--	--	--	--	--
	--	--	--	--	--
	284,769	513,634	86,550	362	--
	--	--	--	--	--
	--	--	--	--	--
	--	99,075	--	--	--
	--	3,790	--	--	--
	<u>284,769</u>	<u>616,499</u>	<u>86,550</u>	<u>362</u>	<u>--</u>
	<u>(100,757)</u>	<u>(521,063)</u>	<u>(1,599)</u>	<u>3,361</u>	<u>--</u>
	--	--	9,140	--	--
	(10,001)	--	--	--	(54)
	--	160,000	--	--	--
	<u>(10,001)</u>	<u>160,000</u>	<u>9,140</u>	<u>--</u>	<u>(54)</u>
	(110,758)	(361,063)	7,541	3,361	(54)
	453,025	465,971	15,655	8,236	54
\$	<u><u>342,267</u></u>	<u><u>104,908</u></u>	<u><u>23,196</u></u>	<u><u>11,597</u></u>	<u><u>--</u></u>

JIM WELLS COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

	JP Technology Fund	County and District Court Technology Fund	Records Preservation Fund	Total Nonmajor Special Revenue Funds (See Exhibit C-2)
Revenue:				
Taxes:				
<i>General Property Taxes</i>	\$ --	\$ --	\$ --	\$ 2,327,317
<i>General Sales and Use Taxes</i>	--	--	--	1,194,458
<i>License and Permits</i>	--	--	--	511,291
<i>Intergovernmental</i>	--	--	--	2,338,372
<i>Charges for Services</i>	--	--	--	449,735
<i>Fines and Forfeitures</i>	--	--	--	284,288
<i>Fees of Office</i>	12,373	548	100,729	626,299
<i>Investment Earnings</i>	15	5	590	17,282
<i>Miscellaneous Revenues</i>	--	--	--	98,943
Total revenues	<u>12,388</u>	<u>553</u>	<u>101,319</u>	<u>7,847,985</u>
Expenditures:				
Current:				
<i>General Government</i>	--	--	90,837	90,837
<i>Judicial</i>	12,870	--	--	482,798
<i>Public Safety</i>	--	--	--	2,663,011
<i>Public Transportation</i>	--	--	--	4,207,550
<i>Health and Welfare</i>	--	--	--	587,375
Debt Service:				
<i>Principal</i>	--	--	--	133,836
<i>Interest and Fiscal Charges</i>	--	--	--	8,502
Total Expenditures	<u>12,870</u>	<u>--</u>	<u>90,837</u>	<u>8,173,909</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(482)</u>	<u>553</u>	<u>10,482</u>	<u>(325,924)</u>
Other Financing Sources (Uses):				
<i>Transfers In</i>	--	--	33,843	485,149
<i>Transfers Out</i>	--	--	--	(233,506)
<i>Capital Leases</i>	--	--	--	160,000
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>33,843</u>	<u>411,643</u>
Net Change in Fund Balances	(482)	553	44,325	85,719
Fund Balances - Beginning	3,652	1,066	166,590	3,520,081
Fund Balances - Ending	<u>\$ 3,170</u>	<u>\$ 1,619</u>	<u>\$ 210,915</u>	<u>\$ 3,605,800</u>

JIM WELLS COUNTY, TEXAS
ROAD & BRIDGE NO. 21 FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2013

EXHIBIT C-5

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE:				
Taxes:				
<i>General Property Taxes</i>	\$ 454,308	\$ 454,308	\$ 472,231	\$ 17,923
<i>General Sales and Use Taxes</i>	210,048	210,048	230,442	20,394
License and Permits	99,000	99,000	103,245	4,245
Intergovernmental	14,976	14,976	27,182	12,206
Fines and Forfeitures	1,340	1,340	1,158	(182)
Fees of Office	87,120	87,120	106,836	19,716
Investment Earnings	1,000	1,000	1,635	635
Miscellaneous Revenues	1,000	1,000	1,277	277
Total revenues	<u>868,792</u>	<u>868,792</u>	<u>944,006</u>	<u>75,214</u>
EXPENDITURES:				
Public Transportation				
<i>Personal Services</i>	635,114	635,114	623,793	11,321
<i>Supplies</i>	1,753	1,753	124,127	(122,374)
<i>Other Services and Charges</i>	302,678	302,678	184,950	117,728
<i>Capital Outlay</i>	178,420	178,420	149,255	29,165
Total Public Transportation	<u>1,117,965</u>	<u>1,117,965</u>	<u>1,082,125</u>	<u>35,840</u>
Debt Service:				
<i>Principal</i>	--	--	14,020	(14,020)
<i>Interest and Fiscal Charges</i>	--	--	2,761	(2,761)
Total Debt Service	<u>--</u>	<u>--</u>	<u>16,781</u>	<u>(16,781)</u>
Total Expenditures	<u>1,117,965</u>	<u>1,117,965</u>	<u>1,098,906</u>	<u>19,059</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(249,173)</u>	<u>(249,173)</u>	<u>(154,900)</u>	<u>94,273</u>
OTHER FINANCING SOURCES (USES):				
<i>Transfers In</i>	194,651	194,651	198,968	4,317
<i>Transfers Out</i>	(189,894)	(189,894)	(57,301)	(132,593)
Total Other Financing Sources (Uses)	<u>4,757</u>	<u>4,757</u>	<u>141,667</u>	<u>(136,910)</u>
Net Change in Fund Balances	<u>(244,416)</u>	<u>(244,416)</u>	<u>(13,233)</u>	<u>231,183</u>
Fund Balances - Beginning	267,130	267,130	267,130	--
Fund Balances - Ending	<u>\$ 22,714</u>	<u>\$ 22,714</u>	<u>\$ 253,897</u>	<u>\$ 231,183</u>

JIM WELLS COUNTY, TEXAS
ROAD & BRIDGE NO. 22 FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2013

EXHIBIT C-6

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE:				
Taxes:				
<i>General Property Taxes</i>	\$ 374,267	\$ 374,267	\$ 387,603	\$ 13,336
<i>General Sales and Use Taxes</i>	--	--	178,596	178,596
License and Permits	221,097	221,097	65,301	(155,796)
Intergovernmental	8,848	8,848	16,748	7,900
Fines and Forfeitures	791	791	684	(107)
Fees of Office	51,480	51,480	63,131	11,651
Investment Earnings	2,000	2,000	2,952	952
Total revenues	<u>658,483</u>	<u>658,483</u>	<u>715,015</u>	<u>56,532</u>
EXPENDITURES:				
Public Transportation				
<i>Personal Services</i>	419,864	419,864	357,709	62,155
<i>Supplies</i>	57,050	57,050	44,705	12,345
<i>Other Services and Charges</i>	496,350	496,350	33,284	463,066
<i>Capital Outlay</i>	118,700	118,700	79,407	39,293
<i>Total Public Transportation</i>	<u>1,091,964</u>	<u>1,091,964</u>	<u>515,105</u>	<u>576,859</u>
Total Expenditures	<u>1,091,964</u>	<u>1,091,964</u>	<u>515,105</u>	<u>576,859</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(433,481)</u>	<u>(433,481)</u>	<u>199,910</u>	<u>633,391</u>
OTHER FINANCING SOURCES (USES):				
<i>Transfers In</i>	--	--	2,471	2,471
<i>Transfers Out</i>	<u>(4,314)</u>	<u>(4,314)</u>	<u>(4,314)</u>	<u>--</u>
Total Other Financing Sources (Uses)	<u>(4,314)</u>	<u>(4,314)</u>	<u>(1,843)</u>	<u>(2,471)</u>
Net Change in Fund Balances	(437,795)	(437,795)	198,067	635,862
Fund Balances - Beginning	467,930	467,930	467,930	--
Fund Balances - Ending	<u>\$ 30,135</u>	<u>\$ 30,135</u>	<u>\$ 665,997</u>	<u>\$ 635,862</u>

JIM WELLS COUNTY, TEXAS
ROAD & BRIDGE NO. 23 FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2013

EXHIBIT C-7

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE:				
Taxes:				
<i>General Property Taxes</i>	\$ 699,385	\$ 699,385	\$ 729,415	\$ 30,030
<i>General Sales and Use Taxes</i>	355,340	355,340	389,840	34,500
License and Permits	144,000	144,000	187,878	43,878
Intergovernmental	21,780	21,780	36,601	14,821
Fines and Forfeitures	1,949	1,949	1,685	(264)
Fees of Office	139,220	139,220	155,398	16,178
Investment Earnings	1,000	1,000	2,384	1,384
Miscellaneous Revenues	--	--	434	434
Total revenues	<u>1,362,674</u>	<u>1,362,674</u>	<u>1,503,635</u>	<u>140,961</u>
EXPENDITURES:				
Public Transportation				
<i>Personal Services</i>	805,467	805,467	677,401	128,066
<i>Supplies</i>	2,250	2,250	169,663	(167,413)
<i>Other Services and Charges</i>	375,011	375,011	122,106	252,905
<i>Capital Outlay</i>	177,234	177,234	13,307	163,927
Total Public Transportation	<u>1,359,962</u>	<u>1,359,962</u>	<u>982,477</u>	<u>377,485</u>
Debt Service:				
<i>Principal</i>	--	--	20,741	(20,741)
<i>Interest and Fiscal Charges</i>	--	--	1,951	(1,951)
Total Debt Service	<u>--</u>	<u>--</u>	<u>22,692</u>	<u>(22,692)</u>
Total Expenditures	<u>1,359,962</u>	<u>1,359,962</u>	<u>1,005,169</u>	<u>354,793</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,712</u>	<u>2,712</u>	<u>498,466</u>	<u>495,754</u>
OTHER FINANCING SOURCES (USES):				
<i>Transfers In</i>	--	--	5,251	5,251
<i>Transfers Out</i>	(10,619)	(10,619)	(10,619)	--
Total Other Financing Sources (Uses)	<u>(10,619)</u>	<u>(10,619)</u>	<u>(5,368)</u>	<u>(5,251)</u>
Net Change in Fund Balances	(7,907)	(7,907)	493,098	501,005
Fund Balances - Beginning	--	--	122,653	122,653
Fund Balances - Ending	<u>\$ (7,907)</u>	<u>\$ (7,907)</u>	<u>\$ 615,751</u>	<u>\$ 623,658</u>

JIM WELLS COUNTY, TEXAS
ROAD & BRIDGE NO. 24 FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2013

EXHIBIT C-8

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE:				
Taxes:				
<i>General Property Taxes</i>	\$ 707,830	\$ 707,830	\$ 738,068	\$ 30,238
<i>General Sales and Use Taxes</i>	360,346	360,346	395,580	35,234
License and Permits	148,500	148,500	154,867	6,367
Intergovernmental	22,467	22,464	46,631	24,167
Fines and Forfeitures	2,009	2,009	1,737	(272)
Fees of Office	130,680	130,680	160,254	29,574
Investment Earnings	2,000	2,000	3,765	1,765
Miscellaneous Revenues	--	--	350	350
Total revenues	<u>1,373,832</u>	<u>1,373,829</u>	<u>1,501,252</u>	<u>127,423</u>
EXPENDITURES:				
Public Transportation				
<i>Personal Services</i>	939,237	939,237	859,946	79,291
<i>Supplies</i>	2,000	2,000	142,766	(140,766)
<i>Other Services and Charges</i>	574,851	574,851	210,035	364,816
<i>Capital Outlay</i>	238,500	238,500	230,147	8,353
Total Public Transportation	<u>1,754,588</u>	<u>1,754,588</u>	<u>1,442,894</u>	<u>311,694</u>
Total Expenditures	<u>1,754,588</u>	<u>1,754,588</u>	<u>1,442,894</u>	<u>311,694</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(380,756)</u>	<u>(380,759)</u>	<u>58,358</u>	<u>439,117</u>
OTHER FINANCING SOURCES (USES):				
<i>Transfers In</i>	--	--	7,764	7,764
<i>Transfers Out</i>	<u>(85,951)</u>	<u>(85,951)</u>	<u>(85,951)</u>	--
Total Other Financing Sources (Uses)	<u>(85,951)</u>	<u>(85,951)</u>	<u>(78,187)</u>	<u>(7,764)</u>
Net Change in Fund Balances	<u>(466,707)</u>	<u>(466,710)</u>	<u>(19,829)</u>	<u>446,881</u>
Fund Balances - Beginning	--	--	568,287	568,287
Fund Balances - Ending	<u><u>\$ (466,707)</u></u>	<u><u>\$ (466,710)</u></u>	<u><u>\$ 548,458</u></u>	<u><u>\$ 1,015,168</u></u>

JIM WELLS COUNTY, TEXAS
SMALL DAMS NO. 32 FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2013

EXHIBIT C-9

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE:				
Investment Earnings	\$ 200	\$ 200	\$ 307	\$ 107
Total revenues	<u>200</u>	<u>200</u>	<u>307</u>	<u>107</u>
EXPENDITURES:				
Public Transportation				
<i>Personal Services</i>	--	--	24,228	(24,228)
<i>Other Services and Charges</i>	14,000	14,000	8,634	5,366
<i>Capital Outlay</i>	50,000	50,000	--	50,000
<i>Total Public Transportation</i>	<u>64,000</u>	<u>64,000</u>	<u>32,862</u>	<u>31,138</u>
Total Expenditures	<u>64,000</u>	<u>64,000</u>	<u>32,862</u>	<u>31,138</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(63,800)</u>	<u>(63,800)</u>	<u>(32,555)</u>	<u>31,245</u>
OTHER FINANCING SOURCES (USES):				
<i>Transfers In</i>	<u>33,185</u>	<u>33,185</u>	<u>33,185</u>	<u>--</u>
Total Other Financing Sources (Uses)	<u>33,185</u>	<u>33,185</u>	<u>33,185</u>	<u>--</u>
Net Change in Fund Balances	(30,615)	(30,615)	630	31,245
Fund Balances - Beginning	93,186	93,186	93,186	--
Fund Balances - Ending	<u>\$ 62,571</u>	<u>\$ 62,571</u>	<u>\$ 93,816</u>	<u>\$ 31,245</u>

JIM WELLS COUNTY, TEXAS
LAW LIBRARY FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2013

EXHIBIT C-10

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE:				
Fees of Office	\$ 23,000	\$ 23,000	\$ 27,030	\$ 4,030
Investment Earnings	20	20	101	81
Total revenues	<u>23,020</u>	<u>23,020</u>	<u>27,131</u>	<u>4,111</u>
EXPENDITURES:				
Judicial				
County court				
Capital Outlay	33,000	33,000	27,161	5,839
Total County Court	<u>33,000</u>	<u>33,000</u>	<u>27,161</u>	<u>5,839</u>
Total Judicial	<u>33,000</u>	<u>33,000</u>	<u>27,161</u>	<u>5,839</u>
Total Expenditures	<u>33,000</u>	<u>33,000</u>	<u>27,161</u>	<u>5,839</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(9,980)</u>	<u>(9,980)</u>	<u>(30)</u>	<u>9,950</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	5,000	5,000	5,000	--
Total Other Financing Sources (Uses)	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>--</u>
Net Change in Fund Balances	(4,980)	(4,980)	4,970	9,950
Fund Balances - Beginning	--	--	24,248	24,248
Fund Balances - Ending	<u><u>\$ (4,980)</u></u>	<u><u>\$ (4,980)</u></u>	<u><u>\$ 29,218</u></u>	<u><u>\$ 34,198</u></u>

JIM WELLS COUNTY, TEXAS
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2013

EXHIBIT C-11

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE:				
Taxes:				
<i>General Property Taxes</i>	\$ 250,232	\$ 250,232	\$ 260,862	\$ 10,630
Investment Earnings	300	300	529	229
Total revenues	<u>250,532</u>	<u>250,532</u>	<u>261,391</u>	<u>10,859</u>
EXPENDITURES:				
<i>Debt Service:</i>				
<i>Principal</i>	170,000	170,000	170,000	--
<i>Interest and Fiscal Charges</i>	85,789	85,789	85,789	--
<i>Fiscal Agent's Fees</i>	500	500	--	500
<i>Total Debt Service</i>	<u>256,289</u>	<u>256,289</u>	<u>255,789</u>	<u>500</u>
Total Expenditures	<u>256,289</u>	<u>256,289</u>	<u>255,789</u>	<u>500</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(5,757)</u>	<u>(5,757)</u>	<u>5,602</u>	<u>11,359</u>
OTHER FINANCING SOURCES (USES):				
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	<u>(5,757)</u>	<u>(5,757)</u>	<u>5,602</u>	<u>11,359</u>
Fund Balances - Beginning	71,525	71,525	71,525	--
Fund Balances - Ending	<u>\$ 65,768</u>	<u>\$ 65,768</u>	<u>\$ 77,127</u>	<u>\$ 11,359</u>

JIM WELLS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2013

	Relief Route Capital Fund	Jail Expansion Fund	Road Bond 1967	Total Nonmajor Capital Projects Funds (See Exhibit C-1)
ASSETS				
Assets:				
<i>Cash and Cash Equivalents</i>	\$ 731,166	\$ 314,598	\$ 145,852	\$ 1,191,616
Total Assets	<u>\$ 731,166</u>	<u>\$ 314,598</u>	<u>\$ 145,852</u>	<u>\$ 1,191,616</u>
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Fund Balances:				
Restricted Fund Balances:				
<i>Restricted for Capital Projects</i>	\$ 731,166	\$ 314,598	\$ 145,852	\$ 1,191,616
Total Fund Balance	<u>731,166</u>	<u>314,598</u>	<u>145,852</u>	<u>1,191,616</u>
Total Liabilities and Fund Balance	<u>\$ 731,166</u>	<u>\$ 314,598</u>	<u>\$ 145,852</u>	<u>\$ 1,191,616</u>

JIM WELLS COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

	Relief Route Capital Fund	Jail Expansion Fund	Road Bond 1967	Total Nonmajor Capital Projects Funds (See Exhibit C-2)
Revenue:				
<i>Intergovernmental</i>	\$ --	\$ 1,156	\$ --	\$ 1,156
<i>Investment Earnings</i>	231	100	46	377
<i>Miscellaneous Revenues</i>	2,687	--	536	3,223
Total revenues	<u>2,918</u>	<u>1,256</u>	<u>582</u>	<u>4,756</u>
Expenditures:				
Total Expenditures	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,918</u>	<u>1,256</u>	<u>582</u>	<u>4,756</u>
Other Financing Sources (Uses):				
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	2,918	1,256	582	4,756
Fund Balances - Beginning	728,248	313,342	145,270	1,186,860
Fund Balances - Ending	<u>\$ 731,166</u>	<u>\$ 314,598</u>	<u>\$ 145,852</u>	<u>\$ 1,191,616</u>

JIM WELLS COUNTY, TEXAS
JAIL EXPANSION FUND
CAPITAL PROJECTS FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2013

EXHIBIT C-14

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE:				
Intergovernmental	\$ --	\$ --	\$ 1,156	\$ 1,156
Investment Earnings	1,000	1,000	100	(900)
Total revenues	<u>1,000</u>	<u>1,000</u>	<u>1,256</u>	<u>256</u>
EXPENDITURES:				
Public Safety				
Other Public Safety				
<i>Other Services and Charges</i>	25,000	25,000	--	25,000
<i>Capital Outlay</i>	280,000	280,000	--	280,000
<i>Total Other Public Safety</i>	<u>305,000</u>	<u>305,000</u>	<u>--</u>	<u>305,000</u>
Total Public Safety	<u>305,000</u>	<u>305,000</u>	<u>--</u>	<u>305,000</u>
Total Expenditures	<u>305,000</u>	<u>305,000</u>	<u>--</u>	<u>305,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(304,000)</u>	<u>(304,000)</u>	<u>1,256</u>	<u>305,256</u>
OTHER FINANCING SOURCES (USES):				
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	<u>(304,000)</u>	<u>(304,000)</u>	<u>1,256</u>	<u>305,256</u>
Fund Balances - Beginning	313,342	313,342	313,342	--
Fund Balances - Ending	<u>\$ 9,342</u>	<u>\$ 9,342</u>	<u>\$ 314,598</u>	<u>\$ 305,256</u>

JIM WELLS COUNTY, TEXAS
ROAD BOND 1967
CAPITAL PROJECTS FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2013

EXHIBIT C-15

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE:				
Investment Earnings	\$ 400	\$ 400	\$ 46	\$ (354)
Miscellaneous Revenues	--	--	536	536
Total revenues	<u>400</u>	<u>400</u>	<u>582</u>	<u>182</u>
EXPENDITURES:				
Economic Development and Assistance				
<i>Other Services and Charges</i>	135,000	135,000	--	135,000
<i>Total Economic Development and Assistance</i>	<u>135,000</u>	<u>135,000</u>	<u>--</u>	<u>135,000</u>
Total Expenditures	<u>135,000</u>	<u>135,000</u>	<u>--</u>	<u>135,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(134,600)</u>	<u>(134,600)</u>	<u>582</u>	<u>135,182</u>
OTHER FINANCING SOURCES (USES):				
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	(134,600)	(134,600)	582	135,182
Fund Balances - Beginning	145,270	145,270	145,270	--
Fund Balances - Ending	<u>\$ 10,670</u>	<u>\$ 10,670</u>	<u>\$ 145,852</u>	<u>\$ 135,182</u>

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AGENCY FUNDS

The Agency Funds are used to account for the monies received and disbursed by the County in the capacity of trustee, custodian, or agent of individuals or other entities.

The Agency Funds consist of the following:

1. The Payroll Fund was established as a clearing account. Cash is transferred from other County funds to the Payroll Fund, from which disbursements are made for payroll, federal income tax withheld, Social security, retirement, deferred compensation, group insurance premiums, and other employee benefits.
2. The D.A. Escrow Fund, County Attorney Collection District Attorney Tax Collector, and Drug Forfeiture Accounts, were established by the County and other funds and are remitted to the County Auditor and other entities for County and other purposes.
3. The District Clerk and the County Clerk Fund account for monies received from various County officials and remitted to the County Auditor and other entities for the County and other purposes.
4. The Victims Compensation, Criminal Justice Planning, Criminal Justice Education, Crime Stoppers Assistance, Prevention of Juvenile Crime, and Judicial Training Funds are used to collect and distribute funds derived from local criminal fines for use by the State. Jim Wells County retains 10% of the monies to cover administration costs for collection.
5. The Sheriff Cash Bond Account is used to account for bond fees collected from offenders. The Sheriff Fee fund is used to account for inmate housing fees and finger printing fees.
6. The Appellate Judicial System Fund accounts for court costs and fees collected to help defray the costs of the Fourth Court of Appeals in processing of appeals filed from the county courts, county courts at law, probate at law, probate courts, and district courts.

JIM WELLS COUNTY, TEXAS

COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES

AGENCY FUNDS

DECEMBER 31, 2013

	<u>Appellate Judicial Fund</u>	<u>79th Judicial District Attorney Escrow Fund</u>	<u>79th Judicial D.A. Fee Fund</u>	<u>Sheriff Department Fee Fund</u>
ASSETS:				
<i>Cash and Cash Equivalents</i>	\$ 2,251	\$ 737,987	\$ 504	\$ 670
Total Assets	<u>\$ 2,251</u>	<u>\$ 737,987</u>	<u>\$ 504</u>	<u>\$ 670</u>
LIABILITIES:				
<i>Due to Other Governments and Agencies</i>	\$ 2,251	\$ 737,987	\$ 504	\$ 670
Total Liabilities	<u>\$ 2,251</u>	<u>\$ 737,987</u>	<u>\$ 504</u>	<u>\$ 670</u>

State Fees Fund	Vouchers Payable Fund	Tax Collector Fund	District Clerk Fund	County Clerk Fund
\$ 113,334	\$ 137,773	\$ 1,010,730	\$ 324,901	\$ 568,907
<u>\$ 113,334</u>	<u>\$ 137,773</u>	<u>\$ 1,010,730</u>	<u>\$ 324,901</u>	<u>\$ 568,907</u>
\$ 113,334	\$ 137,773	\$ 1,010,730	\$ 324,901	\$ 568,907
<u>\$ 113,334</u>	<u>\$ 137,773</u>	<u>\$ 1,010,730</u>	<u>\$ 324,901</u>	<u>\$ 568,907</u>

JIM WELLS COUNTY, TEXAS

COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES

AGENCY FUNDS

DECEMBER 31, 2013

	<u>Payroll Administrative Fund</u>	<u>Ad Valorem Tax Escrow Fund</u>
ASSETS:		
<i>Cash and Cash Equivalents</i>	\$ 675,482	\$ 2,377,465
Total Assets	<u>\$ 675,482</u>	<u>\$ 2,377,465</u>
LIABILITIES:		
<i>Due to Other Governments and Agencies</i>	\$ 675,482	\$ 2,377,465
Total Liabilities	<u>\$ 675,482</u>	<u>\$ 2,377,465</u>

<u>County Attorney Trust Fund</u>	<u>Sheriff Cash Bond Fund</u>	<u>Total Agency Funds (See Exhibit A-7)</u>
\$ 39,245	\$ 3,045	\$ 5,992,294
<u>\$ 39,245</u>	<u>\$ 3,045</u>	<u>\$ 5,992,294</u>
\$ 39,245	\$ 3,045	\$ 5,992,294
<u>\$ 39,245</u>	<u>\$ 3,045</u>	<u>\$ 5,992,294</u>

JIM WELLS COUNTY, TEXAS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

ALL AGENCY FUNDS

YEAR ENDED DECEMBER 31, 2013

EXHIBIT C-17

	Balance January 1, 2012	Additions	Deductions	Balance December 31, 2013
Appellate Judicial Fund				
ASSETS				
<i>Cash & Cash Equivalents</i>	\$ 2,076	\$ 3,940	\$ 3,765	\$ 2,251
Total Assets	<u>\$ 2,076</u>	<u>\$ 3,940</u>	<u>\$ 3,765</u>	<u>\$ 2,251</u>
LIABILITIES				
<i>Due to Other Governments and Agencies</i>	\$ 2,076	\$ 3,940	\$ 3,765	\$ 2,251
Total Liabilities	<u>\$ 2,076</u>	<u>\$ 3,940</u>	<u>\$ 3,765</u>	<u>\$ 2,251</u>
79th Judicial D.A. Escrow Fund				
ASSETS				
<i>Cash & Cash Equivalents</i>	\$ 848,025	\$ 498,016	\$ 608,054	\$ 737,987
Total Assets	<u>\$ 848,025</u>	<u>\$ 498,016</u>	<u>\$ 608,054</u>	<u>\$ 737,987</u>
LIABILITIES				
<i>Due to Other Governments and Agencies</i>	\$ 848,025	\$ 498,016	\$ 608,054	\$ 737,987
Total Liabilities	<u>\$ 848,025</u>	<u>\$ 498,016</u>	<u>\$ 608,054</u>	<u>\$ 737,987</u>
79th Judicial D.A. Fee Fund				
ASSETS				
<i>Cash & Cash Equivalents</i>	\$ 34	\$ 19,871	\$ 19,401	\$ 504
Total Assets	<u>\$ 34</u>	<u>\$ 19,871</u>	<u>\$ 19,401</u>	<u>\$ 504</u>
LIABILITIES				
<i>Due to Other Governments and Agencies</i>	\$ 34	\$ 19,871	\$ 19,401	\$ 504
Total Liabilities	<u>\$ 34</u>	<u>\$ 19,871</u>	<u>\$ 19,401</u>	<u>\$ 504</u>
Sheriff Department Fee Fund				
ASSETS				
<i>Cash & Cash Equivalents</i>	\$ 10,917	\$ 55,400	\$ 65,647	\$ 670
Total Assets	<u>\$ 10,917</u>	<u>\$ 55,400</u>	<u>\$ 65,647</u>	<u>\$ 670</u>
LIABILITIES				
<i>Due to Other Governments and Agencies</i>	\$ 10,917	\$ 55,400	\$ 65,647	\$ 670
Total Liabilities	<u>\$ 10,917</u>	<u>\$ 55,400</u>	<u>\$ 65,647</u>	<u>\$ 670</u>
State Fees Fund				
ASSETS				
<i>Cash & Cash Equivalents</i>	\$ 118,170	\$ 388,969	\$ 393,805	\$ 113,334
Total Assets	<u>\$ 118,170</u>	<u>\$ 388,969</u>	<u>\$ 393,805</u>	<u>\$ 113,334</u>
LIABILITIES				
<i>Due to Other Governments and Agencies</i>	\$ 118,170	\$ 388,969	\$ 393,805	\$ 113,334
Total Liabilities	<u>\$ 118,170</u>	<u>\$ 388,969</u>	<u>\$ 393,805</u>	<u>\$ 113,334</u>

JIM WELLS COUNTY, TEXAS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

ALL AGENCY FUNDS

YEAR ENDED DECEMBER 31, 2013

EXHIBIT C-17

	Balance January 1, 2012	Additions	Deductions	Balance December 31, 2013
<u>Vouchers Payable Fund</u>				
ASSETS				
<i>Cash & Cash Equivalents</i>	\$ 36,935	\$ 4,159,783	\$ 4,058,945	\$ 137,773
Total Assets	<u>\$ 36,935</u>	<u>\$ 4,159,783</u>	<u>\$ 4,058,945</u>	<u>\$ 137,773</u>
LIABILITIES				
<i>Due to Other Governments and Agencies</i>	\$ 36,935	\$ 4,159,783	\$ 4,058,945	\$ 137,773
Total Liabilities	<u>\$ 36,935</u>	<u>\$ 4,159,783</u>	<u>\$ 4,058,945</u>	<u>\$ 137,773</u>
<u>Tax Collector Fund</u>				
ASSETS				
<i>Cash & Cash Equivalents</i>	\$ 683,077	\$ 20,512,842	\$ 20,185,189	\$ 1,010,730
Total Assets	<u>\$ 683,077</u>	<u>\$ 20,512,842</u>	<u>\$ 20,185,189</u>	<u>\$ 1,010,730</u>
LIABILITIES				
<i>Due to Other Governments and Agencies</i>	\$ 683,077	\$ 20,512,842	\$ 20,185,189	\$ 1,010,730
Total Liabilities	<u>\$ 683,077</u>	<u>\$ 20,512,842</u>	<u>\$ 20,185,189</u>	<u>\$ 1,010,730</u>
<u>District Clerk Fund</u>				
ASSETS				
<i>Cash & Cash Equivalents</i>	\$ 170,030	\$ 886,043	\$ 731,172	\$ 324,901
Total Assets	<u>\$ 170,030</u>	<u>\$ 886,043</u>	<u>\$ 731,172</u>	<u>\$ 324,901</u>
LIABILITIES				
<i>Due to Other Governments and Agencies</i>	\$ 170,030	\$ 886,043	\$ 731,172	\$ 324,901
Total Liabilities	<u>\$ 170,030</u>	<u>\$ 886,043</u>	<u>\$ 731,172</u>	<u>\$ 324,901</u>
<u>County Clerk Fund</u>				
ASSETS				
<i>Cash & Cash Equivalents</i>	\$ 522,237	\$ 626,186	\$ 579,516	\$ 568,907
Total Assets	<u>\$ 522,237</u>	<u>\$ 626,186</u>	<u>\$ 579,516</u>	<u>\$ 568,907</u>
LIABILITIES				
<i>Due to Other Governments and Agencies</i>	\$ 522,237	\$ 626,186	\$ 579,516	\$ 568,907
Total Liabilities	<u>\$ 522,237</u>	<u>\$ 626,186</u>	<u>\$ 579,516</u>	<u>\$ 568,907</u>
<u>Payroll Administrative Fund</u>				
ASSETS				
<i>Cash & Cash Equivalents</i>	\$ 555,511	\$ 14,342,631	\$ 14,222,660	\$ 675,482
Total Assets	<u>\$ 555,511</u>	<u>\$ 14,342,631</u>	<u>\$ 14,222,660</u>	<u>\$ 675,482</u>
LIABILITIES				
<i>Due to Other Governments and Agencies</i>	\$ 555,511	\$ 14,342,631	\$ 14,222,660	\$ 675,482
Total Liabilities	<u>\$ 555,511</u>	<u>\$ 14,342,631</u>	<u>\$ 14,222,660</u>	<u>\$ 675,482</u>
<u>Ad Valorem Tax Escrow Fund</u>				
ASSETS				
<i>Cash & Cash Equivalents</i>	\$ 5,135,899	\$ 14,635,431	\$ 17,393,865	\$ 2,377,465
Total Assets	<u>\$ 5,135,899</u>	<u>\$ 14,635,431</u>	<u>\$ 17,393,865</u>	<u>\$ 2,377,465</u>
LIABILITIES				
<i>Due to Other Governments and Agencies</i>	\$ 5,135,899	\$ 14,635,431	\$ 17,393,865	\$ 2,377,465
Total Liabilities	<u>\$ 5,135,899</u>	<u>\$ 14,635,431</u>	<u>\$ 17,393,865</u>	<u>\$ 2,377,465</u>

JIM WELLS COUNTY, TEXAS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

ALL AGENCY FUNDS

YEAR ENDED DECEMBER 31, 2013

EXHIBIT C-17

	Balance January 1, 2012	Additions	Deductions	Balance December 31, 2013
County Attorney Trust Fund				
ASSETS				
<i>Cash & Cash Equivalents</i>	\$ 41,173	\$ 39,897	\$ 41,825	\$ 39,245
Total Assets	<u>\$ 41,173</u>	<u>\$ 39,897</u>	<u>\$ 41,825</u>	<u>\$ 39,245</u>
LIABILITIES				
<i>Due to Other Governments and Agencies</i>	\$ 41,173	\$ 39,897	\$ 41,825	\$ 39,245
Total Liabilities	<u>\$ 41,173</u>	<u>\$ 39,897</u>	<u>\$ 41,825</u>	<u>\$ 39,245</u>
Sheriff Cash Bond Fund				
ASSETS				
<i>Cash & Cash Equivalents</i>	\$ 4,532	\$ 13	\$ 1,500	\$ 3,045
Total Assets	<u>\$ 4,532</u>	<u>\$ 13</u>	<u>\$ 1,500</u>	<u>\$ 3,045</u>
LIABILITIES				
<i>Due to Other Governments and Agencies</i>	\$ 4,532	\$ 13	\$ 1,500	\$ 3,045
Total Liabilities	<u>\$ 4,532</u>	<u>\$ 13</u>	<u>\$ 1,500</u>	<u>\$ 3,045</u>
TOTAL AGENCY FUNDS:				
ASSETS				
<i>Cash & Cash Equivalents</i>	\$ 8,128,616	\$ 56,169,022	\$ 58,305,344	\$ 5,992,294
Total Assets	<u>\$ 8,128,616</u>	<u>\$ 56,169,022</u>	<u>\$ 58,305,344</u>	<u>\$ 5,992,294</u>
LIABILITIES				
<i>Due to Other Governments and Agencies</i>	\$ 8,128,616	\$ 56,169,022	\$ 58,305,344	\$ 5,992,294
Total Liabilities	<u>\$ 8,128,616</u>	<u>\$ 56,169,022</u>	<u>\$ 58,305,344</u>	<u>\$ 5,992,294</u>

OTHER SUPPLEMENTARY INFORMATION

Other Supplementary Information

This section includes financial information and disclosures not required by the Governmental Accounting Standards Board and not considered a part of the basic financial statements. It may, however, include information which is required by other entities.

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RAUL HERNANDEZ & COMPANY, P.C.

Certified Public Accountants

5422 Holly Rd

Corpus Christi, Texas 78411

Independent Auditors' 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

Commissioners' Court
Jim Wells County, Texas
200 N. Almond
Alice, Texas 78332

Members of the Commissioners' Court:

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 Jim Wells County, Texas, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise Jim Wells County, Texas's basic financial statements, and have issued our report thereon dated August 28, 2014.

Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2013-01 to be a material weakness.

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2013-01 to be significant deficiencies.

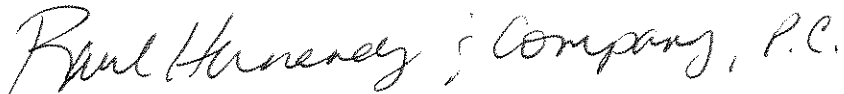
Compliance and Other Matters

As part of obtaining reasonable assurance about whether Jim Wells County, Texas's 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.

Respectfully submitted,

A handwritten signature in cursive script that reads "Raul Hernandez & Company, P.C.".

Raul Hernandez & Company, P.C.

Corpus Christi, Texas
August 28, 2014

RAUL HERNANDEZ & COMPANY, P.C.
Certified Public Accountants
5422 Holly Rd
Corpus Christi, Texas 78411
Office (361) 980-0428 Fax (361) 980-1002

Independent Auditors' Report on Compliance for Each Major Program and
on Internal Control Over Compliance Required by OMB Circular A-133

Commissioners' Court
Jim Wells County, Texas
200 N. Almond
Alice, Texas 78332

Members of the Commissioners' Court:

Report on Compliance for Each Major Federal Program

We have audited Jim Wells County, Texas's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Jim Wells County, Texas's major federal programs for the year ended December 31, 2013. Jim Wells County, Texas's major federal programs are identified in the summary of auditor's 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.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Jim Wells County, Texas's 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 Jim Wells County, Texas's 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 Jim Wells County, Texas's compliance.

Opinion on Each Major Federal Program

In our opinion, Jim Wells 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 identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended December 31, 2013.

Report on Internal Control Over Compliance

Management of Jim Wells 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 Jim Wells County, Texas's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the 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 OMB Circular A-133, 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 Jim Wells County, Texas's 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 considered 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,



Raul Hernandez & Company, P.C.
Corpus Christi, Texas
August 28, 2014

JIM WELLS COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2013

A. Summary of Auditor's Results

1. Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

One or more material weaknesses identified? X Yes No

One or more significant deficiencies identified that are not considered to be material weaknesses? X Yes None Reported

Noncompliance material to financial statements noted? Yes X No

2. Federal Awards

Internal control over major programs:

One or more material weaknesses identified? Yes X No

One or more significant deficiencies identified that are not considered to be material weaknesses? Yes X None Reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? Yes X No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
14.228	CDBG-Colonia Construction

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? X Yes No

B. Financial Statement Findings

2013-01:
Criteria

The organizational structure of the County should be appropriately designed to promote a sound control environment which will support effective compliance with laws, regulations, and financial reporting.

JIM WELLS COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2013

Condition:

During our audit, the District Clerk alerted management regarding discrepancies of cash receipts in the District Clerk's department. The County Auditor's office performed a detail internal audit of these discrepancies and asked us to expand our audit scope and analyze these discrepancies. Upon our examination, we observed that numerous cash receipts for court costs, and civil & criminal fees being collected and recorded on the District Clerk's sub-ledgers (fee sheets) were not found as part of the bank deposits. As part of our audit testing, we examined a sample of fee sheets, which showed the amount being received, and compared this amount to both the cash receipts book and the deposit slip per the bank statement. The results of our testing showed that the amount reported as "paid" on the fee sheets was either not found on the bank deposit slip or was deposited at a much smaller amount, such as \$1. In most instances, the money order number associated with the amount found on the fee sheet was identical to the money order number found on the deposit slip. The examination included the years 2013, 2012, 2011 and 2010. Upon further inquires, we also determined that a reconciliation of the fee sheets and bank deposits was not being prepared. Furthermore, there was no evidence that a responsible official was reviewing or approving any of the documents prepared by the clerk. Based on our observations, it was determined that approximately \$34,520 fees reported on the sub-ledgers (fee sheets) was not traceable to the bank deposits. The breakdown of the amounts is as follows by years:

2010	\$3,699
2011	6,877
2012	12,898
2013	11,046
	<u>\$34,520</u>

Effect:

Cash receipts were not deposited promptly and reconciled to a daily record of fees collected. When bank statements were received and reconciled, no one other than the person who reconciled the bank accounts reviewed the reconciliations. Internal audits did not include an additional step to test the reconciliation of the fee sheets and bank deposits.

Recommendation:

The County's management should review its internal control policies for all departments and perform periodic reviews of each department and investigate unusual or irregular transactions. As a result of the internal control deficiency noted above, we recommend that other departmental funds under the custodial responsibility be subjected to examination procedures to ensure that other deficiencies or irregularities are not present in the operation of all departments throughout the County. The County's internal control policies should be reviewed and adjusted to ensure the safeguarding of the assets. A daily log should be developed to record all monies collected and reconciled to the bank deposit. The County should review its operating budget and consider automating all revenue collection systems. The County Auditor's office should update its internal audit programs to ensure that internal controls throughout the entire County are being monitored properly. We recommend that the County consider referring this matter to the appropriate investigative authority to determine if any laws have been violated.

Management Response:

The County agrees with this finding. The County is in the process of developing policies and procedures to ensure that all monies collected are accurately accounted for and deposited in a timely manner. The County Auditor's department will add additional audit steps to ensure that cash receipts and fee sheets are being reconciled by someone other than the preparer. A responsible official will be assigned to review and approve all transactions within the department.

C. Federal Award Findings and Questioned Costs
NONE

JIM WELLS COUNTY, TEXAS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2013

<u>Finding/Recommendation</u>	<u>Current Status</u>	<u>Management's Explanation If Not Implemented</u>
N/A		

JIM WELLS COUNTY, TEXAS
CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED DECEMBER 31, 2013

N/A

JIM WELLS COUNTY, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013

EXHIBIT D-1

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
<u>U. S. DEPARTMENT OF TRANSPORTATION</u>			
Passed Through Texas Department of Transportation:			
Public Transportation Planning	20.515	51216F7130	\$ 142,807
Job Access and Reverse Commute *	20.516	TX-37-X058-01	9,280
Total Passed Through Texas Department of Transportation			<u>152,087</u>
Total U. S. Department of Transportation			<u>152,087</u>
<u>U. S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT</u>			
Passed Through Texas Department of Housing & Community Affairs-TDHCA:			
Home Investments Partnerships Program	14.239	1001424	440,441
Passed Through Office of Rural Community Affairs (ORCA):			
CDBG-Colonia Construction *	14.228	711255	365,337
CDBG-Colonia Construction *	14.228	711355	34,250
Home Program Disaster *	14.228	010081	42,429
Total Passed Through Office of Rural Community Affairs (ORCA)			<u>442,016</u>
Total U. S. Department of Housing & Urban Development			<u>882,457</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 1,034,544</u>

* Indicates clustered program under OMB Circular A-133 Compliance Supplement

The accompanying notes are an integral part of this schedule.

JIM WELLS COUNTY, TEXAS

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013**

Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Jim Wells County, Texas and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the general purpose financial statements.

STATISTICAL INFORMATION

STATISTICAL SECTION

This part of the Jim Wells County, Texas's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

Contents	Page
Financial Trends	118
<i>These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.</i>	
Revenue Capacity	123
<i>These schedules contain information to help the reader assess the factors affecting the County's ability to generate its property and sales taxes.</i>	
Debt Capacity	130
<i>These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.</i>	
Demographic and Economic Information	134
<i>These schedules offer demographic and economic indicators to help the reader understand how the County's financial activities take place and to help make comparisons over time and with other governments.</i>	
Operating Information	136
<i>These schedules contain information about the County's operations and resources to help the reader understand how the County's financial information relates to the services the County provides and the activities it performs.</i>	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

JIM WELLS COUNTY, TEXAS
NET ASSETS BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Governmental Activities										
Invested in Capital Assets,										
Net of Related Debt	\$ 16,808,167	\$ 16,549,080	\$ 16,979,900	\$ 17,106,981	\$ 17,470,025	\$ 17,516,191	\$ 18,478,771			
Restricted	1,298,571	1,368,461	1,403,872	1,207,721	1,329,969	1,373,428	1,383,367			
Unrestricted	2,267,582	3,699,613	4,632,273	6,100,398	7,315,406	6,895,058	6,595,371			
Total Governmental Activities Net Assets	\$ 20,374,320	\$ 21,617,154	\$ 23,016,045	\$ 24,415,100	\$ 26,115,400	\$ 25,784,677	\$ 26,457,509			
Governmental Activities										
Invested in Capital Assets,										
Net of Related Debt	\$ 19,050,644	\$ 20,612,073	\$ 21,121,207							
Restricted	1,417,635	1,438,440	1,456,603							
Unrestricted	8,266,629	11,172,800	11,139,913							
Total Governmental Activities Net Assets	\$ 28,734,908	\$ 33,223,313	\$ 33,717,723							

Note: The county began to report accrual information when it implemented GASB Statement 34 in fiscal year 2004.

**JIM WELLS COUNTY, TEXAS
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST NINE FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year								
	2005	2006	2007	2008	2009	2010	2011	2012	2013
Expenses									
Governmental Activities:									
General Government	\$ 3,311,262	\$ 4,230,453	\$ 3,814,965	\$ 3,765,964	\$ 4,210,749	\$ 3,899,129	\$ 4,432,130	\$ 4,189,787	\$ 4,716,157
Judicial	2,229,421	2,350,003	2,606,714	2,806,925	3,319,623	3,454,814	3,565,739	3,732,690	4,377,675
Public Safety	9,556,199	10,768,750	6,722,720	7,340,490	7,455,989	7,185,489	7,232,526	8,611,259	8,622,918
Public Transportation	3,208,740	3,659,104	3,318,863	3,833,985	3,318,841	3,405,200	3,945,300	3,631,227	3,735,364
Health & Welfare	1,034,994	1,041,240	1,679,727	1,657,444	1,412,992	670,570	889,812	582,913	734,734
Culture & Recreation	58,001	55,784	51,380	1,457	47,636	51,380	55,624	69,692	86,888
Conservation	188,138	202,552	206,255	223,988	255,458	220,431	179,667	193,607	215,021
Economic Development & Assistance	75,000	144,528	68,500	72,351	106,201	122,466	132,651	130,926	229,631
Interest on Long-Term Debt	180,954	180,048	210,344	202,342	135,733	114,776	106,106	110,193	98,144
Total Governmental Activities Expenses	<u>19,842,709</u>	<u>22,632,462</u>	<u>18,679,468</u>	<u>19,904,946</u>	<u>20,263,222</u>	<u>19,124,255</u>	<u>20,539,555</u>	<u>21,252,294</u>	<u>22,816,532</u>
Total Primary Government Expenses	\$ <u>19,842,709</u>	\$ <u>22,632,462</u>	\$ <u>18,679,468</u>	\$ <u>19,904,946</u>	\$ <u>20,263,222</u>	\$ <u>19,124,255</u>	\$ <u>20,539,555</u>	\$ <u>21,252,294</u>	\$ <u>22,816,532</u>
Program Revenues									
Governmental Activities:									
Charges for Services:									
General Government	\$ 806,409	\$ 919,720	\$ 915,573	\$ 891,401	\$ 825,948	\$ 887,296	\$ 862,367	\$ 1,539,647	\$ 934,260
Judicial	486,012	483,767	482,677	503,756	435,988	484,433	462,136	425,963	439,521
Public Safety	1,044,503	1,550,512	929,184	1,399,470	1,604,738	1,412,450	1,261,784	1,921,158	725,109
Other Activities	921,177	990,536	1,048,328	1,028,684	981,308	920,762	981,086	1,089,144	1,039,291
Operating Grants and Contributions	6,170,944	7,781,531	2,871,767	2,273,628	2,067,154	1,184,054	1,639,385	2,040,835	2,415,360
Total Governmental Activities Program Revenues	<u>9,429,045</u>	<u>11,726,066</u>	<u>6,247,529</u>	<u>6,096,939</u>	<u>5,915,136</u>	<u>4,888,995</u>	<u>5,206,758</u>	<u>7,016,747</u>	<u>5,553,541</u>
Total Primary Government Program Revenues	\$ <u>9,429,045</u>	\$ <u>11,726,066</u>	\$ <u>6,247,529</u>	\$ <u>6,096,939</u>	\$ <u>5,915,136</u>	\$ <u>4,888,995</u>	\$ <u>5,206,758</u>	\$ <u>7,016,747</u>	\$ <u>5,553,541</u>
Net (Expense)/Revenue									
Governmental Activities	\$ (10,413,664)	\$ (10,906,396)	\$ (12,431,939)	\$ (13,808,007)	\$ (14,348,086)	\$ (14,235,260)	\$ (15,332,797)	\$ (14,235,547)	\$ (17,262,991)
Total Primary Government Net Expense	\$ <u>(10,413,664)</u>	\$ <u>(10,906,396)</u>	\$ <u>(12,431,939)</u>	\$ <u>(13,808,007)</u>	\$ <u>(14,348,086)</u>	\$ <u>(14,235,260)</u>	\$ <u>(15,332,797)</u>	\$ <u>(14,235,547)</u>	\$ <u>(17,262,991)</u>

Note: The county began to report accrual information when it implemented GASB Statement 34 in fiscal year 2004.

JIM WELLS COUNTY, TEXAS
GENERAL REVENUES AND TOTAL CHANGE IN NET POSITION
LAST NINE FISCAL YEARS
(ACCURAL BASIS OF ACCOUNTING)

	Fiscal Year								
	2005	2006	2007	2008	2009	2010	2011	2012	2013
Net (Expense)/Revenue									
Governmental Activities	\$ (10,413,664)	\$ (10,906,396)	\$ (12,431,939)	\$ (13,808,008)	\$ (14,348,086)	\$ (14,235,260)	\$ (15,332,797)	\$ (14,235,547)	\$ (17,262,991)
Business-type Activities	--	--	--	--	--	--	--	--	--
Total Primary Government	\$ (10,413,664)	\$ (10,906,396)	\$ (12,431,939)	\$ (13,808,008)	\$ (14,348,086)	\$ (14,235,260)	\$ (15,332,797)	\$ (14,235,547)	\$ (17,262,991)
Expenses									
General Revenues and Other Changes in Net Assets									
Governmental Activities:									
Taxes									
Property Taxes	\$ 8,947,246	\$ 8,521,130	\$ 9,380,920	\$ 10,222,019	\$ 10,834,210	\$ 10,266,783	\$ 11,207,410	\$ 11,317,777	\$ 11,318,416
Sales Taxes	2,387,084	3,191,996	3,620,527	4,441,261	2,909,178	4,282,890	6,080,972	6,878,706	5,970,449
Fines and Forfeitures	--	--	--	--	12,077	--	3,460	--	--
Investment Earnings	108,079	259,179	381,959	482,047	253,302	13,190	20,988	50,817	59,237
Miscellaneous	214,089	332,982	399,595	362,981	319,212	287,603	297,366	371,301	409,299
Gain on Disposal of Capital Assets	--	--	--	--	--	(144,460)	--	--	--
Total Governmental Activities	\$ 11,656,498	\$ 12,305,287	\$ 13,783,001	\$ 15,508,308	\$ 14,327,979	\$ 14,706,006	\$ 17,610,196	\$ 18,618,601	\$ 17,757,401
Business-type Activities:									
Investment Earnings	--	--	--	--	--	--	--	--	--
Transfers	--	--	--	--	--	--	--	--	--
Total Business-type Activities	--	--	--	--	--	--	--	--	--
Total Primary Government	\$ 11,656,498	\$ 12,305,287	\$ 13,783,001	\$ 15,508,308	\$ 14,327,979	\$ 14,706,006	\$ 17,610,196	\$ 18,618,601	\$ 17,757,401
Change in Net Assets									
Governmental Activities	\$ 1,242,834	\$ 1,398,891	\$ 1,351,062	\$ 1,700,300	\$ (20,107)	\$ 470,746	\$ 2,277,399	\$ 4,383,054	\$ 494,410
Business-type Activities	--	--	--	--	--	--	--	--	--
Total Primary Government	\$ 1,242,834	\$ 1,398,891	\$ 1,351,062	\$ 1,700,300	\$ (20,107)	\$ 470,746	\$ 2,277,399	\$ 4,383,054	\$ 494,410

Note: The county began to report accrual information when it implemented GASB Statement 34 in fiscal year 2004.

JIM WELLS COUNTY, TEXAS
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Fund										
Nonspendable	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Committed	--	--	--	--	--	--	--	--	--	--
Assigned	--	--	--	--	--	--	--	--	--	--
Unassigned	(124,415)	1,118,760	2,551,856	3,756,881	4,295,926	3,288,481	3,433,781	5,213,053	6,745,919	6,246,745
Total General Fund	\$ (124,415)	\$ 1,118,760	\$ 2,551,856	\$ 3,756,881	\$ 4,295,926	\$ 3,288,481	\$ 3,433,781	\$ 5,213,053	\$ 6,745,919	\$ 6,246,745
All Other Governmental Funds										
Nonspendable	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Committed:										
Construction	1,257,678	1,244,541	1,054,277	1,101,676	1,153,939	1,178,109	1,179,629	1,182,135	1,186,860	1,191,616
Restricted:										
Federal or State Grant Restriction	856,427	840,957	1,109,079	1,197,203	1,898,750	1,932,417	2,097,903	2,076,415	3,520,081	3,605,800
Retirement of Long-Term Debt	5,997	19,292	29,795	39,387	44,728	51,932	55,472	62,586	71,525	77,127
Assigned	--	--	--	--	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--	--	--	--	--
Total All Other Governmental Funds	\$ 2,120,102	\$ 2,104,790	\$ 2,193,151	\$ 2,338,266	\$ 3,097,417	\$ 3,162,458	\$ 3,333,004	\$ 3,321,136	\$ 4,778,466	\$ 4,874,543

JIM WELLS COUNTY, TEXAS
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues										
Taxes	\$ 10,439,176	\$ 11,155,269	\$ 12,092,991	\$ 12,995,913	\$ 14,694,210	\$ 13,274,621	\$ 14,857,883	\$ 17,291,451	\$ 18,266,650	\$ 17,258,046
Licenses and Permits	632,751	410,456	608,008	638,540	485,234	412,248	567,817	532,132	572,295	604,222
Intergovernmental	2,412,015	6,377,419	7,844,338	2,953,161	2,417,183	2,180,754	1,352,490	1,821,683	2,216,490	2,564,283
Charges for Services	811,103	783,503	750,657	711,161	687,988	641,372	768,657	648,927	683,246	511,073
Fines & Forfeitures	1,449,795	772,637	1,306,491	730,598	1,170,518	1,384,330	1,048,428	994,594	1,604,474	581,323
Fees of Office	2,789,147	1,065,031	1,216,572	1,225,619	1,394,405	1,308,509	1,151,603	1,212,882	1,940,242	1,292,640
Investment Earnings	11,129	108,079	259,179	381,960	482,047	253,302	13,190	20,988	50,817	59,237
Misc Revenues	294,707	214,089	332,982	388,045	365,191	319,212	287,603	297,366	371,301	409,299
Total Revenues	18,839,823	20,906,483	24,411,218	20,024,937	21,636,176	19,774,348	20,047,671	22,820,023	25,705,515	23,280,123
Expenditures										
General Government	2,939,013	2,736,183	3,834,989	3,328,928	3,863,953	3,840,234	3,661,994	3,691,682	4,157,172	4,477,267
Judicial	2,288,452	2,229,421	2,373,828	2,606,714	2,806,925	3,319,623	3,454,814	3,565,739	3,758,584	4,377,675
Public Safety	4,615,685	6,169,777	10,252,232	6,613,772	6,698,768	6,685,575	6,321,014	6,593,466	6,783,872	9,010,449
Public Transportation	3,273,311	3,221,997	3,680,104	3,427,812	3,912,090	3,757,794	3,836,019	4,463,567	4,631,140	4,207,550
Health & Welfare	1,837,418	1,034,994	1,041,240	1,679,727	1,657,445	1,412,992	670,570	889,812	582,913	734,734
Culture and Recreation	52,730	58,001	55,784	51,380	1,457	47,636	51,380	55,624	69,692	86,888
Conservation	177,693	188,138	202,552	206,255	223,988	255,458	220,431	179,667	193,607	215,021
Economic Development & Assistance	61,400	75,000	144,528	68,500	72,351	106,201	122,466	132,651	130,926	229,631
Capital Outlay	3,606,230	3,584,617	914,747	618,777	673,441	1,233,563	1,199,517	1,412,595	2,189,713	--
Debt Service										
Interest	236,537	180,426	179,879	160,314	177,609	118,928	116,723	108,117	112,934	100,350
Principal	843,425	199,537	209,349	226,496	3,074,730	334,765	278,983	247,663	498,812	403,655
Fiscal Agents Fees	515	529	529	500	55,222	--	--	--	--	--
Total Expenditures	19,932,409	19,678,620	22,889,761	18,989,175	23,217,979	21,112,709	19,933,911	21,340,583	23,108,765	23,843,220
Excess of Revenues										
Over (Under) Expenditures	(1,092,586)	1,227,863	1,521,457	1,035,822	(1,581,803)	(1,338,361)	113,760	1,479,440	2,596,750	(563,097)
Other Financing Sources (Uses)										
Bonds Issued	--	--	--	--	2,880,000	--	--	--	--	--
Loan Proceeds	--	--	--	--	--	--	--	--	--	--
Capital Leases	--	--	--	266,325	--	395,959	--	287,964	288,095	160,000
Transfers In	814,481	925,941	1,225,317	1,020,609	1,156,393	584,205	374,624	350,970	346,736	577,149
Transfers Out	(814,481)	(925,941)	(1,225,317)	(1,020,609)	(1,156,393)	(584,205)	(374,624)	(350,970)	(346,736)	(577,149)
Total Other Financing Sources (Uses)	--	--	--	266,325	2,880,000	395,959	--	287,964	288,095	160,000
Net Change in Fund Balances	\$ (1,092,586)	\$ 1,227,863	\$ 1,521,457	\$ 1,302,147	\$ 1,298,197	\$ (942,402)	\$ 113,760	\$ 1,767,404	\$ 2,884,845	\$ (403,097)
Debt Service As A Percentage Of Noncapital Expenditures	5.4%	1.9%	1.7%	2.0%	14.5%	2.2%	2.0%	1.7%	2.7%	2.1%

JIM WELLS COUNTY, TEXAS
 TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

Fiscal Year	Property Tax	Sales & Use Tax	Total
2004	\$ 8,258,496	\$ 2,180,680	\$ 10,439,176
2005	8,748,679	2,406,590	11,155,269
2006	8,900,995	3,191,996	12,092,991
2007	9,375,386	3,620,527	12,995,913
2008	10,252,949	4,441,261	14,694,210
2009	10,365,443	2,909,178	13,274,621
2010	10,574,993	4,282,890	14,857,883
2011	11,207,410	6,080,972	17,288,382
2012	11,387,944	6,878,706	18,266,650
2013	11,287,597	5,970,449	17,258,046
Percent Change 2004-2013	-0.9%	-13.2%	-5.5%

Source: County Auditor's Office

JIM WELLS COUNTY, TEXAS
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable Value
2004	\$ 434,718,360	888,759,696	62,588,010	285,765,032	1,100,301,034	0.748500	1,386,066,066	79.383%
2005	466,112,921	937,315,298	64,476,880	297,398,543	1,170,506,556	0.730000	1,467,905,099	79.740%
2006	493,411,817	1,021,635,590	91,836,810	322,977,795	1,283,906,422	0.705832	1,606,884,217	79.900%
2007	590,546,070	1,064,321,905	73,790,040	314,875,125	1,413,782,890	0.658055	1,728,658,015	81.785%
2008	611,980,506	1,190,587,725	84,810,510	341,591,715	1,545,787,026	0.671122	1,887,378,741	81.901%
2009	624,639,121	1,272,390,664	78,921,490	345,991,655	1,629,959,620	0.633815	1,975,951,275	82.490%
2010	652,740,384	1,503,754,978	78,312,052	538,722,678	1,696,084,736	0.611543	2,234,807,414	75.894%
2011	877,569,935	1,555,585,714	57,501,700	540,104,947	1,950,552,402	0.561139	2,490,687,349	78.314%
2012	1,144,773,618	1,590,114,095	59,384,630	533,129,878	2,261,142,465	0.486830	2,794,272,343	80.921%
2013	1,627,236,834	1,375,963,049	47,078,540	506,856,474	2,543,421,949	0.454430	3,050,278,423	83.383%

Source: Jim Wells County Appraisal District

JIM WELLS COUNTY, TEXAS
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS

Fiscal Year	County Direct Rates										Overlapping Rates				
	Basic Rate	General Obligation Debt Service	Total Direct Ratio	City of Alice	Alice ISD	Alice Water Authority	City of Promont	Promont ISD	City of Orange Grove	Orange Grove ISD	BB-PB ISD	La Gloria ISD	Fresh Water District #1	Emergency Service District #1	
2004	0.722111	0.026399	0.748510	0.435570	1.640000	0.128485	0.370887	1.572300	0.756356	1.596800	1.642200	1.470000	0.192116	N/A	
2005	0.706337	0.023663	0.730000	0.431960	1.640000	0.118725	0.410671	1.578080	0.742555	1.600967	1.486100	1.500000	0.162475	0.100000	
2006	(0.023663)	0.023663	-	0.400000	1.515168	0.113379	0.410671	1.578080	0.742555	1.600967	1.496100	1.500000	0.162475	0.100000	
2007	0.640619	0.017236	0.658055	0.331090	1.198650	0.112996	0.456783	1.133444	0.772729	1.186586	1.183872	1.040000	0.175423	0.095125	
2008	0.654797	0.016335	0.671122	0.370000	1.281170	0.110915	0.456783	1.160000	0.660906	1.240000	1.229617	1.040000	0.161456	0.087429	
2009	0.548729	0.085086	0.633815	0.364457	1.294300	0.115669	0.442746	1.140000	0.636730	1.240000	1.160509	1.040000	0.075257	0.087396	
2010	0.596722	0.014821	0.611543	0.372420	1.294300	0.116250	0.432680	1.120000	0.632750	1.240000	1.172000	1.040000	0.072870	0.087246	
2011	0.548052	0.013087	0.561139	0.288913	1.218600	0.122612	0.442746	1.315000	0.711028	1.240000	1.268680	1.040000	0.063801	0.087396	
2012	0.474460	0.011237	0.485697	0.247122	1.228600	0.126404	0.469085	1.294700	0.657055	1.240000	1.268490	1.040000	0.064962	0.087059	
2012	0.444530	0.009900	0.454430	0.247122	1.233700	0.130795	0.478960	1.304900	0.669964	1.240000	1.265000	1.040000	0.080662	0.087059	

Source: Jim Wells County Appraisal District

JIM WELLS COUNTY, TEXAS
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2013			2004		
	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value
Halliburton Energy Services	\$ 146,741,665	1	9.13%	\$ 37,478,396	1	3.80%
Well Services Division of STC	107,201,730	2	6.67%	--		--
Weatherford US LP	94,964,105	3	5.91%	--		--
Nabors Drilling USA Inc	78,349,031	4	4.88%	11,741,716	8	1.19%
BJ Services Company USA	65,828,150	5	4.10%	29,670,146	2	3.01%
Forum US Inc (formerly Phoinix Global)	42,544,334	6	2.65%	--		--
Precision Drilling Oilfield	35,020,880	7	2.18%	--		--
Helmerich & Payne Intl Drill	33,396,418	8	2.08%	--		--
DCP Midstream LP/South Central Texas LLC	32,023,946	9	1.99%	--		--
AEP Texas Central Co	31,150,791	10	1.94%	16,629,537	6	1.69%
Total	\$ <u>667,221,050</u>		<u>41.52%</u>	\$ <u>95,519,795</u>		<u>9.69%</u>

Source: Jim Wells County Appraisal District

JIM WELLS COUNTY, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections In Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2004	\$ 8,333,089	7,515,232	90.19%	676,371	8,191,603	98.30%
2005	8,623,628	7,961,297	92.32%	557,291	8,518,588	98.78%
2006	9,157,930	8,099,906	88.45%	728,992	8,828,898	96.41%
2007	9,123,519	8,380,287	91.85%	716,444	9,096,731	99.71%
2008	9,979,181	9,290,573	93.10%	463,178	9,753,751	97.74%
2009	10,221,474	9,685,254	94.75%	460,981	10,146,235	99.26%
2010	10,917,999	8,349,909	76.48%	2,017,296	10,367,205	94.96%
2011	11,016,612	7,247,136	65.78%	1,934,866	9,182,002	83.35%
2012	11,093,297	6,538,736	58.94%	4,260,027	10,798,763	97.34%
2013	11,558,469	7,908,135	68.42%	3,379,462	11,287,597	97.66%

Sources: Jim Wells County Appraisal District

JIM WELLS COUNTY, TEXAS
TAXABLE SALES BY CATEGORY
LAST TEN CALENDAR YEARS

	Calendar Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Building Material & Hardware	\$ 11,885,221	\$ 17,476,288	\$ 20,485,015	\$ 22,455,856	\$ 20,683,662	\$ 23,752,661	\$ 50,201,906	\$ 106,281,144	\$ 67,749,008	\$ 77,389,392
General Merchandise	49,390,210	54,699,397	58,891,925	66,220,424	83,961,117	135,161,430	220,607,413	237,580,732	223,233,718	331,292,064
Food Stores	28,685,260	28,137,452	29,151,658	18,164,822	12,234,512	15,538,159	11,889,929	13,938,627	38,493,492	33,209,800
Auto Dealers & Gas	14,934,839	15,959,624	18,447,461	37,000,812	27,254,328	36,939,992	45,049,897	70,125,472	179,702,255	83,263,788
Apparel & Accessory	7,104,047	8,264,959	9,557,485	9,467,811	8,543,291	5,824,310	7,868,885	8,331,684	249,004,104	241,463,096
Home Furnishing & Appliances	6,453,322	7,290,139	8,286,149	11,854,974	12,362,817	5,513,370	6,403,813	3,753,873	9,017,488	10,834,480
Eating & Drinking Places	31,883,420	33,054,536	36,597,595	41,993,874	44,943,619	32,233,102	35,669,789	41,815,881	61,566,182	58,810,040
Misc Retail Stores	33,103,273	41,872,671	49,847,595	31,284,424	42,877,449	47,063,116	70,137,837	96,746,553	17,485,100	12,087,528
Total	\$ 183,439,592	\$ 206,755,066	\$ 231,264,883	\$ 238,442,997	\$ 252,860,795	\$ 302,026,140	\$ 447,829,469	\$ 578,573,966	\$ 846,251,347	\$ 848,350,188
Direct Sales Tax Rate	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%

Source: Texas State Comptroller of Public Accounts.

Note: Retail sales information is not available on a fiscal-year basis.

JIM WELLS COUNTY, TEXAS*DIRECT AND OVERLAPPING SALES TAX RATES
LAST TEN FISCAL YEARS*

<u>Fiscal Year</u>	<u>County Direct Rate</u>	<u>City of Alice</u>
2004	1.50%	0.50%
2005	1.50%	0.50%
2006	1.50%	0.50%
2007	1.50%	0.50%
2008	1.50%	0.50%
2009	1.50%	0.50%
2010	1.50%	0.50%
2011	1.50%	0.50%
2012	1.50%	0.50%
2013	1.50%	0.50%

Sources: County Auditor's Office

TABLE E-13

JIM WELLS COUNTY, TEXAS
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds		Capital Leases		Percentage of Actual Taxable Value of Property	Per Capita	Total Primary Government	Percentage of Personal Income	Per Capita
	\$		\$						
2004	\$ 3,265,104		\$ 304,740		0.35%	80	\$ 3,569,924	0.95%	\$ 80
2005	3,160,477		209,831		0.31%	77	3,370,385	0.95%	77
2006	3,050,391		110,208		0.27%	67	3,160,666	1.01%	70
2007	2,934,561		266,225		0.25%	65	3,200,851	1.01%	71
2008	2,880,000		126,058		0.21%	64	3,006,122	1.18%	66
2009	2,735,000		332,253		0.20%	60	3,067,313	1.21%	68
2010	2,585,000		203,270		0.17%	57	2,788,327	1.35%	62
2011	2,430,000		398,572		0.17%	54	2,828,626	1.30%	63
2012	2,265,000		352,855		0.16%	50	2,617,855	1.52%	58
2013	2,095,000		279,199		0.15%	46	2,374,199	1.71%	52

JIM WELLS COUNTY, TEXAS
*RATIOS OF GENERAL BONDED DEBT OUTSTANDING
 LAST TEN FISCAL YEARS*

Fiscal Year	General Bonded Debt Outstanding		Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Total		
2004	3,265,104	3,265,104	0.24%	80
2005	3,160,477	3,160,477	0.22%	77
2006	3,050,391	3,050,391	0.19%	74
2007	2,934,561	2,934,561	0.21%	65
2008	2,880,000	2,880,000	0.20%	64
2009	2,735,000	2,735,000	0.19%	60
2010	2,585,000	2,585,000	0.18%	57
2011	2,430,000	2,430,000	0.17%	54
2012	2,265,000	2,265,000	0.16%	50
2013	2,095,000	2,095,000	0.15%	46

JIM WELLS COUNTY, TEXAS
 DIRECT AND OVERLAPPING
 GOVERNMENTAL ACTIVITIES DEBT

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Debt Repaid With Property Taxes			
City of Alice	\$ 23,546,619	100.000%	23,546,619
Alice Independent School District	35,619,998	81.180%	28,916,314
Jim Wells County Fresh Water Supply District #1	2,086,375	100.000%	2,086,375
Orange Grove Independent School District	14,230,000	100.000%	14,230,000
Alice Water Authority	4,310,000	48.980%	2,111,038
Premont Independent School District	2,030,000	100.000%	2,030,000
Total Overlapping Debt			<u>72,920,346</u>
County Direct Debt			<u>2,374,199</u>
Total Direct and Overlapping Debt			<u>\$ 75,294,545</u>

Sources: Debt outstanding data provided by each governmental unit.

The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the government's boundaries and dividing it by the county's total taxable assessed value.

JIM WELLS COUNTY, TEXAS
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Debt Limit	\$ 136,800,823	\$ 146,790,510	\$ 241,032,632	\$ 212,067,434	\$ 283,106,811	\$ 296,392,691	\$ 335,221,112	\$ 373,603,102	\$ 419,140,851	\$ 457,541,763
Total Net Debt Applicable to Limit	--	--	2,934,562	--	--	--	--	--	--	--
Legal Debt Margin	136,800,823	146,790,510	238,098,070	212,067,434	283,106,811	296,392,691	335,221,112	373,603,102	419,140,851	457,541,763
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	10%	10%	15%	15%	15%	15%	15%	15%	15%	15%

Legal Debt Margin Calculation for the Current Fiscal Year

Assessed Value	\$ 3,050,278,423
Debt Limit (15% of Assessed Value)	457,541,763
Debt Applicable to Limit:	
General Obligation Bonds	2,095,000
Less: Amount Set Aside for Repayment of General Obligation Debt	(175,000)
Total Net Debt Applicable to Limit	1,920,000
Legal Debt Margin	\$ 455,621,763

JIM WELLS COUNTY, TEXAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Population	40,811	40,951	41,131	45,244	41,119	41,001	40,838	41,339	41,754	41,680
Total Personal Income	\$ 32,118	\$ 32,118	\$ 32,118	\$ 32,588	\$ 35,528	\$ 37,414	\$ 37,918	\$ 37,020	\$ 39,800	\$ 40,723
Per Capita Personal Income	\$ 22,478	\$ 24,104	\$ 25,320	\$ 27,852	\$ 26,767	\$ 29,523	\$ 33,450	\$ 16,976	\$ 18,268	\$ 19,818
Median Age	32.5	34.0	34.5	35.0	33.6	33.9	33.5	34.1	34.6	33.0
Education Level in Years of Schooling	12	12	12	12	12	12	12	12	12	12
School Enrollment	5,114	5,523	5,621	5,637	5,614	5,525	5,322	5,371	5,422	5,547
Unemployment	6.5%	5.5%	4.8%	4.0%	4.0%	9.1%	8.9%	5.8%	4.9%	4.7%

Sources: Population, median age, and education level information provided by the United States Census Bureau. Personal income and unemployment data provided by the Jim Wells County. School enrollment data provided by the Alice Independent School District.

JIM WELLS COUNTY, TEXAS
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Employer	2013			2004		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Alice ISD	956	1	8.81%	889	3	9.88%
Community Action	699	2	6.44%	--		--
CC Forbes Corp	669	3	6.17%	--		--
Spohn HealthSystem	410	4	3.78%	--		--
Wal-Mart	402	5	3.71%	260	6	2.89%
Halliburton	385	6	3.55%	--		--
Jim Wells County	333	7	3.07%	--		--
Coastal Bend College	305	8	2.81%	--		--
City of Alice	241	9	2.22%	250	7	2.78%
Dixie Iron Works	232	10	2.14%	--		--
Total	<u>4,632</u>		<u>42.71%</u>	<u>1,399</u>		<u>15.54%</u>

Source: County Auditor's Office

JIM WELLS COUNTY, TEXAS
FULL-TIME-EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	Full-Time-Equivalent Employees as of Year End									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Government										
Administration	17	17	18	22	24	24	20	21	22	24
Finance	18	18	17	16	18	18	18	20	23	20
Judicial	32	32	31	31	38	35	35	37	36	37
Legal	17	17	18	23	27	26	20	24	23	27
Other	--	--	--	--	--	--	--	--	--	--
Public Safety	127	127	120	128	136	133	142	130	129	119
Public Transportation	110	110	99	105	119	107	117	91	91	96
Public Facilities	2	2	1	1	3	2	2	2	4	4
Health & Welfare										
Conservation & Agriculture	3	3	3	4	4	4	4	5	4	4
Civilians	4	4	4	3	3	3	2	2	2	2
Total	330	330	311	333	372	352	360	332	334	333

Source: County Auditor Office

JIM WELLS COUNTY, TEXAS
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Government										
Building Permits Issued	556	573	479	445	295	224	208	206	242	35
Public Safety										
Serious Crimes	2,013	1,725	1,484	1,902	1,606	1,906	2,001	2,560	2,342	2,422
Parking/Traffic Violations	3,708	4,453	7,477	3,959	4,079	6,546	4,435	5,566	5,687	5,823
Judicial										
Number of Cases Heard	2,002	1,706	1,325	1,836	1,598	1,858	2,080	2,165	2,131	2,122
Culture & Recreation										
Number of Events	9	14	16	25	22	14	12	15	16	17
Annual Number of Patrons Assisted	91,051	95,000	90,179	99,823	120,735	120,816	145,316	155,216	156,233	157,288
Public Transportation										
Street Miles	1,589	1,610	1,610	1,610	1,617	1,617	1,617	1,617	1,617	1,617

Source: County Auditor's Office

JIM WELLS COUNTY, TEXAS
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Government										
Number of Buildings	27	27	27	27	28	28	28	28	28	28
Public Safety										
Number of Buildings	9	9	9	9	9	9	9	9	9	9
Number of Vehicles	32	32	32	40	40	50	48	48	55	65
Number of Jails	1	1	1	1	1	1	1	1	1	1
Judicial										
Number of Buildings	2	2	2	2	2	2	2	2	2	2
Number of Courts	8	8	8	8	8	8	8	8	8	8
Public Transportation										
Number of Buildings	4	4	4	4	4	4	4	4	4	4
Streets (lane miles)	1,080	1,080	1,080	1,080	1,080	1,078	1,617	1,617	1,617	1,617
Number of Bridges	12	12	12	12	12	12	12	12	12	12
Health and Welfare										
Number of Buildings	5	5	5	5	5	5	5	5	5	5
Economic Development and Assistance										
Number of Buildings	2	2	2	2	2	2	2	2	2	2

Sources: Various city departments