

Comprehensive Annual Financial Report

For Fiscal Year Ended

December 31, 2015

JIM WELLS COUNTY, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2015

Prepared by:

Jim Wells County, Texas - Auditor's Office

Noe Gamez

County Auditor

Jim Wells County, Texas
 Comprehensive Annual Financial Report
 For The Year Ended December 31, 2015

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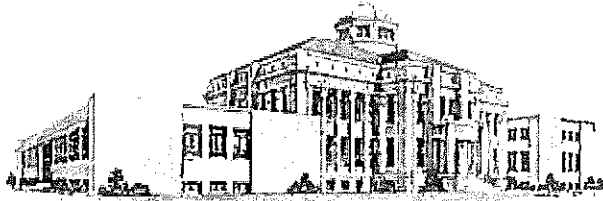
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Introductory Section

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COUNTY OF JIM WELLS

STATE OF TEXAS

NOE GAMEZ
COUNTY AUDITOR

ALICE, TEXAS 78332

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

July 29, 2016

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, 2015.

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, 2015, 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, 2015, 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.

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.

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 2015.

Unemployment Rate. The current unemployment rate of Jim Wells County, Texas is 8.5%, which is higher than the national unemployment rate of 5.0% and the statewide average rate is 4.2%.

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 2015, the sales tax revenues were down compared to 2014.

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
- Progresso - Progresso 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 home of the Corpus Christi Hooks, Houston Astros AA league affiliate. 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, 2014. 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,



Noe Gamez
County Auditor

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



Government Finance Officers Association

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

Presented to

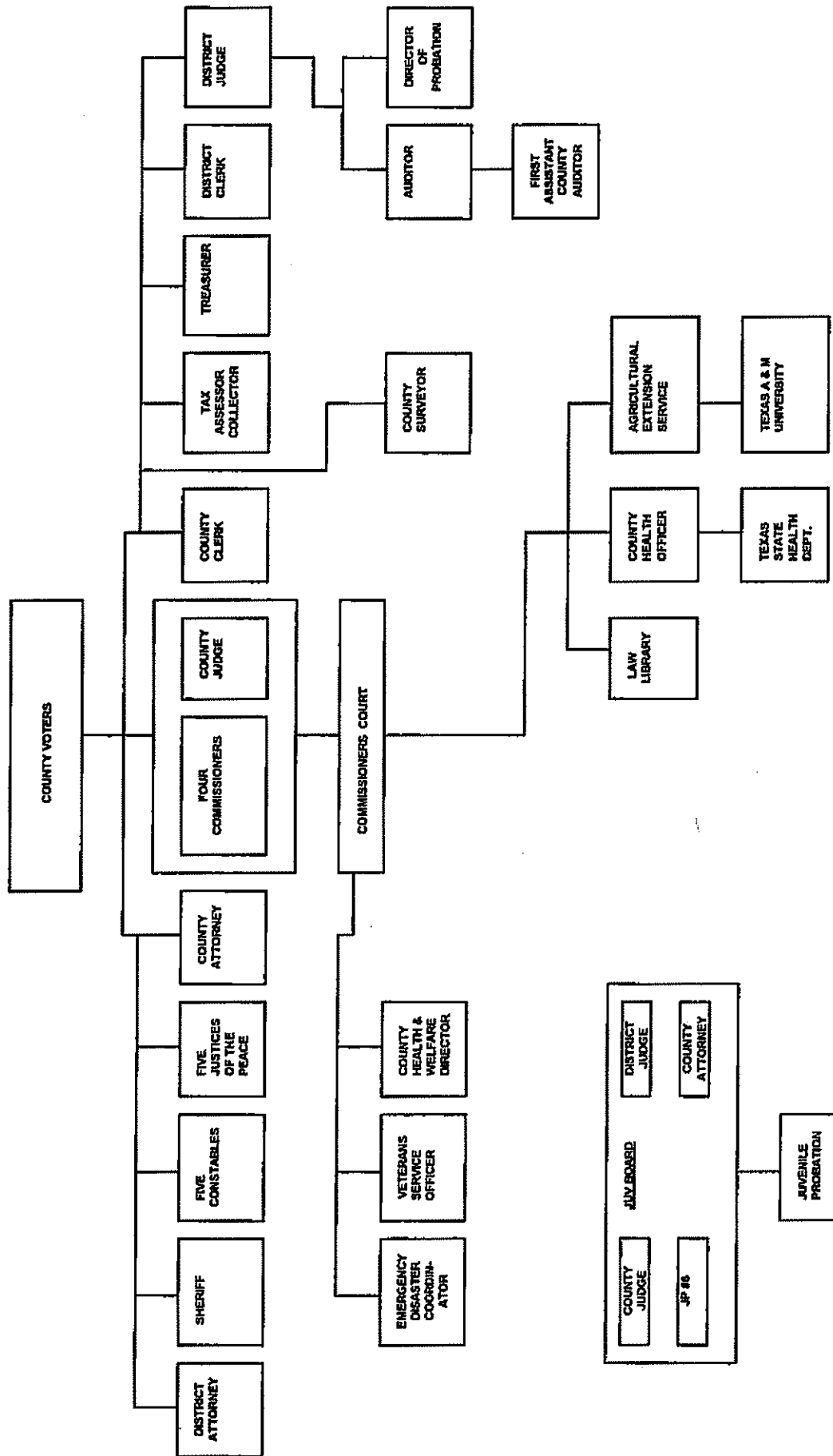
**Jim Wells County
Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2014

Executive Director/CEO

JIM WELLS COUNTY, TEXAS ORGANIZATION



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

DECEMBER 31, 2015

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

Pedro "Pete" Trevino, Jr.	County Judge
Margie H. Gonzalez	County Commissioner, Precinct No. 1
Ventura Garcia	County Commissioner, Precinct No. 2
Richard Miller	County Commissioner, Precinct No. 3
Emede Garcia	County Commissioner, Precinct No. 4

OTHER COUNTY OFFICIALS

Oscar Lopez	Sheriff
J.C. Perez, III	County Clerk
Rebecca Dominguez	County Treasurer
Mary Lozano	Tax Assessor-Collector
Jesusa Sanchez-Vera	County Attorney
Noe Gamez	County Auditor
Cindy Garcia	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, 2015
(continued)

OTHER OFFICIALS

Alejandro Lopez, M.D.
Robert Owens
Rogelio Mercado
Gilbrando Garza
Albert Ramirez

James A. Schmidt

County Health Officer
County Surveyor
Agriculture Agent
Veterans Service Officer
79th Judicial District Adult
Probation
Chief Juvenile Probation
Officer

Financial Section

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

Independent Auditors' Report

To the County Commissioners
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 the Jim Wells County, Texas ("the County") as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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, 2015, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Change in Accounting Principle

As described in Note P to the financial statements, in 2015, Jim Wells County, Texas adopted new accounting guidance, Government Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*, and GASB Statement No. 71, *Pension Transition for contributions made Subsequent to the Measurement Date -- an amendment of GASB Statement No. 68*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information, schedule of the County's proportionate share of the net pension liability and schedule of County pension contributions 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 Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, budgetary comparison schedules, 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, budgetary comparison schedules, 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 July 29, 2016 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,

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

Raul Hernandez & Company, P.C.

Corpus Christi, Texas
July 29, 2016

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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, 2015. 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 \$33,854,196 (net position).
- As of the close of the current fiscal year, the County of Jim Wells governmental funds reported combined ending fund balances of \$11,571,722, of which, \$5,053,649 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 (\$108,567) 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>Statement of Activities</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</i> <i>Statement of in 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 \$33,854,196; furthermore, the government's financial position has increased by \$509,060 in the current fiscal 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**

	<u>Governmental Activities</u>	<u>Governmental Activities</u>	<u>Increase (Decrease)</u>
	<u>2015</u>	<u>2014</u>	<u>2015-2014</u>
Current Assets:			
Cash/Cash equivalents	\$ 11,887,513	\$ 11,298,693	\$ 588,820
Taxes receivable	2,095,002	1,492,451	602,551
Sales taxes receivable	193,742	424,089	(230,347)
Intergovernmental receivable	318,497	44,619	273,878
Total current assets:	<u>14,494,754</u>	<u>13,215,233</u>	<u>1,234,902</u>
Non-current assets:			
Capital Assets	65,234,392	64,661,852	572,540
Less Accumulated Depreciation	<u>(41,700,077)</u>	<u>(40,793,089)</u>	<u>(906,988)</u>
Total non-current assets:	<u>23,534,315</u>	<u>23,868,763</u>	<u>(334,448)</u>
Total Assets	<u>\$ 38,029,069</u>	<u>\$ 37,083,996</u>	<u>\$ 900,454</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflow Related to Pension Plan	<u>1,495,131</u>	<u>-</u>	<u>1,495,131</u>
Total Deferred Outflows of Resources	<u>1,495,131</u>	<u>-</u>	<u>1,495,131</u>
Current Liabilities			
Accounts payable and other current liabilities	\$ 401,970	\$ 187,950	\$ 214,020
Salaries Payable	426,061	-	426,061
Accrued Interest Payable	22,573	24,909	(2,336)
Total current liabilities	<u>850,604</u>	<u>212,859</u>	<u>637,745</u>
Long-term liabilities:			
Due within one year	419,240	345,060	74,180
Due in more than one year	1,953,339	2,136,086	(182,747)
Net Pension Liability	<u>2,401,655</u>	<u>-</u>	<u>2,401,655</u>
Total Liabilities	<u>4,774,234</u>	<u>2,481,146</u>	<u>2,293,088</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amounts Related to Pensions	<u>45,166</u>	<u>-</u>	<u>45,166</u>
Total Deferred Inflows of Resources	<u>45,166</u>	<u>-</u>	<u>45,166</u>
Net Position:			
Net Investment in Capital Assets	21,480,901	21,740,309	(259,408)
Restricted For:			
Debt Service	81,257	280,121	(198,864)
Capital Projects	1,201,213	1,302,523	(101,310)
Unrestricted	<u>11,090,825</u>	<u>11,111,657</u>	<u>(20,832)</u>
Total Net Position	<u>\$ 33,854,196</u>	<u>\$ 34,434,610</u>	<u>\$ (580,414)</u>

JIM WELLS COUNTY, TEXAS

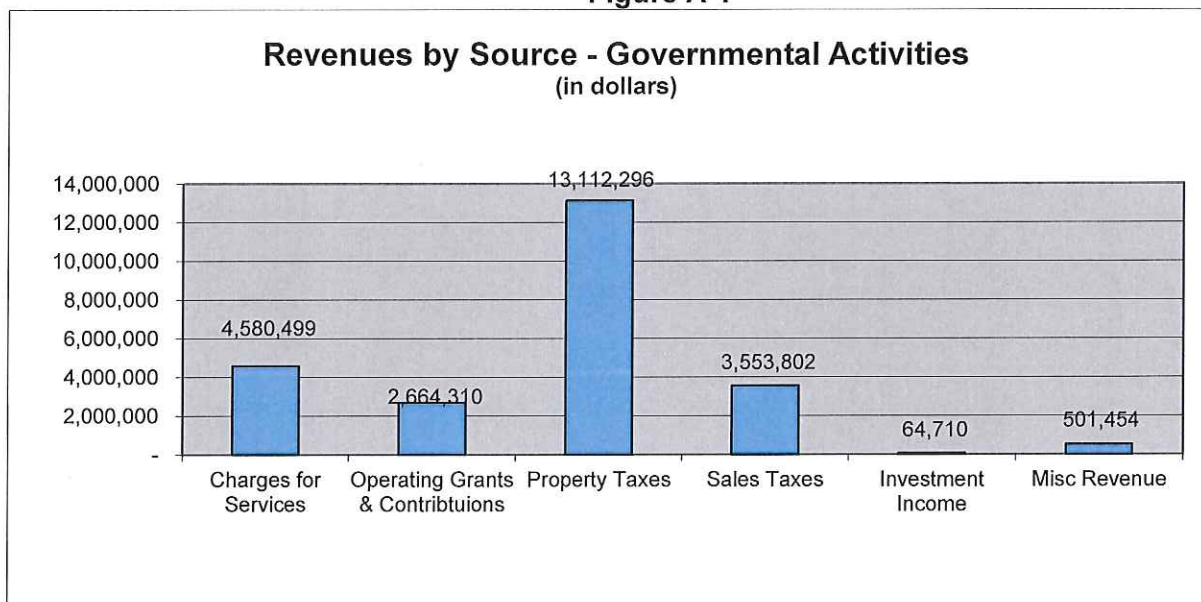
The \$81,257 and \$1,201,213 of the County's restricted net position represents funds available for the debt service and capital projects funds, respectively. These funds when spent are restricted for repayment of debt and capital asset acquisitions respectively. The \$11,090,825 unrestricted net position represents resources available to fund the programs of the County next year.

Revenues. The County's total revenues were \$24,477,071. A significant portion, 53 percent, of the County's revenue comes from property taxes. 18 percent comes from charges for services and 14 percent relates to sales taxes. (See Figure A-1 and Table A-2)

Governmental Activities

- Property tax rates had a total direct rate of .550857, which is an increase of .031008 from the previous year. Net taxable value of property decreased by (\$105,676,981). Sales taxes decreased as a result of a decrease in retail trade and production slowdown of Eagle Ford shale production in 2015.
- Property Tax revenues had an increase from the prior year due, in part, to increases in general property tax revenues in the general fund and the road & bridge funds.
- Sales tax revenues in 2015 decreased from the prior year by 34%.

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>2015</u>	<u>2014</u>	<u>2015-2014</u>
Revenues			
Program:			
Charges for services	\$ 4,580,499	\$ 4,277,751	\$ 302,748
Operating Grants and Contributions	2,664,310	2,084,450	579,860
General			
Property Taxes	13,112,296	11,721,257	1,391,039
Sales Taxes	3,553,802	5,457,562	(1,903,760)
Investment Income	64,710	59,443	5,267
Miscellaneous Revenues	501,454	431,011	70,443
Total Revenues	<u>\$ 24,477,071</u>	<u>\$ 24,031,474</u>	<u>\$ 445,597</u>
Cost of Services:			
General Government	4,926,871	5,416,768	(489,897)
Judicial	4,690,475	4,104,234	586,241
Public Safety	8,878,685	8,331,437	547,248
Public Transportation	3,504,784	4,213,314	(708,530)
Health and Welfare	1,321,339	488,478	832,861
Culture and Recreation	63,771	17,597	46,174
Conservation	338,859	320,921	17,938
Economic Development and Assistance	166,160	334,818	(168,658)
Interest on Long-term Debt	77,067	87,020	(9,953)
Total Cost of Services	<u>\$ 23,968,011</u>	<u>\$ 23,314,587</u>	<u>\$ 653,424</u>
Change in net position	509,060	716,887	(207,827)
Net position - beginning	34,434,610	33,717,723	716,887
Prior Period Adjustment	(1,089,474)	-	(1,089,474)
Net position - ending	<u>\$ 33,854,196</u>	<u>\$ 34,434,610</u>	<u>\$ (580,414)</u>

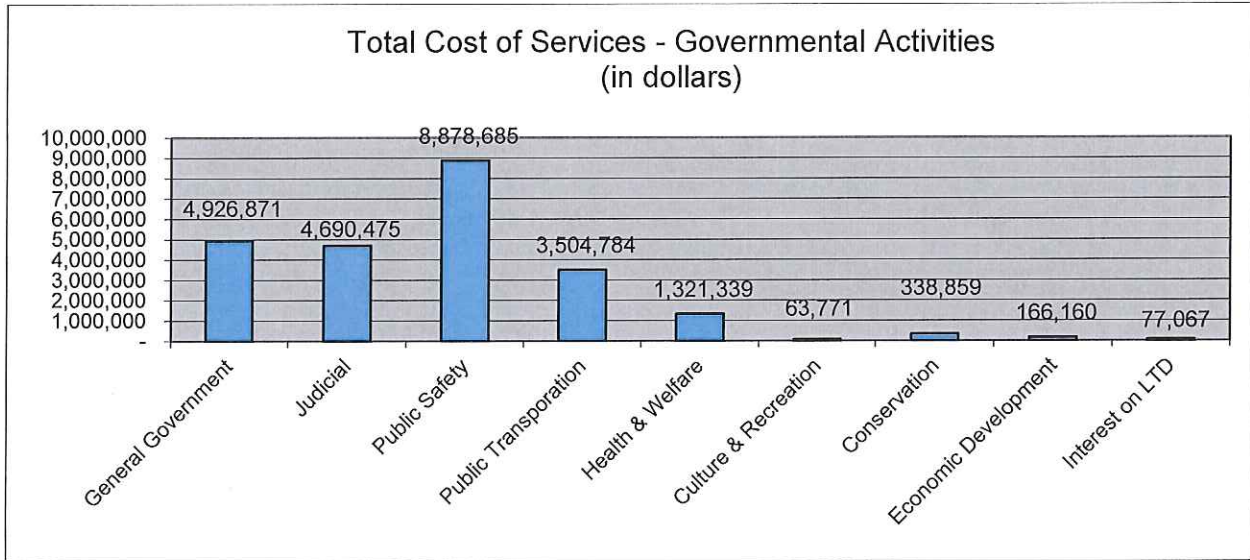
Table A-2 and Figure A-2 present the cost of each of the County's largest functions.

- The cost of all governmental activities this year was \$23,968,011. Public Safety was a significant part of the amount totaling \$8,878,685, which the majority was due to costs in the General Fund, Adult & State Juvenile Probation funds, 79th Judicial District Attorney Forfeiture fund, and the Sheriff Drug Forfeiture fund.
- However, the amount that our taxpayers paid for these activities through property taxes was approximately \$13,112,296.

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.
- \$8,878,685 of these costs were for public safety, which increased by \$547,248 from the prior year. This increase was due, in part, to purchases of vehicles.

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 \$11,571,722, a decrease of (\$7,730) compared with the prior year. As shown on page 36 the unassigned fund balance resulted in an amount of \$5,036,719. 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 changes in liabilities, general sales & use taxes, judicial expenditures, and health & welfare expenditures. 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 decreased to \$5,053,649 from the previous year’s

JIM WELLS COUNTY, TEXAS

balance of \$6,291,502 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 sales and use taxes, fees of office, intergovernmental revenues, and increases in judicial and public safety expenditures.

The Debt Service Fund (county-wide), which was created during 2004, has a total fund balance of \$81,257. 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 \$1,201,213. 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

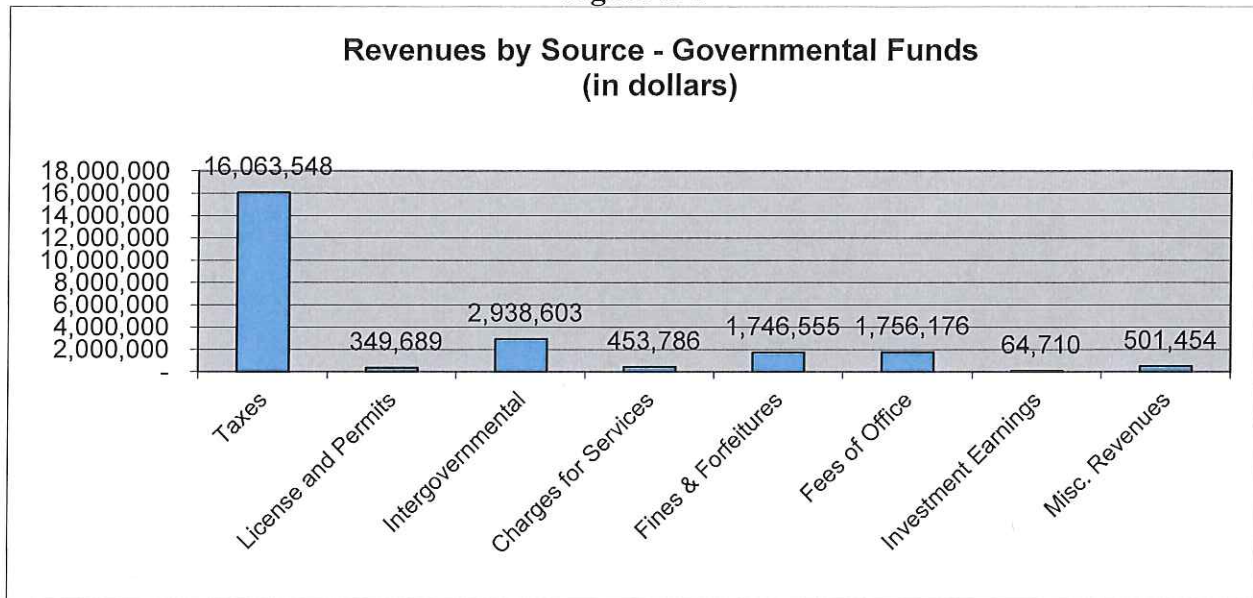
The County's revenue closely follows oil prices and oil field activities. In previous years, the economic boom in Eagle Ford shale production led to hotels being booked, stores expanding, and businesses hiring. However, in 2015, the amount of the impact has leveled off. As a result, revenues from governmental fund types had a minor net decrease of (\$166,899) from the preceding year, totaling \$23,874,521. General property taxes and sales taxes were the most significant portion in governmental fund revenue sources, which totaled \$16,063,548, which is a decrease of (\$1,125,218) from the previous year.

The County's primary source of revenue consists of taxes, which comprise 67% of the County's total revenues. In addition, intergovernmental and fees of office revenues comprise 12% and 7% 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-3 and Table A-3)

Fines & Forfeitures increased by \$486,748 from the prior year. This change was due to an increase in fines & cash seizures. Furthermore, intergovernmental increased by \$623,194 from the previous year, as a result of an increase in fees and permits collected.

JIM WELLS COUNTY, TEXAS

Figure A-3



**Table A-3
Governmental Funds – Revenues by Source**

	2015	2014	Increase (Decrease)
Taxes	\$ 16,063,548	\$ 17,188,766	\$ (1,125,218)
License and Permits	349,689	481,658	(131,969)
Intergovernmental	2,938,603	2,315,409	623,194
Charges for Services	453,786	472,690	(18,904)
Fines & Forfeitures	1,746,555	1,259,807	486,748
Fees of Office	1,756,176	1,832,637	(76,461)
Investment Earnings	64,710	59,443	5,267
Misc. Revenues	501,454	431,010	70,444
Total Revenues	\$ 23,874,521	\$ 24,041,420	\$ (166,899)

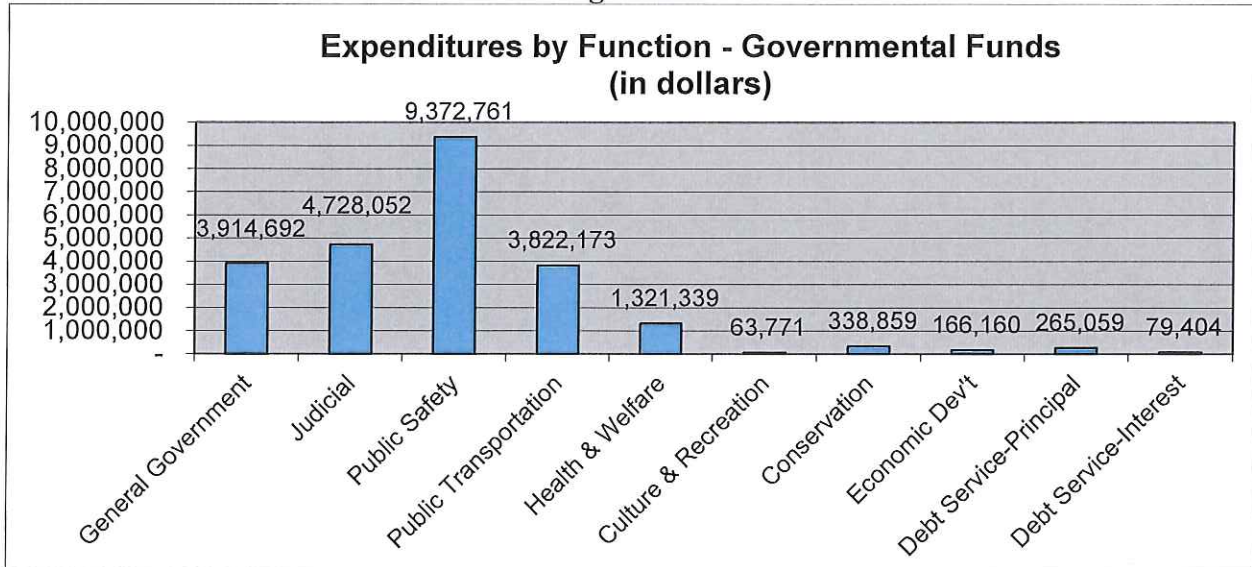
Expenditures

Debt-principal payments decreased in the amount of (\$74,549), compared to the result of the previous year. The decrease in public transportation of (\$1,062,388) is partly due to a decrease in road improvements and infrastructure.

The County's primary expenditures were for public safety, judicial, and general government. Public safety now accounts for over 19% of total expenditures. (See Figure A-4 and Table A-4)

JIM WELLS COUNTY, TEXAS

Figure A-4



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

	2015	2014	Increase (Decrease)
General Government	\$ 3,914,692	\$ 4,310,377	\$ (395,685)
Judicial	4,728,052	4,136,477	591,575
Public Safety	9,372,761	8,754,738	618,023
Public Transportation	3,822,173	4,884,561	(1,062,388)
Health and Welfare	1,321,339	488,478	832,861
Culture and Recreation	63,771	17,597	46,174
Conservation	338,859	320,921	17,938
Economic Development and Assistance	166,160	334,818	(168,658)
Debt Service:			
Principal	265,059	339,608	(74,549)
Interest and Fiscal Charges	79,404	89,553	(10,149)
Total Expenditures	<u>\$ 24,072,270</u>	<u>\$ 23,677,128</u>	<u>\$ 395,142</u>

JIM WELLS COUNTY, TEXAS

Other financing sources from the County came from:

**Table A-5
Other Financing Resources**

	<u>2015</u>	<u>2014</u>	<u>Increase (Decrease)</u>
Transfers In	\$ 284,995	\$ 294,264	\$ (9,269)
Transfers Out	(284,995)	(294,264)	9,269
Capital Leases	190,020	93,863	96,157
	<u>\$ 190,020</u>	<u>\$ 93,863</u>	<u>\$ 96,157</u>

General Fund Budgetary Highlights

The final budget was adopted with total General Fund revenues of \$14,716,477 and expenditures of \$18,920,257, 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 \$41,789. Of this amount, fees of office and general property taxes provided favorable variances of \$313,630 and \$276,938, respectively. The County's revenue booms and busts through the years closely follow oil prices and oil field activities.
- Actual expenditures (before transfers) were \$1,536,765 below final budget amounts. This favorable variance resulted from over-budgeted expenditures in the County Courthouse & Annex, County Airport, and District Court departments, among others. 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 2015, the County had invested \$65,234,392 in a broad range of capital assets, including land, infrastructure, buildings & improvements, and equipment. (See Table A-6.) The capital assets of the County are those assets (land, infrastructure, buildings & improvements, and machinery & equipment), which are used in the performance of the County's functions including infrastructure assets. At December 31, 2015 net capital assets of the governmental activities totaled \$23,534,315. Depreciation on capital assets is recognized in the Government-wide financial statements. Accumulated depreciation for infrastructure, buildings & improvements, and machinery & equipment totaled \$41,700,077. More detailed information about the county's capital assets is presented in the notes to the financial statements on page 47.

JIM WELLS COUNTY, TEXAS

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

	Governmental Activities		Increase (Decrease)
	2015	2014	2015-2014
Land	\$ 293,873	\$ 293,873	\$ -
Infrastructure	43,715,819	43,715,819	-
Buildings and Improvements	13,438,846	13,396,007	42,839
Machinery & Equipment	7,785,854	7,256,153	529,701
Total at historical cost	<u>\$ 65,234,392</u>	<u>\$ 64,661,852</u>	<u>\$ 572,540</u>
Total Accumulated Depreciation	<u>(41,700,077)</u>	<u>(40,793,089)</u>	<u>(906,988)</u>
Net Capital Assets	<u>\$ 23,534,315</u>	<u>\$ 23,868,763</u>	<u>\$ (334,448)</u>

The largest increase to capital assets was attributed to machinery & equipment in the net amount of \$529,701 due to purchases of vehicles. Buildings & Improvements increased \$42,839 when compared to 2014. 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 \$2,372,579 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 (\$108,567) from 2014 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	
	2015	2014
General obligation bonds	\$ 1,740,000	\$ 1,920,000
Capital leases	313,414	208,454
Compensated absences	319,165	352,692
Total governmental activities	<u>\$ 2,372,579</u>	<u>\$ 2,481,146</u>

JIM WELLS COUNTY, TEXAS

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- Appraised value used for the 2016 budget preparation is up from the prior year.
- General operating fund spending in the 2016 budget is expected to have a moderate increase as compared to 2015.

These indicators were taken into account when adopting the general fund budget for 2016. 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 2015-2016 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

JIM WELLS COUNTY, TEXAS
STATEMENT OF NET POSITION
DECEMBER 31, 2015

	Governmental Activities
ASSETS:	
<i>Cash and Cash Equivalents</i>	\$ 11,887,513
<i>Taxes Receivables (net of allowances for uncollectibles):</i>	2,095,002
<i>Sales Taxes Receivable</i>	193,742
<i>Intergovernmental Receivable</i>	318,497
Capital Assets (net of accumulated depreciation):	
<i>Land</i>	293,873
<i>Buildings and System</i>	8,052,262
<i>Machinery and Equipment</i>	3,918,160
<i>Infrastructure</i>	11,270,020
Total Assets	<u>38,029,069</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Outflow Related to Pension Plan	1,495,131
Total Deferred Outflows of Resources	<u>1,495,131</u>
LIABILITIES:	
<i>Accounts Payable and Other Current Liabilities</i>	401,970
<i>Salaries Payable</i>	426,061
<i>Accrued Interest Payable</i>	22,573
Noncurrent Liabilities-	
<i>Due within one year</i>	419,240
<i>Due in more than one year</i>	1,953,339
<i>Net Pension Liability</i>	2,401,655
Total Liabilities	<u>5,624,838</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred Amounts Related to Pensions	45,166
Total Deferred Inflows of Resources	<u>45,166</u>
NET POSITION:	
Net Investment in Capital Assets	21,480,901
Restricted For:	
Debt Service	81,257
Capital Projects	1,201,213
Unrestricted	11,090,825
Total Net Position	<u>\$ 33,854,196</u>

The accompanying notes are an integral part of this statement.

JIM WELLS COUNTY, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2015

Functions/Programs	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position
PRIMARY GOVERNMENT:				
Governmental Activities:				
<i>General Government</i>	\$ 4,926,871	\$ 1,307,737	\$ --	\$ (3,619,134)
<i>Judicial</i>	4,690,475	451,649	108,661	(4,130,165)
<i>Public Safety</i>	8,878,685	1,847,910	1,427,234	(5,603,541)
<i>Public Transportation</i>	3,504,784	973,203	93,301	(2,438,280)
<i>Health and Welfare</i>	1,321,339	--	1,035,114	(286,225)
<i>Culture and Recreation</i>	63,771	--	--	(63,771)
<i>Conservation</i>	338,859	--	--	(338,859)
<i>Economic Development and Assistance</i>	166,160	--	--	(166,160)
<i>Interest on Long-term Debt</i>	77,067	--	--	(77,067)
Total Governmental Activities	23,968,011	4,580,499	2,664,310	(16,723,202)
Total Primary Government	\$ 23,968,011	\$ 4,580,499	\$ 2,664,310	(16,723,202)
General Revenues:				
<i>Property Taxes</i>				13,112,296
<i>Sales Taxes</i>				3,553,802
<i>Investment Income</i>				64,710
<i>Miscellaneous Revenues</i>				501,454
Total General Revenues				17,232,262
Change in Net Position				509,060
Net Position - Beginning				34,434,610
Prior Period Adjustment				(1,089,474)
Net Position - Ending				\$ 33,854,196

The accompanying notes are an integral part of this statement.

JIM WELLS COUNTY, TEXAS
BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2015

	General Fund	Other Governmental Funds	Total Governmental Funds
ASSETS			
Assets:			
<i>Cash and Cash Equivalents</i>	\$ 5,316,639	\$ 6,570,874	\$ 11,887,513
<i>Taxes Receivables (net of allowances for uncollectibles):</i>	7,669,156	2,333,980	10,003,136
<i>Sales Taxes Receivable</i>	154,994	38,748	193,742
<i>Intergovernmental Receivable</i>	--	318,497	318,497
Total Assets	<u>\$ 13,140,789</u>	<u>\$ 9,262,099</u>	<u>\$ 22,402,888</u>
LIABILITIES AND FUND BALANCES:			
Liabilities:			
<i>Accounts Payable</i>	\$ 59,147	\$ 342,823	\$ 401,970
<i>Salaries Payable</i>	358,837	67,224	426,061
Total Liabilities	<u>417,984</u>	<u>410,047</u>	<u>828,031</u>
DEFERRED INFLOWS OF RESOURCES:			
<i>Unavailable Revenue Property Taxes</i>	7,669,156	2,333,979	10,003,135
Total Deferred Inflows of Resources	<u>7,669,156</u>	<u>2,333,979</u>	<u>10,003,135</u>
Fund Balances:			
Restricted Fund Balances:			
Federal or State Funds Grant Restriction	--	5,252,533	5,252,533
Retirement of Long-Term Debt	--	81,257	81,257
Capital Project Funds	--	1,201,213	1,201,213
Unassigned Fund Balance	5,053,649	(16,930)	5,036,719
Total Fund Balance	<u>5,053,649</u>	<u>6,518,073</u>	<u>11,571,722</u>
Total Liabilities and Fund Balance	<u>\$ 13,140,789</u>	<u>\$ 9,262,099</u>	<u>\$ 22,402,888</u>

The accompanying notes are an integral part of this statement.

JIM WELLS COUNTY, TEXAS
*RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
 TO THE STATEMENT OF NET POSITION
 DECEMBER 31, 2015*

Total fund balances - governmental funds balance sheet	\$ 11,571,722
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.	23,534,315
Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds.	1,811,921
Payables for bond principal which are not due in the current period are not reported in the funds.	(1,809,612)
Payables for capital leases which are not due in the current period are not reported in the funds.	(313,414)
Payables for bond interest which are not due in the current period are not reported in the funds.	(22,573)
Payables for compensated absences which are not due in the current period are not reported in the funds.	33,527
Recognition of the County's proportionate share of the net pension liability is not reported in the funds.	(2,401,655)
Deferred Resource Inflows related to the pension plan are not reported in the funds.	(45,166)
Deferred Resource Outflows related to the pension plan are not reported in the funds.	<u>1,495,131</u>
Net position of governmental activities - Statement of Net Position	<u>\$ 33,854,196</u>

The accompanying notes are an integral part of this statement.

JIM WELLS COUNTY, TEXASSTATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

	General Fund	Other Governmental Funds	Total Governmental Funds
Revenue:			
Taxes:			
<i>General Property Taxes</i>	\$ 9,672,860	\$ 2,836,886	\$ 12,509,746
<i>General Sales and Use Taxes</i>	2,843,041	710,761	3,553,802
<i>License and Permits</i>	46,250	303,439	349,689
<i>Intergovernmental</i>	393,209	2,545,394	2,938,603
<i>Charges for Services</i>	70,802	382,984	453,786
<i>Fines and Forfeitures</i>	321,045	1,425,510	1,746,555
<i>Fees of Office</i>	1,026,280	729,896	1,756,176
<i>Investment Earnings</i>	42,343	22,367	64,710
<i>Miscellaneous Revenues</i>	342,436	159,018	501,454
Total revenues	<u>14,758,266</u>	<u>9,116,255</u>	<u>23,874,521</u>
Expenditures:			
Current:			
<i>General Government</i>	3,914,692	--	3,914,692
<i>Judicial</i>	4,672,463	55,589	4,728,052
<i>Public Safety</i>	6,735,927	2,636,834	9,372,761
<i>Public Transportation</i>	--	3,822,173	3,822,173
<i>Health and Welfare</i>	116,625	1,204,714	1,321,339
<i>Culture and Recreation</i>	63,771	--	63,771
<i>Conservation</i>	338,859	--	338,859
<i>Economic Development and Assistance</i>	166,160	--	166,160
Debt Service:			
<i>Principal</i>	53,309	211,750	265,059
<i>Interest and Fiscal Charges</i>	3,227	76,177	79,404
Total Expenditures	<u>16,065,033</u>	<u>8,007,237</u>	<u>24,072,270</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,306,767)</u>	<u>1,109,018</u>	<u>(197,749)</u>
Other Financing Sources (Uses):			
<i>Transfers In</i>	57,895	227,100	284,995
<i>Transfers Out</i>	(179,000)	(105,995)	(284,995)
<i>Capital Leases</i>	190,020	--	190,020
Total Other Financing Sources (Uses)	<u>68,915</u>	<u>121,105</u>	<u>190,020</u>
Net Change in Fund Balances	(1,237,852)	1,230,123	(7,729)
Fund Balances - Beginning	6,291,501	5,287,950	11,579,451
Fund Balances - Ending	<u>\$ 5,053,649</u>	<u>\$ 6,518,073</u>	<u>\$ 11,571,722</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, 2015

Net change in fund balances - total governmental funds	\$ (7,729)
Amounts reported for governmental activities in the Statement of Activities ("SOA") are different because:	
Capital outlays are not reported as expenses in the SOA.	891,881
The depreciation of capital assets used in governmental activities is not reported in the funds.	(1,226,329)
Certain property tax revenues are deferred in the funds. This is the change in these amounts this year.	602,550
Repayment of bond principal is an expenditure in the funds but is not an expense in the SOA.	180,000
Repayment of capital lease principal is an expenditure in the funds but is not an expense in the SOA.	85,060
(Increase) decrease in accrued interest from beginning of period to end of period.	2,336
Compensated absences are reported as the amount earned in the SOA but as the amount paid in the funds.	33,527
Proceeds of leases do not provide revenue in the SOA, but are reported as current resources in the funds.	(190,020)
Pension expense relating to GASB 68 is recorded in the SOA but not in the funds.	<u>137,784</u>
Change in net position of governmental activities - Statement of Activities	<u>\$ 509,060</u>

The accompanying notes are an integral part of this statement.

JIM WELLS COUNTY, TEXAS
 STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 DECEMBER 31, 2015

	Agency Funds
ASSETS:	
<i>Cash and Cash Equivalents</i>	\$ 6,837,465
Total Assets	<u>\$ 6,837,465</u>
LIABILITIES:	
<i>Due to Other Governments and Agencies</i>	\$ 6,837,465
Total Liabilities	<u>\$ 6,837,465</u>

The accompanying notes are an integral part of this statement.

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

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 assets and the statement of activities include the financial activities of the overall government, except for fiduciary activities. include the financial internal 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, 2015

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, 2015

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, 2012 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, 2015

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 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

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.

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.

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

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

Following are funds having deficit fund balances or fund net assets at year end:

<u>Fund Name</u>	<u>Deficit Amount</u>
Road & Bridge No. 21 Fund	\$ (15,561)
County Attorney Crime Prevention	(1,369)

2. Excess of expenditures over appropriations

For the year ended December 31, 2015, the County had one fund that had expenditures exceeding appropriations.

Road & Bridge Fund No. 21	\$ (20,565)
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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, 2015, the carrying amount of the County's deposits (cash, certificates of deposit, and interest-bearing savings accounts included in temporary investments) was \$18,724,978 and the bank balance was \$19,419,392. The County's cash deposits at December 31, 2015 and during the year ended December 31, 2015, 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, 2015

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 \$25,944,170.
- c. The highest combined balances of cash, savings and time deposit accounts amounted to \$24,456,749 and occurred during the month of February , 2015.
- 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, 2015.

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, 2015

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, 2015, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<u>Governmental activities:</u>				
<i>Capital assets not being depreciated:</i>				
Land	\$ 293,873	\$ --	\$ --	\$ 293,873
Total capital assets not being depreciated	<u>293,873</u>	<u>--</u>	<u>--</u>	<u>293,873</u>
<i>Capital assets being depreciated:</i>				
Infrastructure	43,715,819	--	--	43,715,819
Buildings and improvements	13,396,011	42,835	--	13,438,846
Machinery & Equipment	7,256,153	849,042	(319,341)	7,785,854
Total capital assets being depreciated	<u>64,367,983</u>	<u>891,877</u>	<u>(319,341)</u>	<u>64,940,519</u>
Less accumulated depreciation for:				
Infrastructure	(32,296,577)	(149,222)	--	(32,445,799)
Buildings and improvements	(5,061,815)	(281,930)	--	(5,343,745)
Machinery & Equipment	(3,434,697)	(739,986)	264,150	(3,910,533)
Total accumulated depreciation	<u>(40,793,089)</u>	<u>(1,171,138)</u>	<u>264,150</u>	<u>(41,700,077)</u>
Total capital assets being depreciated, net	<u>23,574,894</u>	<u>(279,261)</u>	<u>(55,191)</u>	<u>23,240,442</u>
Governmental activities capital assets, net	<u>\$ 23,868,767</u>	<u>\$ (279,261)</u>	<u>\$ (55,191)</u>	<u>\$ 23,534,315</u>

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

Depreciation was charged to functions as follows:

General Government	\$	480,167
Public Protection:		
Courthouse & Buildings		222,516
Probation		23,423
Sheriff		245,939
Fire Protection		35,134
Public Ways and Facilities, Including		
Depreciation of General Infrastructure Assets		163,959
	\$	<u>1,171,138</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, 2015,

2. Transfers To and From Other Funds

Transfers to and from other funds at December 31, 2015, consisted of the following:

Transfers out:	Transfers In:		
	General Fund	Nonmajor Governmental	Total
General fund	\$ --	\$ 179,000	\$ 179,000
Nonmajor governmental	58,350	48,100	106,450
Total transfers out	<u>58,350</u>	<u>227,100</u>	<u>285,450</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, 2015

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

Restricted Fund Balance:	
Federal or State Funds Grant Restriction	\$ 5,218,734
Retirement of Long-Term Debt	81,257
	<u>5,299,991</u>
Committed Fund Balance:	
Construction	1,201,213
Other Committed Fund Balance	--
	<u>1,201,213</u>
Assigned Fund Balance:	
Other Assigned Fund Balance	--
	<u>--</u>
Unassigned Fund Balance	5,053,649
	<u>5,053,649</u>
Total Fund Balance	<u>\$ 11,554,853</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, 2015, as follows:

Year Ending December 31,	
2016	\$ 38,122
2017	25,233
2018	4,652
Total Minimum Rentals	<u>\$ 68,007</u>
Rental Expenditures in 2015	<u>\$ 57,661</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 February 5, 2014, the County entered into a five year lease agreement, secured by a backhoe with Government Capital Corporation, with a maturity date of February 1, 2018. Payments are due in annual installments of \$18,771.35 including interest of 3.639%.

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

4. On May 11, 2015, the County entered into a three year agreement, secured with 6 Police Chargers with Government Capital Corporation with a maturity date of June 10, 2018. Payments are due in annual installments of \$67,321.06, including interest of 3.124%.

The assets acquired through capital leases are as follows:

Asset:	Governmental Activities
Machinery and Equipment	\$ 2,087,870
Less: accumulated depreciation	(828,144)
Total	<u>\$ 1,259,726</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2015 were as follows:

<u>Year Ending December 31,</u>	
2016	\$ 159,410
2017	86,092
2018	86,092
Total Minimum Lease Payments	<u>\$ 331,594</u>
Less: amount representing interest	(18,180)
Present Value of Minimum Lease Payments	<u>\$ 313,414</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, 2015.

<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	\$1,740,000

Long-term obligations include debt and other long-term liabilities. Changes in long-term obligations for the year ended December 31, 2015, are as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<u>Governmental activities:</u>					
General obligation bonds	\$ 1,920,000	\$ --	\$ 180,000	\$ 1,740,000	190,000
Capital leases	208,454	190,020	85,060	313,414	149,240
Compensated absences *	352,692	73,520	107,047	319,165	80,000
Total governmental activities	<u>\$ 2,481,146</u>	<u>\$ 263,540</u>	<u>\$ 372,107</u>	<u>\$ 2,372,579</u>	<u>\$ 419,240</u>

* Other long-term liabilities

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

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

<u>Liability</u>	<u>Activity Type</u>	<u>Fund</u>
Compensated absences	Governmental	General

2. Debt Service Requirements

Debt service requirements on long-term debt at December 31, 2015, are as follows:

<u>Year Ending December 31,</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 190,000	\$ 65,427	\$ 255,427
2017	195,000	57,997	252,997
2018	205,000	50,277	255,277
2019	210,000	42,364	252,364
2020	220,000	34,161	254,161
2021-2025	720,000	49,408	769,408
Totals	<u>\$ 1,740,000</u>	<u>\$ 299,634</u>	<u>\$ 2,039,634</u>

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 2015, 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.

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.

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

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 TCDRS Act so that the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute. At retirement, death, or disability, the benefit is calculated by converting the sum of the employee's accumulated deposits and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

2. Contributions

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 11.6% for the calendar year 2015. The deposit rate payable by the employee members is the rate of 4%, 5%, 6%, or 7.00% of compensation as adopted by the governing body of the employer within the options available in the TCDRS.

Employees of Jim Wells County were required to contribute 6.0% of their annual gross earnings during the fiscal year. The contribution rates for the County were 11.58% and 10.84% in calendar years 2014 and 2015, respectively. Kleberg County's contributions to TCDRS for the fiscal year ended September 30, 2015 were \$1,110,494 and were equal to the required contributions.

3. Discount Rate

The discount rate used to measure the total pension liability was 8.1%. There was no change in the discount rate since the previous year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term rate of return on pension plan investments is 8.1%. The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS' investment consultant, Cliffwater LLC. The numbers shown below are based on January 2015 information for a 7-10 year time horizon.

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

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

Asset Class	Benchmark	Target Allocation (1)	Geometric Real Rate of Return (Expected minus Inflation) (2)
US Equities	Dow Jones U.S. Total Stock Market Index	16.50%	5.35%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index (3)	12.00%	8.35%
Global Equities	MSCI World (net) Index	1.50%	5.65%
International Equities - Developed	50% MSCI World Ex USA (Net) + 50% MSCI World ex USA 100% Hedged to USD (net) Index	11.00%	5.35%
International Equities - Emerging	50% MSCI EM Standard (net) Index + 50% MSCI EM 100% Hedged to USD (net) Index	9.00%	6.35%
Investment-Grade Bonds	Barclay's Capital Aggregate Bond Index	3.00%	0.55%
High-Yield bonds	Citigroup High-Yield Cash-Pay Capped Index	3.00%	3.75%
Opportunistic Credit	Citigroup High-Yield Cash-Pay Capped Index	5.00%	5.54%
Direct Lending	Citigroup High-Yield Cash-Pay Capped Index	2.00%	5.80%
Distressed Debt	Citigroup High-Yield Cash-Pay Capped Index	3.00%	6.75%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% FRSE EPRA/NAREIT Global Real Estate Index	2.00%	4.00%
Commodities	Bloomberg Commodities Index	2.00%	-0.20%
Master Limited Partnerships (MLPs)	Alerian MLP Index	2.00%	5.30%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index (4)	3.00%	7.20%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	25.00%	5.15%
Total		100.00%	

(1) Target asset allocation adopted at the April 2015 TCDRS board meeting.

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

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

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

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

4. Changes in Net Pension Liability

At December 31, 2014, Jim Wells County reported a net pension liability of \$ 2,401,655. The changes in net pension liability were as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at 12/31/2013	\$ 35,978,529	\$ 33,746,713	\$ 2,231,816
Changes for the year			
Service cost	1,292,660	-	1,292,660
Interest on total pension liability	2,907,143	-	2,907,143
Effect of plan changes	-	-	--
Effect of economic/demographic gains or losses	(67,749)	-	(67,749)
Effect of assumptions changes or inputs	--	-	--
Refund of contributions	(154,558)	(154,558)	--
Benefit payments	(1,317,348)	(1,317,348)	--
Administrative expenses	-	(26,972)	26,972
Member contributions	-	591,887	(591,887)
Net investment income	-	2,287,706	(2,287,706)
Employer contributions	-	1,142,342	(1,142,342)
Other	-	(32,749)	32,749
Balance at 12/31/2014	\$ 38,638,677	\$ 36,237,022	\$ 2,401,655

The net pension liability was measured as of December 31, 2014 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date and for the year then ended.

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

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

5. Sensitivity of the net pension liability to changes in the discount rate

The following presents the net pension liability of the County, calculated using the discount rate of 8.1%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.10%) or 1-percentage-point higher (9.10%) than the current rate.

	Discount Rate		
	1% Decrease 7.10%	Current 8.10%	1% Increase 9.10%
County's net pension liability	\$ 43,214,895	\$ 38,638,677	\$ 34,830,156
Fiduciary net position	36,237,022	36,237,022	36,237,022
Net pension liability / (asset)	\$ 6,977,873	\$ 2,401,655	\$ (1,406,866)

6. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2015, the County recognized pension expense of \$972,711.

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

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

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ 45,168	\$ -
Changes in assumptions	-	-
Net difference between projected and actual earnings	-	384,636
Contributions subsequent to the measurement date	-	Employer determined
Total	45,168	384,636

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

Year ended Dec. 31:	
2015	\$ 73,576
2016	\$ 73,576
2017	\$ 96,159
2018	\$ 96,159
2019	-
Thereafter	-

7. Funded Status and Funding Progress

The funded status of the plan as of December 31, 2015, was as follows:

Actuarial Valuation Date	12/31/2014
Actuarial Value of Assets	26,806,843
Actuarial Accrued Liability	\$ 29,864,548
Unfunded Actuarial Liability	3,057,705
Funded Ratio	89.76%
Annualized Covered Payroll	\$ 9,864,786
Ratio of Unfunded Actuarial Liability to Annual Covered Payroll	31.0%

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the status of the plan and the annual required contributions of the County are subject to continual revision as actual results are compared to 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 multi-year 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. Since this is the second year of implementation, no third year information is available.

K. Health Care Coverage

During the year ended December 31, 2015, employees of the County were covered by a health insurance plan (the Plan). The County paid premiums of \$648 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, 2016, 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, 2015

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, 2015.

M. Other Related Disclosures

The following funds had adopted budgets for the fiscal year ended December 31, 2015:

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 July 29, 2016, the date which the financial statements were available to be issued.

O. Reclassification of Beginning Net Position

The balance of net position at the beginning of the fiscal year 2015 has been restated from the balance previously reported in 2014, to reflect a reclassification of net assets of (\$1,089,474) to implement the new GASB pronouncement number 68.

P. GASB 68

GASB 68--establishes standards for accounting and financial reporting, but not funding or budgetary standards, for defined benefit pensions and defined contribution pensions provided to the employees of state and local government employers through pension plans that are administered through trusts or equivalent arrangements criteria as described in GASB 67. This statement replaces the requirements of GASB Statement 27, Accounting for Pensions by State and Local Governmental Employers. Statement No. 71 amends Statement No.68 to require that, at transition, a government recognize a beginning outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning pension liability.

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

Q. Agreement with State Comptroller

The County has been notified by the State Comptroller of Texas that it has been overpaid \$241,901.46 in local sales and use taxes. This overpayment was the result of an audit of a direct pay taxpayer in which it was determined that the taxpayer erred and accrued local use tax based on their district office locations. As a direct pay permit holder, the tax was due based on the 1st stored of used locations. Additionally, tax was accrued in error on items that were not taxable. As of the February 2015 allocation, the outstanding balance owed to the State in the previous pay back arrangement is \$61,874.98. This does not include the \$241,901.46 that the County has been notified about. The County is currently deducting \$1,066.81 per month from the monthly sales tax allocation through December 2019.

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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
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2015

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>	\$ 9,395,922	\$ 9,395,922	\$ 9,672,860	\$ 276,938
<i>General Sales and Use Taxes</i>	3,828,845	3,828,845	2,843,041	(985,804)
License and Permits	98,000	98,000	46,250	(51,750)
Intergovernmental	202,035	169,760	393,209	223,449
Charges for Services	18,000	15,800	70,802	55,002
Fines and Forfeitures	278,000	278,000	321,045	43,045
Fees of Office	736,175	712,650	1,026,280	313,630
Investment Earnings	35,000	35,000	42,343	7,343
Miscellaneous Revenues	182,500	182,500	342,436	159,936
Total revenues	<u>14,774,477</u>	<u>14,716,477</u>	<u>14,758,266</u>	<u>41,789</u>
EXPENDITURES:				
General Government				
County Judge				
<i>Personal Services</i>	268,693	268,693	266,832	1,861
<i>Supplies</i>	24,600	21,166	11,778	9,388
<i>Other Services and Charges</i>	15,400	20,000	10,060	9,940
<i>Capital Outlay</i>	3,900	3,900	--	3,900
Total County Judge	<u>312,593</u>	<u>313,759</u>	<u>288,670</u>	<u>25,089</u>
County Clerk				
<i>Personal Services</i>	458,023	458,023	411,833	46,190
<i>Supplies</i>	12,420	12,420	14,615	(2,195)
<i>Other Services and Charges</i>	65,169	65,169	63,000	2,169
<i>Capital Outlay</i>	3,641	3,641	--	3,641
Total County Clerk	<u>539,253</u>	<u>539,253</u>	<u>489,448</u>	<u>49,805</u>
Veterans Service				
<i>Personal Services</i>	88,053	88,053	78,527	9,526
<i>Supplies</i>	1,500	1,500	1,396	104
<i>Other Services and Charges</i>	34,367	34,367	34,029	338
<i>Capital Outlay</i>	900	900	--	900
Total Veterans Service	<u>124,820</u>	<u>124,820</u>	<u>113,952</u>	<u>10,868</u>
County Auditor				
<i>Personal Services</i>	475,794	475,776	442,752	33,024
<i>Supplies</i>	12,000	12,000	12,912	(912)
<i>Other Services and Charges</i>	48,200	48,200	33,741	14,459
<i>Capital Outlay</i>	12,000	12,000	--	12,000
Total County Auditor	<u>547,994</u>	<u>547,976</u>	<u>489,405</u>	<u>58,571</u>
County Treasurer				
<i>Personal Services</i>	175,056	175,056	178,402	(3,346)
<i>Supplies</i>	1,400	1,400	1,091	309
<i>Other Services and Charges</i>	5,163	5,163	3,951	1,212
<i>Capital Outlay</i>	700	700	--	700
Total County Treasurer	<u>182,319</u>	<u>182,319</u>	<u>183,444</u>	<u>(1,125)</u>
Tax Assessor-Collector				
<i>Personal Services</i>	514,252	514,252	500,821	13,431
<i>Supplies</i>	4,800	4,800	4,464	336
<i>Other Services and Charges</i>	358,049	358,049	293,572	64,477
<i>Capital Outlay</i>	1,500	1,500	--	1,500
Total Tax Assessor-Collector	<u>878,601</u>	<u>878,601</u>	<u>798,857</u>	<u>79,744</u>

JIM WELLS COUNTY, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2015

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>	168,295	168,295	219,985	(51,690)
<i>Supplies</i>	45,500	45,500	63,220	(17,720)
<i>Other Services and Charges</i>	776,200	776,200	574,232	201,968
<i>Capital Outlay</i>	234,800	234,800	42,839	191,961
<i>Total County Courthouse and Annex</i>	<u>1,224,795</u>	<u>1,224,795</u>	<u>900,276</u>	<u>324,519</u>
County Airport				
<i>Other Services and Charges</i>	200,000	200,000	9,163	190,837
<i>Total County Airport</i>	<u>200,000</u>	<u>200,000</u>	<u>9,163</u>	<u>190,837</u>
Elections				
<i>Personal Services</i>	240,074	240,074	232,711	7,363
<i>Supplies</i>	17,900	17,900	2,172	15,728
<i>Other Services and Charges</i>	39,965	39,965	34,487	5,478
<i>Total Elections</i>	<u>297,939</u>	<u>297,939</u>	<u>269,370</u>	<u>28,569</u>
Non-Departmental				
<i>Personal Services</i>	17,310	17,310	85,080	(67,770)
<i>Supplies</i>	16,564	16,564	63,556	(46,992)
<i>Other Services and Charges</i>	463,573	463,573	223,471	240,102
<i>Total Non-Departmental</i>	<u>497,447</u>	<u>497,447</u>	<u>372,107</u>	<u>125,340</u>
Total General Government	<u>4,805,761</u>	<u>4,806,909</u>	<u>3,914,692</u>	<u>892,217</u>
Judicial				
County court				
<i>Personal Services</i>	496,623	507,623	450,750	56,873
<i>Supplies</i>	5,000	5,500	5,953	(453)
<i>Other Services and Charges</i>	183,100	245,400	300,602	(55,202)
<i>Capital Outlay</i>	11,000	11,000	--	11,000
<i>Total County Court</i>	<u>695,723</u>	<u>769,523</u>	<u>757,305</u>	<u>12,218</u>
District Court				
<i>Personal Services</i>	501,396	501,396	457,855	43,541
<i>Supplies</i>	5,000	5,000	6,574	(1,574)
<i>Other Services and Charges</i>	257,654	257,654	171,285	86,369
<i>Capital Outlay</i>	45,100	45,100	--	45,100
<i>Total District Court</i>	<u>809,150</u>	<u>809,150</u>	<u>635,714</u>	<u>173,436</u>
District Clerk				
<i>Personal Services</i>	536,396	536,396	544,581	(8,185)
<i>Supplies</i>	16,000	16,000	19,493	(3,493)
<i>Other Services and Charges</i>	69,800	69,800	73,357	(3,557)
<i>Capital Outlay</i>	13,000	13,000	--	13,000
<i>Total District Clerk</i>	<u>635,196</u>	<u>635,196</u>	<u>637,431</u>	<u>(2,235)</u>
Justice of the Peace				
<i>Personal Services</i>	770,134	770,134	769,888	246
<i>Supplies</i>	12,159	12,159	10,762	1,397
<i>Other Services and Charges</i>	114,033	114,033	120,643	(6,610)
<i>Capital Outlay</i>	1,100	1,100	--	1,100
<i>Total Justice of the Peace</i>	<u>897,426</u>	<u>897,426</u>	<u>901,293</u>	<u>(3,867)</u>
County Attorney				
<i>Personal Services</i>	691,190	691,190	698,129	(6,939)
<i>Supplies</i>	6,400	6,400	7,415	(1,015)
<i>Other Services and Charges</i>	19,000	19,000	15,251	3,749
<i>Capital Outlay</i>	4,600	4,600	--	4,600
<i>Total County Attorney</i>	<u>721,190</u>	<u>721,190</u>	<u>720,795</u>	<u>395</u>

JIM WELLS COUNTY, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT B-1
Page 3 of 4

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
District Attorney				
<i>Personal Services</i>	882,081	882,081	963,225	(81,144)
<i>Supplies</i>	10,000	10,000	6,889	3,111
<i>Other Services and Charges</i>	52,100	52,100	49,811	2,289
<i>Capital Outlay</i>	5,500	5,500	--	5,500
<i>Total District Attorney</i>	949,681	949,681	1,019,925	(70,244)
Total Judicial	4,708,366	4,782,166	4,672,463	109,703
Public Safety				
Ambulance				
<i>Other Services and Charges</i>	208,000	208,000	198,000	10,000
<i>Total Ambulance</i>	208,000	208,000	198,000	10,000
Fire Protection				
<i>Other Services and Charges</i>	157,219	157,219	38,536	118,683
<i>Total Fire Protection</i>	157,219	157,219	38,536	118,683
Constable				
<i>Personal Services</i>	587,354	587,354	573,629	13,725
<i>Supplies</i>	25,618	25,618	18,587	7,031
<i>Other Services and Charges</i>	24,435	24,435	32,537	(8,102)
<i>Capital Outlay</i>	7,604	7,604	--	7,604
<i>Total Constable</i>	645,011	645,011	624,753	20,258
Sheriff				
<i>Personal Services</i>	3,674,846	3,913,124	3,782,188	130,936
<i>Supplies</i>	393,768	393,768	384,388	9,380
<i>Other Services and Charges</i>	651,725	651,725	665,366	(13,641)
<i>Capital Outlay</i>	214,488	214,488	303,790	(89,302)
<i>Total Sheriff</i>	4,934,827	5,173,105	5,135,732	37,373
Juvenile Corrections Board				
<i>Personal Services</i>	65,815	65,815	65,190	625
<i>Supplies</i>	24,670	24,670	22,343	2,327
<i>Other Services and Charges</i>	300,500	300,500	352,712	(52,212)
<i>Capital Outlay</i>	5,381	5,381	--	5,381
<i>Total Juvenile Corrections Board</i>	396,366	396,366	440,245	(43,879)
Emergency Management				
<i>Supplies</i>	--	--	1,168	(1,168)
<i>Other Services and Charges</i>	65,000	65,000	6,109	58,891
<i>Total Emergency Management</i>	65,000	65,000	7,277	57,723
Safety Department				
<i>Personal Services</i>	208,648	208,648	157,466	51,182
<i>Supplies</i>	12,000	12,000	4,115	7,885
<i>Other Services and Charges</i>	24,620	24,620	16,232	8,388
<i>Capital Outlay</i>	2,000	2,000	--	2,000
<i>Total Safety Department</i>	247,268	247,268	177,813	69,455
Vector Control				
<i>Supplies</i>	2,462	2,462	2,039	423
<i>Other Services and Charges</i>	3,500	3,500	1,371	2,129
<i>Capital Outlay</i>	4,038	4,038	--	4,038
<i>Total Vector Control</i>	10,000	10,000	3,410	6,590
Adult Probation				
<i>Personal Services</i>	65,078	65,078	--	65,078
<i>Supplies</i>	9,400	9,400	--	9,400
<i>Other Services and Charges</i>	3,650	3,650	42,546	(38,896)
<i>Capital Outlay</i>	2,000	2,000	--	2,000
<i>Total Adult Probation</i>	80,128	80,128	42,546	37,582
Total Public Safety	6,819,495	7,057,773	6,735,927	321,846

JIM WELLS COUNTY, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2015

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>	91,299	91,299	87,261	4,038
<i>Supplies</i>	1,900	1,900	264	1,636
<i>Other Services and Charges</i>	173,096	173,096	29,100	143,996
<i>Capital Outlay</i>	1,500	1,500	--	1,500
<i>Total Health and Welfare</i>	<u>267,795</u>	<u>267,795</u>	<u>116,625</u>	<u>151,170</u>
Culture and Recreation				
<i>Jim Wells County Library</i>				
<i>Other Services and Charges</i>	50,000	50,000	50,000	--
<i>Total Jim Wells County Library</i>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>--</u>
Parks Department				
<i>Other Services and Charges</i>	24,600	24,600	13,771	10,829
<i>Total Parks Department</i>	<u>24,600</u>	<u>24,600</u>	<u>13,771</u>	<u>10,829</u>
<i>Total Culture and Recreation</i>	<u>74,600</u>	<u>74,600</u>	<u>63,771</u>	<u>10,829</u>
Conservation				
<i>Agriculture Extension Service</i>				
<i>Personal Services</i>	197,739	197,739	192,374	5,365
<i>Supplies</i>	3,665	3,665	3,345	320
<i>Other Services and Charges</i>	66,184	66,184	143,140	(76,956)
<i>Capital Outlay</i>	8,851	8,851	--	8,851
<i>Total Agriculture Extension Service</i>	<u>276,439</u>	<u>276,439</u>	<u>338,859</u>	<u>(62,420)</u>
Economic Development and Assistance				
<i>Personal Services</i>	104,616	104,616	103,522	1,094
<i>Supplies</i>	3,500	3,500	--	3,500
<i>Other Services and Charges</i>	164,500	164,500	62,638	101,862
<i>Capital Outlay</i>	51,000	51,000	--	51,000
<i>Total Economic Development and Assistance</i>	<u>323,616</u>	<u>323,616</u>	<u>166,160</u>	<u>157,456</u>
Debt Service:				
<i>Principal</i>	12,500	12,500	53,309	(40,809)
<i>Interest and Fiscal Charges</i>	--	--	3,227	(3,227)
<i>Total Debt Service</i>	<u>12,500</u>	<u>12,500</u>	<u>56,536</u>	<u>(44,036)</u>
Total Expenditures	<u>17,288,572</u>	<u>17,601,798</u>	<u>16,065,033</u>	<u>1,536,765</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,514,095)</u>	<u>(2,885,321)</u>	<u>(1,306,767)</u>	<u>1,578,554</u>
OTHER FINANCING SOURCES (USES):				
<i>Transfers In</i>	--	--	57,895	57,895
<i>Transfers Out</i>	(1,318,459)	(1,318,459)	(179,000)	(1,139,459)
<i>Capital Leases</i>	--	--	190,020	(190,020)
<i>Total Other Financing Sources (Uses)</i>	<u>(1,318,459)</u>	<u>(1,318,459)</u>	<u>68,915</u>	<u>(1,387,374)</u>
Net Change in Fund Balances	<u>(3,832,554)</u>	<u>(4,203,780)</u>	<u>(1,237,852)</u>	<u>2,965,928</u>
Fund Balances - Beginning	6,291,501	6,291,501	6,291,501	--
Fund Balances - Ending	<u>\$ 2,458,947</u>	<u>\$ 2,087,721</u>	<u>\$ 5,053,649</u>	<u>\$ 2,965,928</u>

JIM WELLS COUNTY, TEXAS
 SCHEDULE OF CHANGES IN THE COUNTY'S
 NET POSITION LIABILITY AND RELATED RATIOS
 FOR THE YEAR ENDED SEPTEMBER 30, 2015

	2014
Total Pension Liability:	
Service cost	\$ 1,292,660
interest	2,907,143
Changes of benefit terms	..
Difference between expected	
and actual experience	(67,749)
Benefit payments, including refunds	
of employee contributions	(1,471,906)
Net change in total pension liability	2,660,148
Total pension liability -beginning	35,978,529
Total pension liability-ending (a)	\$ 38,638,677
Plan Fiduciary Net Position	
Contributions - employer	\$ 1,142,342
Contributions - employee	591,887
Net investment income	2,287,706
Benefit payments, including refunds	
of employee contributions	(1,471,906)
Administrative expense	(26,972)
Other	(32,749)
Net Change in plan fiduciary	
net position	2,490,308
Plan fiduciary net position	
-beginning	33,746,713
Plan fiduciary net position	
-ending (b)	\$ 36,237,021
County's net position	
liability - ending (a) - (b)	\$ 2,401,656
as a percentage of the	
total pension liability	93.78%
Covered employee payroll	
County's net position	\$ 9,864,786
liability as a percentage of	
covered-employee payroll	24.35%

Notes to Schedule:

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information only for those years for which information is available.

JIM WELLS COUNTY, TEXAS
SCHEDULE OF COUNTY CONTRIBUTIONS

FOR THE YEAR ENDED SEPTEMBER 30, 2015

	2015	2014
Actuarially determined contribution	\$ 1,110,494	\$ 1,142,342
Contributions in relation to the actuarially required contribution	(1,110,494)	(1,142,342)
Contribution deficiency (excess)	\$ --	\$ --
Covered employee payroll	\$ 11,140,898	\$ 9,864,786
Contributions as a percentage of covered-employee payroll	9.97%	11.58%

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information for these years for which information is available.

JIM WELLS COUNTY, TEXAS
NOTES TO SCHEDULE OF CONTRIBUTIONS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2015

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	13.4
Asset valuation method	5-year smoothed value, fund value
Inflation	3.0%
Salary increases	3.5%
Investment rate of return	8.1%
Retirement age	Members can retire at ages 60 and above with 8 or more years of service or with 30 years regardless of age, or when the sum of their age and years of service equals 75 or more. A member is vested after 8 years but must leave his accumulated contributions in the plan to receive any employer-financed benefit.

Mortality The RP2000 Active Employee Mortality Table for males with a two-year set-forward and four-year setback for females with the projection scale AA.

Other Information: There were no benefit changes during the year.

[The basis of budgeting in the Budgetary Comparison Schedules included in the Required Supplementary Information is the same as Accounting Principles Generally Accepted in the United States of America (GAAP).

JIM WELLS COUNTY, TEXAS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2015

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.

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*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.

JIM WELLS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2015

	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>	\$ 5,288,404	\$ 81,257	\$ 1,201,213	\$ 6,570,874
<i>Taxes Receivables (net of allowances for uncollectibles):</i>	2,333,980	--	--	2,333,980
<i>Sales Taxes Receivable</i>	38,748	--	--	38,748
<i>Intergovernmental Receivable</i>	318,497	--	--	318,497
Total Assets	<u>\$ 7,979,629</u>	<u>\$ 81,257</u>	<u>\$ 1,201,213</u>	<u>\$ 9,262,099</u>
LIABILITIES AND FUND BALANCES:				
Liabilities:				
<i>Accounts Payable</i>	\$ 342,823	\$ --	\$ --	\$ 342,823
<i>Salaries Payable</i>	67,224	--	--	67,224
Total Liabilities	<u>410,047</u>	<u>--</u>	<u>--</u>	<u>410,047</u>
DEFERRED INFLOWS OF RESOURCES:				
<i>Unavailable Revenue Property Taxes</i>	2,333,979	--	--	2,333,979
Total Deferred Inflows of Resources	<u>2,333,979</u>	<u>--</u>	<u>--</u>	<u>2,333,979</u>
Fund Balances:				
Restricted Fund Balances:				
Federal or State Funds Grant Restriction	5,252,533	--	--	5,252,533
Retirement of Long-Term Debt	--	81,257	--	81,257
Capital Project Funds	--	--	1,201,213	1,201,213
Unassigned	(16,930)	--	--	(16,930)
Total Fund Balance	<u>5,235,603</u>	<u>81,257</u>	<u>1,201,213</u>	<u>6,518,073</u>
Total Liabilities and Fund Balance	<u>\$ 7,979,629</u>	<u>\$ 81,257</u>	<u>\$ 1,201,213</u>	<u>\$ 9,262,099</u>

JIM WELLS COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Total Nonmajor Governmental Funds (See Exhibit A-5)
Revenue:				
Taxes:				
<i>General Property Taxes</i>	\$ 2,583,518	\$ 253,368	\$ --	\$ 2,836,886
<i>General Sales and Use Taxes</i>	710,761	--	--	710,761
<i>License and Permits</i>	303,439	--	--	303,439
<i>Intergovernmental</i>	2,544,121	--	1,273	2,545,394
<i>Charges for Services</i>	382,984	--	--	382,984
<i>Fines and Forfeitures</i>	1,425,510	--	--	1,425,510
<i>Fees of Office</i>	729,896	--	--	729,896
<i>Investment Earnings</i>	21,758	609	--	22,367
<i>Miscellaneous Revenues</i>	155,470	--	3,548	159,018
Total revenues	<u>8,857,457</u>	<u>253,977</u>	<u>4,821</u>	<u>9,116,255</u>
Expenditures:				
Current:				
<i>Judicial</i>	55,589	--	--	55,589
<i>Public Safety</i>	2,636,834	--	--	2,636,834
<i>Public Transportation</i>	3,822,173	--	--	3,822,173
<i>Health and Welfare</i>	1,204,714	--	--	1,204,714
Debt Service:				
<i>Principal</i>	31,750	180,000	--	211,750
<i>Interest and Fiscal Charges</i>	3,802	72,375	--	76,177
Total Expenditures	<u>7,754,862</u>	<u>252,375</u>	<u>--</u>	<u>8,007,237</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,102,595</u>	<u>1,602</u>	<u>4,821</u>	<u>1,109,018</u>
Other Financing Sources (Uses):				
<i>Transfers In</i>	227,100	--	--	227,100
<i>Transfers Out</i>	(105,995)	--	--	(105,995)
Total Other Financing Sources (Uses)	<u>121,105</u>	<u>--</u>	<u>--</u>	<u>121,105</u>
Net Change in Fund Balances	1,223,700	1,602	4,821	1,230,123
Fund Balances - Beginning	4,011,903	79,655	1,196,392	5,287,950
Fund Balances - Ending	<u>\$ 5,235,603</u>	<u>\$ 81,257</u>	<u>\$ 1,201,213</u>	<u>\$ 6,518,073</u>

JIM WELLS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2015

	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>	\$ --	\$ --	\$ (2,861)	\$ 999,188
<i>Taxes Receivables (net of allowances for uncollectibles):</i>	--	--	511,118	344,415
<i>Sales Taxes Receivable</i>	--	--	7,478	5,789
<i>Intergovernmental Receivable</i>	--	--	--	--
Total Assets	<u><u>\$ --</u></u>	<u><u>\$ --</u></u>	<u><u>\$ 515,735</u></u>	<u><u>\$ 1,349,392</u></u>
LIABILITIES AND FUND BALANCES:				
Liabilities:				
<i>Accounts Payable</i>	\$ --	\$ --	\$ 7,768	\$ --
<i>Salaries Payable</i>	--	--	12,411	2,728
Total Liabilities	<u>--</u>	<u>--</u>	<u>20,179</u>	<u>2,728</u>
DEFERRED INFLOWS OF RESOURCES:				
<i>Unavailable Revenue Property Taxes</i>	--	--	511,117	344,415
Total Deferred Inflows of Resources	<u>--</u>	<u>--</u>	<u>511,117</u>	<u>344,415</u>
Fund Balances:				
Restricted Fund Balances:				
Federal or State Funds Grant Restriction	--	--	--	1,002,249
Unassigned	--	--	(15,561)	--
Total Fund Balance	<u>--</u>	<u>--</u>	<u>(15,561)</u>	<u>1,002,249</u>
Total Liabilities and Fund Balance	<u><u>\$ --</u></u>	<u><u>\$ --</u></u>	<u><u>\$ 515,735</u></u>	<u><u>\$ 1,349,392</u></u>

Road & Bridge No. 23 Fund	Road & Bridge No. 24 Fund	Indigent Health Care Fund	Sheriff Impound Fees	Small Dams No. 32 Fund
\$ 866,414	\$ 704,815	\$ 22,971	\$ 59,275	\$ 106,376
707,270	771,177	--	--	--
12,651	12,830	--	--	--
--	--	--	--	--
<u>\$ 1,586,335</u>	<u>\$ 1,488,822</u>	<u>\$ 22,971</u>	<u>\$ 59,275</u>	<u>\$ 106,376</u>
\$ 5,405	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
<u>5,405</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
707,270	771,177	--	--	--
<u>707,270</u>	<u>771,177</u>	<u>--</u>	<u>--</u>	<u>--</u>
873,660	717,645	22,971	59,275	106,376
<u>873,660</u>	<u>717,645</u>	<u>22,971</u>	<u>59,275</u>	<u>106,376</u>
<u>\$ 1,586,335</u>	<u>\$ 1,488,822</u>	<u>\$ 22,971</u>	<u>\$ 59,275</u>	<u>\$ 106,376</u>

JIM WELLS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2015

	<u>DA State Grant Fund</u>	<u>CSCD Specialized Caseload (SO)</u>	<u>Jail Commissary Fund</u>	<u>CSCD Specialized Caseload (SO)</u>
ASSETS				
Assets:				
<i>Cash and Cash Equivalents</i>	\$ --	\$ --	\$ 20,258	\$ 10,262
<i>Taxes Receivables (net of allowances for uncollectibles):</i>	--	--	--	--
<i>Sales Taxes Receivable</i>	--	--	--	--
<i>Intergovernmental Receivable</i>	--	--	--	--
Total Assets	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 20,258</u>	<u>\$ 10,262</u>
LIABILITIES AND FUND BALANCES:				
Liabilities:				
<i>Accounts Payable</i>	\$ --	\$ --	\$ --	\$ --
<i>Salaries Payable</i>	--	--	--	1,435
Total Liabilities	<u>--</u>	<u>--</u>	<u>--</u>	<u>1,435</u>
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:				
Restricted Fund Balances:				
Federal or State Funds Grant Restriction	--	--	20,258	8,827
Unassigned	--	--	--	--
Total Fund Balance	<u>--</u>	<u>--</u>	<u>20,258</u>	<u>8,827</u>
Total Liabilities and Fund Balance	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 20,258</u>	<u>\$ 10,262</u>

<u>DA State Grant Fund</u>	<u>Pre-Trial Bond Supervision</u>	<u>CSCD After Care Caseload</u>	<u>County Attorney Check Collection</u>	<u>Juvenile Probation Fund</u>
\$ 136,252	\$ 114,125	\$ 20,661	\$ 4,124	\$ 9,071
--	--	--	--	--
--	--	--	--	--
<u>\$ 136,252</u>	<u>\$ 114,125</u>	<u>\$ 20,661</u>	<u>\$ 4,124</u>	<u>\$ 9,071</u>
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	1,768	--	--
--	--	<u>1,768</u>	--	--
--	--	--	--	--
--	--	--	--	--
136,252	114,125	18,893	4,124	9,071
<u>136,252</u>	<u>114,125</u>	<u>18,893</u>	<u>4,124</u>	<u>9,071</u>
<u>\$ 136,252</u>	<u>\$ 114,125</u>	<u>\$ 20,661</u>	<u>\$ 4,124</u>	<u>\$ 9,071</u>

JIM WELLS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2015

	<u>Adult Probation Fund</u>	<u>State Juvenile Probation Fund</u>	<u>Colonia Grant Fund</u>	<u>Home Program Fund</u>
ASSETS				
Assets:				
<i>Cash and Cash Equivalents</i>	\$ 202,799	\$ 101,231	\$ --	\$ 127
<i>Taxes Receivables (net of allowances for uncollectibles):</i>	--	--	--	--
<i>Sales Taxes Receivable</i>	--	--	--	--
<i>Intergovernmental Receivable</i>	--	--	--	--
Total Assets	<u>\$ 202,799</u>	<u>\$ 101,231</u>	<u>\$ --</u>	<u>\$ 127</u>
LIABILITIES AND FUND BALANCES:				
Liabilities:				
<i>Accounts Payable</i>	\$ --	\$ --	\$ --	\$ --
<i>Salaries Payable</i>	24,295	13,666	--	--
Total Liabilities	<u>24,295</u>	<u>13,666</u>	<u>--</u>	<u>--</u>
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:				
Restricted Fund Balances:				
Federal or State Funds Grant Restriction	178,504	87,565	--	127
Unassigned	<u>178,504</u>	<u>87,565</u>	<u>--</u>	<u>127</u>
Total Fund Balance	<u>178,504</u>	<u>87,565</u>	<u>--</u>	<u>127</u>
Total Liabilities and Fund Balance	<u>\$ 202,799</u>	<u>\$ 101,231</u>	<u>\$ --</u>	<u>\$ 127</u>

<u>Law Library Fund</u>	<u>Disaster Relief Fund</u>	<u>Drug Abuse and Rehabilitation Fund</u>	<u>County Attorney Crime Prevention Fund</u>	<u>79th Judicial District Attorney Forfeiture Fund</u>
\$ 21,841	\$ --	\$ 51,150	\$ 93	\$ 540,864
--	--	--	--	--
--	--	--	--	--
--	318,497	--	--	--
<u>\$ 21,841</u>	<u>\$ 318,497</u>	<u>\$ 51,150</u>	<u>\$ 93</u>	<u>\$ 540,864</u>
\$ --	\$ 318,497	\$ --	\$ --	\$ --
--	--	--	1,462	6,271
<u>--</u>	<u>318,497</u>	<u>--</u>	<u>1,462</u>	<u>6,271</u>
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
21,841	--	51,150	--	534,593
<u>21,841</u>	<u>--</u>	<u>51,150</u>	<u>(1,369)</u>	<u>534,593</u>
<u>\$ 21,841</u>	<u>\$ 318,497</u>	<u>\$ 51,150</u>	<u>\$ 93</u>	<u>\$ 540,864</u>

JIM WELLS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2015

	Sheriff Drug Forfeiture Fund	Community Corrections Fund	Constable Prct 5 Drug Forfeiture Fund
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Assets:			
<i>Cash and Cash Equivalents</i>	\$ 735,112	\$ 23,647	\$ 49,383
<i>Taxes Receivables (net of allowances for uncollectibles):</i>	--	--	--
<i>Sales Taxes Receivable</i>	--	--	--
<i>Intergovernmental Receivable</i>	--	--	--
Total Assets	<u>\$ 735,112</u>	<u>\$ 23,647</u>	<u>\$ 49,383</u>
LIABILITIES AND FUND BALANCES:			
Liabilities:			
<i>Accounts Payable</i>	\$ 11,153	\$ --	\$ --
<i>Salaries Payable</i>	--	3,188	--
Total Liabilities	<u>11,153</u>	<u>3,188</u>	<u>--</u>
DEFERRED INFLOWS OF RESOURCES:			
<i>Unavailable Revenue Property Taxes</i>	--	--	--
Total Deferred Inflows of Resources	<u>--</u>	<u>--</u>	<u>--</u>
Fund Balances:			
Restricted Fund Balances:			
Federal or State Funds Grant Restriction	723,959	20,459	49,383
Unassigned			
Total Fund Balance	<u>723,959</u>	<u>20,459</u>	<u>49,383</u>
Total Liabilities and Fund Balance	<u>\$ 735,112</u>	<u>\$ 23,647</u>	<u>\$ 49,383</u>

	Juvenile Law Enforcement Officer Fund	JP Technology Fund	County and District Court Technology Fund	Records Preservation Fund	Total Nonmajor Special Revenue Funds (See Exhibit C-1)
	\$ --	\$ 5,063	\$ 2,641	\$ 483,522	\$ 5,288,404
	--	--	--	--	2,333,980
	--	--	--	--	38,748
	--	--	--	--	318,497
	<u>\$ --</u>	<u>\$ 5,063</u>	<u>\$ 2,641</u>	<u>\$ 483,522</u>	<u>\$ 7,979,629</u>
	\$ --	\$ --	\$ --	\$ --	\$ 342,823
	--	--	--	--	67,224
	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>410,047</u>
	--	--	--	--	2,333,979
	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>2,333,979</u>
	--	5,063	2,641	483,522	5,252,533
	<u>--</u>	<u>5,063</u>	<u>2,641</u>	<u>483,522</u>	<u>(16,930)</u>
	<u>\$ --</u>	<u>\$ 5,063</u>	<u>\$ 2,641</u>	<u>\$ 483,522</u>	<u>\$ 7,979,629</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, 2015

	Public Transportation Planning Fund	Job Access & Reverse Commute Fund	Road & Bridge No. 21 Fund	Road & Bridge No. 22 Fund
Revenue:				
Taxes:				
<i>General Property Taxes</i>	\$ --	\$ --	\$ 521,804	\$ 426,516
<i>General Sales and Use Taxes</i>	--	--	137,177	106,188
<i>License and Permits</i>	--	--	79,282	46,848
<i>Intergovernmental</i>	--	--	31,539	24,414
<i>Charges for Services</i>	--	--	--	--
<i>Fines and Forfeitures</i>	--	--	1,076	636
<i>Fees of Office</i>	--	--	98,485	58,196
<i>Investment Earnings</i>	202	34	889	4,415
<i>Miscellaneous Revenues</i>	--	--	--	--
Total revenues	<u>202</u>	<u>34</u>	<u>870,252</u>	<u>667,213</u>
Expenditures:				
Current:				
<i>Judicial</i>	--	--	--	--
<i>Public Safety</i>	--	--	--	--
<i>Public Transportation</i>	5,379	--	889,627	487,503
<i>Health and Welfare</i>	--	--	--	--
Debt Service:				
<i>Principal</i>	--	--	31,750	--
<i>Interest and Fiscal Charges</i>	--	--	3,802	--
Total Expenditures	<u>5,379</u>	<u>--</u>	<u>925,179</u>	<u>487,503</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(5,177)</u>	<u>34</u>	<u>(54,927)</u>	<u>179,710</u>
Other Financing Sources (Uses):				
<i>Transfers In</i>	--	--	--	--
<i>Transfers Out</i>	(49,384)	(8,511)	(7,301)	(4,314)
Total Other Financing Sources (Uses)	<u>(49,384)</u>	<u>(8,511)</u>	<u>(7,301)</u>	<u>(4,314)</u>
Net Change in Fund Balances	(54,561)	(8,477)	(62,228)	175,396
Fund Balances - Beginning	54,561	8,477	46,667	826,853
Fund Balances - Ending	<u>\$ --</u>	<u>\$ --</u>	<u>\$ (15,561)</u>	<u>\$ 1,002,249</u>

Road & Bridge No. 23 Fund	Road & Bridge No. 24 Fund	Indigent Health Care Fund	Sheriff Impound Fees	Small Dams No. 32 Fund
\$ 811,572	\$ 823,626	\$ --	\$ --	\$ --
232,063	235,333	--	--	--
99,835	77,474	--	--	--
53,354	54,106	--	--	--
--	--	--	20,871	--
1,565	1,613	--	--	--
183,443	189,175	--	--	--
4,589	3,880	--	206	447
15,705	3,008	24,020	21	36
<u>1,402,126</u>	<u>1,388,215</u>	<u>24,020</u>	<u>21,098</u>	<u>483</u>
--	--	--	--	--
--	--	--	14,223	--
1,280,081	1,138,690	--	--	20,893
--	--	105,721	--	--
--	--	--	--	--
<u>1,280,081</u>	<u>1,138,690</u>	<u>105,721</u>	<u>14,223</u>	<u>20,893</u>
<u>122,045</u>	<u>249,525</u>	<u>(81,701)</u>	<u>6,875</u>	<u>(20,410)</u>
--	--	104,000	--	33,185
(10,619)	(10,951)	--	--	--
<u>(10,619)</u>	<u>(10,951)</u>	<u>104,000</u>	<u>--</u>	<u>33,185</u>
111,426	238,574	22,299	6,875	12,775
762,234	479,071	672	52,400	93,601
<u>\$ 873,660</u>	<u>\$ 717,645</u>	<u>\$ 22,971</u>	<u>\$ 59,275</u>	<u>\$ 106,376</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, 2015

	Jail Commissary Fund	CSCD Specialized Caseload (SO)	DA State Grant Fund	Pre-Trial Bond Supervision
Revenue:				
Taxes:				
General Property Taxes	\$ --	\$ --	\$ --	\$ --
General Sales and Use Taxes	--	--	--	--
License and Permits	--	--	--	--
Intergovernmental	45,586	47,435	108,661	65,463
Charges for Services	--	--	--	--
Fines and Forfeitures	--	--	--	--
Fees of Office	--	--	--	--
Investment Earnings	--	--	318	(31)
Miscellaneous Revenues	--	--	--	--
Total revenues	<u>45,586</u>	<u>47,435</u>	<u>108,979</u>	<u>65,432</u>
Expenditures:				
Current:				
Judicial	--	--	--	--
Public Safety	42,197	53,719	--	70,779
Public Transportation	--	--	--	--
Health and Welfare	--	--	--	--
Debt Service:				
Principal	--	--	--	--
Interest and Fiscal Charges	--	--	--	--
Total Expenditures	<u>42,197</u>	<u>53,719</u>	<u>--</u>	<u>70,779</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>3,389</u>	<u>(6,284)</u>	<u>108,979</u>	<u>(5,347)</u>
Other Financing Sources (Uses):				
Transfers In	--	2,915	--	--
Transfers Out	--	--	--	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>2,915</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	3,389	(3,369)	108,979	(5,347)
Fund Balances - Beginning	16,869	12,196	27,273	119,472
Fund Balances - Ending	<u>\$ 20,258</u>	<u>\$ 8,827</u>	<u>\$ 136,252</u>	<u>\$ 114,125</u>

CSCD After Care Caseload	County Attorney Check Collection	Juvenile Probation Fund	Adult Probation Fund	State Juvenile Probation Fund
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
--	--	--	--	--
45,697	--	--	220,718	562,554
--	--	--	362,113	--
--	3,129	--	--	--
--	--	--	--	--
--	23	61	894	257
--	1	--	76,082	--
<u>45,697</u>	<u>3,153</u>	<u>61</u>	<u>659,807</u>	<u>562,811</u>
--	7,373	--	--	--
--	--	12,783	815,244	550,776
--	--	--	--	--
63,879	--	--	--	--
--	--	--	--	--
<u>63,879</u>	<u>7,373</u>	<u>12,783</u>	<u>815,244</u>	<u>550,776</u>
<u>(18,182)</u>	<u>(4,220)</u>	<u>(12,722)</u>	<u>(155,437)</u>	<u>12,035</u>
--	--	--	75,000	--
--	--	--	(2,915)	--
--	--	--	72,085	--
(18,182)	(4,220)	(12,722)	(83,352)	12,035
37,075	8,344	21,793	261,856	75,530
<u>\$ 18,893</u>	<u>\$ 4,124</u>	<u>\$ 9,071</u>	<u>\$ 178,504</u>	<u>\$ 87,565</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, 2015

	Colonia Grant Fund	Home Program Fund	Law Library Fund	Disaster Relief Fund
Revenue:				
Taxes:				
<i>General Property Taxes</i>	\$ --	\$ --	\$ --	\$ --
<i>General Sales and Use Taxes</i>	--	--	--	--
<i>License and Permits</i>	--	--	--	--
<i>Intergovernmental</i>	505,844	--	--	529,270
<i>Charges for Services</i>	--	--	--	--
<i>Fines and Forfeitures</i>	--	--	--	--
<i>Fees of Office</i>	--	--	36,192	--
<i>Investment Earnings</i>	--	--	70	--
<i>Miscellaneous Revenues</i>	--	--	--	--
Total revenues	<u>505,844</u>	<u>--</u>	<u>36,262</u>	<u>529,270</u>
Expenditures:				
Current:				
<i>Judicial</i>	--	--	37,673	--
<i>Public Safety</i>	--	--	--	--
<i>Public Transportation</i>	--	--	--	--
<i>Health and Welfare</i>	505,844	--	--	529,270
Debt Service:				
<i>Principal</i>	--	--	--	--
<i>Interest and Fiscal Charges</i>	--	--	--	--
Total Expenditures	<u>505,844</u>	<u>--</u>	<u>37,673</u>	<u>529,270</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>--</u>	<u>--</u>	<u>(1,411)</u>	<u>--</u>
Other Financing Sources (Uses):				
<i>Transfers In</i>	--	--	--	--
<i>Transfers Out</i>	--	--	--	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	<u>--</u>	<u>--</u>	<u>(1,411)</u>	<u>--</u>
Fund Balances - Beginning	--	127	23,252	--
Fund Balances - Ending	<u>\$ --</u>	<u>\$ 127</u>	<u>\$ 21,841</u>	<u>\$ --</u>

Drug Abuse and Rehabilitation Fund	County Attorney Crime Prevention Fund	79th Judicial District Attorney Forfeiture Fund	Sheriff Drug Forfeiture Fund	Community Corrections Fund
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
--	--	--	--	--
122,362	29,353	--	--	97,765
--	--	--	--	--
--	--	530,870	847,706	--
--	--	--	--	--
127	18	1,581	2,093	--
--	--	40	36,557	--
<u>122,489</u>	<u>29,371</u>	<u>532,491</u>	<u>886,356</u>	<u>97,765</u>
--	--	--	--	--
75,000	48,184	399,904	442,971	107,672
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>75,000</u>	<u>48,184</u>	<u>399,904</u>	<u>442,971</u>	<u>107,672</u>
<u>47,489</u>	<u>(18,813)</u>	<u>132,587</u>	<u>443,385</u>	<u>(9,907)</u>
--	12,000	--	--	--
--	--	(12,000)	--	--
--	<u>12,000</u>	<u>(12,000)</u>	--	--
47,489	(6,813)	120,587	443,385	(9,907)
3,661	5,444	414,006	280,574	30,366
<u>\$ 51,150</u>	<u>\$ (1,369)</u>	<u>\$ 534,593</u>	<u>\$ 723,959</u>	<u>\$ 20,459</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, 2015

	Constable Prct 5 Drug Forfeiture Fund	JP Technology Fund
Revenue:		
Taxes:		
<i>General Property Taxes</i>	\$ --	\$ --
<i>General Sales and Use Taxes</i>	--	--
<i>License and Permits</i>	--	--
<i>Intergovernmental</i>	--	--
<i>Charges for Services</i>	--	--
<i>Fines and Forfeitures</i>	38,915	--
<i>Fees of Office</i>	--	10,097
<i>Investment Earnings</i>	55	16
<i>Miscellaneous Revenues</i>	--	--
Total revenues	<u>38,970</u>	<u>10,113</u>
Expenditures:		
Current:		
<i>Judicial</i>	--	10,543
<i>Public Safety</i>	3,382	--
<i>Public Transportation</i>	--	--
<i>Health and Welfare</i>	--	--
Debt Service:		
<i>Principal</i>	--	--
<i>Interest and Fiscal Charges</i>	--	--
Total Expenditures	<u>3,382</u>	<u>10,543</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>35,588</u>	<u>(430)</u>
Other Financing Sources (Uses):		
<i>Transfers In</i>	--	--
<i>Transfers Out</i>	--	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>
Net Change in Fund Balances	35,588	(430)
Fund Balances - Beginning	13,795	5,493
Fund Balances - Ending	<u>\$ 49,383</u>	<u>\$ 5,063</u>

County and District Court Technology Fund	Records Preservation Fund	Total Nonmajor Special Revenue Funds (See Exhibit C-2)
\$ --	\$ --	\$ 2,583,518
--	--	710,761
--	--	303,439
--	--	2,544,121
--	--	382,984
--	--	1,425,510
540	153,768	729,896
10	1,604	21,758
--	--	155,470
<u>550</u>	<u>155,372</u>	<u>8,857,457</u>
--	--	55,589
--	--	2,636,834
--	--	3,822,173
--	--	1,204,714
--	--	31,750
--	--	3,802
<u>--</u>	<u>--</u>	<u>7,754,862</u>
<u>550</u>	<u>155,372</u>	<u>1,102,595</u>
--	--	227,100
<u>--</u>	<u>--</u>	<u>(105,995)</u>
<u>--</u>	<u>--</u>	<u>121,105</u>
550	155,372	1,223,700
2,091	328,150	4,011,903
<u>\$ 2,641</u>	<u>\$ 483,522</u>	<u>\$ 5,235,603</u>

JIM WELLS COUNTY, TEXAS
ROAD & BRIDGE NO. 21 FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT C-5

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE:				
Taxes:				
<i>General Property Taxes</i>	\$ 507,818	\$ 507,818	\$ 521,804	\$ 13,986
<i>General Sales and Use Taxes</i>	184,742	184,742	137,177	(47,565)
License and Permits	77,586	77,586	79,282	1,696
Intergovernmental	26,308	26,308	31,539	5,231
Fines and Forfeitures	929	929	1,076	147
Fees of Office	88,008	88,008	98,485	10,477
Investment Earnings	1,000	1,000	889	(111)
Miscellaneous Revenues	5,000	5,000	--	(5,000)
Total revenues	<u>891,391</u>	<u>891,391</u>	<u>870,252</u>	<u>(21,139)</u>
EXPENDITURES:				
Public Transportation				
<i>Personal Services</i>	622,464	622,464	632,806	(10,342)
<i>Supplies</i>	93,009	93,009	93,424	(415)
<i>Other Services and Charges</i>	189,141	189,141	163,397	25,744
Total Public Transportation	<u>904,614</u>	<u>904,614</u>	<u>889,627</u>	<u>14,987</u>
<i>Debt Service:</i>				
<i>Principal</i>	--	--	31,750	(31,750)
<i>Interest and Fiscal Charges</i>	--	--	3,802	(3,802)
Total Debt Service	<u>--</u>	<u>--</u>	<u>35,552</u>	<u>(35,552)</u>
Total Expenditures	<u>904,614</u>	<u>904,614</u>	<u>925,179</u>	<u>(20,565)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(13,223)</u>	<u>(13,223)</u>	<u>(54,927)</u>	<u>(41,704)</u>
OTHER FINANCING SOURCES (USES):				
<i>Transfers In</i>	25,000	25,000	--	(25,000)
<i>Transfers Out</i>	(7,301)	(7,301)	(7,301)	--
Total Other Financing Sources (Uses)	<u>17,699</u>	<u>17,699</u>	<u>(7,301)</u>	<u>25,000</u>
Net Change in Fund Balances	<u>4,476</u>	<u>4,476</u>	<u>(62,228)</u>	<u>(66,704)</u>
Fund Balances - Beginning	46,667	46,667	46,667	--
Fund Balances - Ending	<u>\$ 51,143</u>	<u>\$ 51,143</u>	<u>\$ (15,561)</u>	<u>\$ (66,704)</u>

JIM WELLS COUNTY, TEXAS
ROAD & BRIDGE NO. 22 FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT C-6

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE:				
Taxes:				
<i>General Property Taxes</i>	\$ 415,689	\$ 415,689	\$ 426,516	\$ 10,827
<i>General Sales and Use Taxes</i>	143,007	143,007	106,188	(36,819)
License and Permits	60,059	60,059	46,848	(13,211)
Intergovernmental	19,291	19,291	24,414	5,123
Fines and Forfeitures	719	719	636	(83)
Fees of Office	68,127	68,127	58,196	(9,931)
Investment Earnings	2,500	2,500	4,415	1,915
Total revenues	<u>709,392</u>	<u>709,392</u>	<u>667,213</u>	<u>(42,179)</u>
EXPENDITURES:				
Public Transportation				
<i>Personal Services</i>	431,497	431,497	409,586	21,911
<i>Supplies</i>	53,800	53,800	38,406	15,394
<i>Other Services and Charges</i>	46,300	46,300	30,511	15,789
<i>Capital Outlay</i>	771,500	771,500	9,000	762,500
<i>Total Public Transportation</i>	<u>1,303,097</u>	<u>1,303,097</u>	<u>487,503</u>	<u>815,594</u>
Total Expenditures	<u>1,303,097</u>	<u>1,303,097</u>	<u>487,503</u>	<u>815,594</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(593,705)</u>	<u>(593,705)</u>	<u>179,710</u>	<u>773,415</u>
OTHER FINANCING SOURCES (USES):				
<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>(4,314)</u>	<u>--</u>
Net Change in Fund Balances	(598,019)	(598,019)	175,396	773,415
Fund Balances - Beginning	826,853	826,853	826,853	--
Fund Balances - Ending	<u>\$ 228,834</u>	<u>\$ 228,834</u>	<u>\$ 1,002,249</u>	<u>\$ 773,415</u>

JIM WELLS COUNTY, TEXAS
ROAD & BRIDGE NO. 23 FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT C-7

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE:				
Taxes:				
<i>General Property Taxes</i>	\$ 789,908	\$ 789,908	\$ 811,572	\$ 21,664
<i>General Sales and Use Taxes</i>	312,529	312,529	232,063	(80,466)
License and Permits	131,253	151,253	99,835	(51,418)
Intergovernmental	43,115	43,115	53,354	10,239
Fines and Forfeitures	1,571	1,571	1,565	(6)
Fees of Office	168,885	148,885	183,443	34,558
Investment Earnings	2,500	2,500	4,589	2,089
Miscellaneous Revenues	--	--	15,705	15,705
Total revenues	<u>1,449,761</u>	<u>1,449,761</u>	<u>1,402,126</u>	<u>(47,635)</u>
EXPENDITURES:				
Public Transportation				
<i>Personal Services</i>	804,789	804,789	746,395	58,394
<i>Supplies</i>	188,598	188,598	174,223	14,375
<i>Other Services and Charges</i>	218,740	218,740	170,667	48,073
<i>Capital Outlay</i>	750,895	750,895	188,796	562,099
Total Public Transportation	<u>1,963,022</u>	<u>1,963,022</u>	<u>1,280,081</u>	<u>682,941</u>
Total Expenditures	<u>1,963,022</u>	<u>1,963,022</u>	<u>1,280,081</u>	<u>682,941</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(513,261)</u>	<u>(513,261)</u>	<u>122,045</u>	<u>635,306</u>
OTHER FINANCING SOURCES (USES):				
<i>Transfers Out</i>	<u>(10,619)</u>	<u>(10,619)</u>	<u>(10,619)</u>	<u>--</u>
Total Other Financing Sources (Uses)	<u>(10,619)</u>	<u>(10,619)</u>	<u>(10,619)</u>	<u>--</u>
Net Change in Fund Balances	<u>(523,880)</u>	<u>(523,880)</u>	<u>111,426</u>	<u>635,306</u>
Fund Balances - Beginning	<u>762,234</u>	<u>762,234</u>	<u>762,234</u>	<u>--</u>
Fund Balances - Ending	<u>\$ 238,354</u>	<u>\$ 238,354</u>	<u>\$ 873,660</u>	<u>\$ 635,306</u>

JIM WELLS COUNTY, TEXAS
ROAD & BRIDGE NO. 24 FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT C-8

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE:				
Taxes:				
<i>General Property Taxes</i>	\$ 799,629	\$ 799,629	\$ 823,626	\$ 23,997
<i>General Sales and Use Taxes</i>	316,933	316,933	235,333	(81,600)
License and Permits	133,102	133,102	77,474	(55,628)
Intergovernmental	43,775	43,775	54,106	10,331
Fines and Forfeitures	1,595	1,595	1,613	18
Fees of Office	150,982	150,982	189,175	38,193
Investment Earnings	3,000	3,000	3,880	880
Miscellaneous Revenues	--	--	3,008	3,008
Total revenues	<u>1,449,016</u>	<u>1,449,016</u>	<u>1,388,215</u>	<u>(60,801)</u>
EXPENDITURES:				
Public Transportation				
<i>Personal Services</i>	965,249	965,249	671,859	293,390
<i>Supplies</i>	190,150	190,150	146,484	43,666
<i>Other Services and Charges</i>	243,300	243,300	200,754	42,546
<i>Capital Outlay</i>	346,800	346,800	119,593	227,207
Total Public Transportation	<u>1,745,499</u>	<u>1,745,499</u>	<u>1,138,690</u>	<u>606,809</u>
Total Expenditures	<u>1,745,499</u>	<u>1,745,499</u>	<u>1,138,690</u>	<u>606,809</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(296,483)</u>	<u>(296,483)</u>	<u>249,525</u>	<u>546,008</u>
OTHER FINANCING SOURCES (USES):				
<i>Transfers Out</i>	(10,951)	--	(10,951)	10,951
Total Other Financing Sources (Uses)	<u>(10,951)</u>	<u>--</u>	<u>(10,951)</u>	<u>10,951</u>
Net Change in Fund Balances	(307,434)	(296,483)	238,574	535,057
Fund Balances - Beginning	479,071	479,071	479,071	--
Fund Balances - Ending	<u>\$ 171,637</u>	<u>\$ 182,588</u>	<u>\$ 717,645</u>	<u>\$ 535,057</u>

JIM WELLS COUNTY, TEXAS
 SMALL DAMS NO. 32 FUND
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT C-9

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE:				
Investment Earnings	\$ 200	\$ 200	\$ 447	\$ 247
Miscellaneous Revenues	--	--	36	36
Total revenues	<u>200</u>	<u>200</u>	<u>483</u>	<u>283</u>
EXPENDITURES:				
Public Transportation				
<i>Other Services and Charges</i>	14,000	14,000	--	14,000
<i>Capital Outlay</i>	100,000	100,000	20,893	79,107
<i>Total Public Transportation</i>	<u>114,000</u>	<u>114,000</u>	<u>20,893</u>	<u>93,107</u>
Total Expenditures	<u>114,000</u>	<u>114,000</u>	<u>20,893</u>	<u>93,107</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(113,800)</u>	<u>(113,800)</u>	<u>(20,410)</u>	<u>93,390</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	(80,615)	(80,615)	12,775	93,390
Fund Balances - Beginning	93,601	93,601	93,601	--
Fund Balances - Ending	<u>\$ 12,986</u>	<u>\$ 12,986</u>	<u>\$ 106,376</u>	<u>\$ 93,390</u>

JIM WELLS COUNTY, TEXAS
LAW LIBRARY FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT C-10

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE:				
Fees of Office	\$ 23,000	\$ 23,000	\$ 36,192	\$ 13,192
Investment Earnings	20	20	70	50
Total revenues	<u>23,020</u>	<u>23,020</u>	<u>36,262</u>	<u>13,242</u>
EXPENDITURES:				
Judicial				
County court				
<i>Other Services and Charges</i>	--	--	96	(96)
<i>Capital Outlay</i>	43,000	43,000	37,577	5,423
<i>Total County Court</i>	<u>43,000</u>	<u>43,000</u>	<u>37,673</u>	<u>5,327</u>
Total Judicial	<u>43,000</u>	<u>43,000</u>	<u>37,673</u>	<u>5,327</u>
Total Expenditures	<u>43,000</u>	<u>43,000</u>	<u>37,673</u>	<u>5,327</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(19,980)</u>	<u>(19,980)</u>	<u>(1,411)</u>	<u>18,569</u>
OTHER FINANCING SOURCES (USES):				
<i>Transfers In</i>	5,000	5,000	--	(5,000)
Total Other Financing Sources (Uses)	<u>5,000</u>	<u>5,000</u>	<u>--</u>	<u>5,000</u>
Net Change in Fund Balances	(14,980)	(14,980)	(1,411)	13,569
Fund Balances - Beginning	23,252	23,252	23,252	--
Fund Balances - Ending	<u>\$ 8,272</u>	<u>\$ 8,272</u>	<u>\$ 21,841</u>	<u>\$ 13,569</u>

JIM WELLS COUNTY, TEXAS
 DEBT SERVICE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT C-11

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE:				
<i>General Property Taxes</i>	\$ 250,232	\$ 250,232	\$ 253,368	\$ 3,136
Investment Earnings	300	300	609	309
Total revenues	<u>250,532</u>	<u>250,532</u>	<u>253,977</u>	<u>3,445</u>
EXPENDITURES:				
<i>Debt Service:</i>				
<i>Principal</i>	180,000	180,000	180,000	--
<i>Interest and Fiscal Charges</i>	72,375	72,375	72,375	--
Total Debt Service	<u>252,375</u>	<u>252,375</u>	<u>252,375</u>	<u>--</u>
Total Expenditures	<u>252,375</u>	<u>252,375</u>	<u>252,375</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,843)</u>	<u>(1,843)</u>	<u>1,602</u>	<u>3,445</u>
OTHER FINANCING SOURCES (USES):				
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	(1,843)	(1,843)	1,602	3,445
Fund Balances - Beginning	79,655	79,655	79,655	--
Fund Balances - Ending	<u>\$ 77,812</u>	<u>\$ 77,812</u>	<u>\$ 81,257</u>	<u>\$ 3,445</u>

JIM WELLS COUNTY, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECTS FUNDS
 DECEMBER 31, 2015

	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>	\$ 737,054	\$ 317,132	\$ 147,027	\$ 1,201,213
Total Assets	<u>\$ 737,054</u>	<u>\$ 317,132</u>	<u>\$ 147,027</u>	<u>\$ 1,201,213</u>
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Fund Balances:				
Restricted Fund Balances:				
<i>Capital Project Funds</i>	\$ 737,054	\$ 317,132	\$ 147,027	\$ 1,201,213
Total Fund Balance	<u>737,054</u>	<u>317,132</u>	<u>147,027</u>	<u>1,201,213</u>
Total Liabilities and Fund Balance	<u>\$ 737,054</u>	<u>\$ 317,132</u>	<u>\$ 147,027</u>	<u>\$ 1,201,213</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, 2015

	Relief Route Capital Fund	Jail Expansion Fund	Road Bond 1967	Total Nonmajor Capital Projects Funds (See Exhibit C-2)
Revenue:				
<i>Intergovernmental</i>	\$ --	\$ 1,273	\$ --	\$ 1,273
<i>Miscellaneous Revenues</i>	2,958	--	590	3,548
Total revenues	<u>2,958</u>	<u>1,273</u>	<u>590</u>	<u>4,821</u>
Expenditures:				
Total Expenditures	--	--	--	--
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,958</u>	<u>1,273</u>	<u>590</u>	<u>4,821</u>
Other Financing Sources (Uses):				
Total Other Financing Sources (Uses)	--	--	--	--
Net Change in Fund Balances	2,958	1,273	590	4,821
Fund Balances - Beginning	734,096	315,859	146,437	1,196,392
Fund Balances - Ending	<u>\$ 737,054</u>	<u>\$ 317,132</u>	<u>\$ 147,027</u>	<u>\$ 1,201,213</u>

JIM WELLS COUNTY, TEXAS
JAIL EXPANSION FUND
CAPITAL PROJECTS FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT C-14

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE:				
Intergovernmental	\$ --	\$ --	\$ 1,273	\$ 1,273
Investment Earnings	1,000	1,000	--	(1,000)
Total revenues	<u>1,000</u>	<u>1,000</u>	<u>1,273</u>	<u>273</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>1,273</u>	<u>305,273</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>1,273</u>	<u>305,273</u>
Fund Balances - Beginning	315,859	315,859	315,859	--
Fund Balances - Ending	<u>\$ 11,859</u>	<u>\$ 11,859</u>	<u>\$ 317,132</u>	<u>\$ 305,273</u>

JIM WELLS COUNTY, TEXAS
ROAD BOND 1967
CAPITAL PROJECTS FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT C-15

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE:				
Investment Earnings	\$ 400	\$ 400	\$ --	\$ (400)
Miscellaneous Revenues	--	--	590	590
Total revenues	<u>400</u>	<u>400</u>	<u>590</u>	<u>190</u>
EXPENDITURES:				
Current:				
Economic Development and Assistance				
<i>Other Services and Charges</i>	5,000	5,000	--	5,000
<i>Total Economic Development and Assistance</i>	<u>5,000</u>	<u>5,000</u>	<u>--</u>	<u>5,000</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>590</u>	<u>135,190</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)	590	135,190
Fund Balances - Beginning	146,437	146,437	146,437	--
Fund Balances - Ending	<u>\$ 11,837</u>	<u>\$ 11,837</u>	<u>\$ 147,027</u>	<u>\$ 135,190</u>

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JIM WELLS COUNTY, TEXAS

COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES

AGENCY FUNDS

DECEMBER 31, 2015

	Appelate Judicial Fund	79th Judicial District Attorney Escrow Fund	79th Judicial D.A. Fee Fund	Sheriff Department Fee Fund
ASSETS:				
<i>Cash and Cash Equivalents</i>	\$ 2,052	\$ 1,043,949	\$ 3,628	\$ 2,285
Total Assets	<u>\$ 2,052</u>	<u>\$ 1,043,949</u>	<u>\$ 3,628</u>	<u>\$ 2,285</u>
LIABILITIES:				
<i>Due to Other Governments and Agencies</i>	\$ 2,052	\$ 1,043,949	\$ 3,628	\$ 2,285
Total Liabilities	<u>\$ 2,052</u>	<u>\$ 1,043,949</u>	<u>\$ 3,628</u>	<u>\$ 2,285</u>

State Fees Fund	Vouchers Payable Fund	Tax Collector Fund	District Clerk Fund	County Clerk Fund
\$ 140,163	\$ 38,554	\$ 801,349	\$ 198,962	\$ 992,601
<u>\$ 140,163</u>	<u>\$ 38,554</u>	<u>\$ 801,349</u>	<u>\$ 198,962</u>	<u>\$ 992,601</u>
 \$ 140,163	 \$ 38,554	 \$ 801,349	 \$ 198,962	 \$ 992,601
<u>\$ 140,163</u>	<u>\$ 38,554</u>	<u>\$ 801,349</u>	<u>\$ 198,962</u>	<u>\$ 992,601</u>

JIM WELLS COUNTY, TEXAS

COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES

AGENCY FUNDS

DECEMBER 31, 2015

	Payroll Administrative Fund	Ad Valorem Tax Escrow Fund
ASSETS:		
<i>Cash and Cash Equivalents</i>	\$ 588,503	\$ 2,997,295
Total Assets	<u>\$ 588,503</u>	<u>\$ 2,997,295</u>
LIABILITIES:		
<i>Due to Other Governments and Agencies</i>	\$ 588,503	\$ 2,997,295
Total Liabilities	<u>\$ 588,503</u>	<u>\$ 2,997,295</u>

<u>County Attorney Trust Fund</u>	<u>Sheriff Cash Bond Fund</u>	<u>Total Agency Funds (See Exhibit A-7)</u>
\$ 25,054	\$ 3,070	\$ 6,837,465
<u>\$ 25,054</u>	<u>\$ 3,070</u>	<u>\$ 6,837,465</u>
\$ 25,054	\$ 3,070	\$ 6,837,465
<u>\$ 25,054</u>	<u>\$ 3,070</u>	<u>\$ 6,837,465</u>

JIM WELLS COUNTY, TEXAS

EXHIBIT C-17

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 YEAR ENDED DECEMBER 31, 2015

	Balance January 1, 2015	Additions	Deductions	Balance December 31, 2015
Appelate Judicial Fund				
ASSETS				
Cash & Cash Equivalents	\$ 2,586	\$ 5,112	\$ 5,646	\$ 2,052
Total Assets	<u>\$ 2,586</u>	<u>\$ 5,112</u>	<u>\$ 5,646</u>	<u>\$ 2,052</u>
LIABILITIES				
Due to Other Governments and Agencies	\$ 2,586	\$ 5,112	\$ 5,646	\$ 2,052
Total Liabilities	<u>\$ 2,586</u>	<u>\$ 5,112</u>	<u>\$ 5,646</u>	<u>\$ 2,052</u>
79th Judicial D.A. Escrow Fund				
ASSETS				
Cash & Cash Equivalents	\$ 270,122	\$ 1,954,346	\$ 1,180,519	\$ 1,043,949
Total Assets	<u>\$ 270,122</u>	<u>\$ 1,954,346</u>	<u>\$ 1,180,519</u>	<u>\$ 1,043,949</u>
LIABILITIES				
Due to Other Governments and Agencies	\$ 270,122	\$ 1,954,346	\$ 1,180,519	\$ 1,043,949
Total Liabilities	<u>\$ 270,122</u>	<u>\$ 1,954,346</u>	<u>\$ 1,180,519</u>	<u>\$ 1,043,949</u>
79th Judicial D.A. Fee Fund				
ASSETS				
Cash & Cash Equivalents	\$ 1,253	\$ 11,862	\$ 9,487	\$ 3,628
Total Assets	<u>\$ 1,253</u>	<u>\$ 11,862</u>	<u>\$ 9,487</u>	<u>\$ 3,628</u>
LIABILITIES				
Due to Other Governments and Agencies	\$ 1,253	\$ 11,862	\$ 9,487	\$ 3,628
Total Liabilities	<u>\$ 1,253</u>	<u>\$ 11,862</u>	<u>\$ 9,487</u>	<u>\$ 3,628</u>
Sheriff Department Fee Fund				
ASSETS				
Cash & Cash Equivalents	\$ 670	\$ 63,784	\$ 62,169	\$ 2,285
Total Assets	<u>\$ 670</u>	<u>\$ 63,784</u>	<u>\$ 62,169</u>	<u>\$ 2,285</u>
LIABILITIES				
Due to Other Governments and Agencies	\$ 670	\$ 63,784	\$ 62,169	\$ 2,285
Total Liabilities	<u>\$ 670</u>	<u>\$ 63,784</u>	<u>\$ 62,169</u>	<u>\$ 2,285</u>
State Fees Fund				
ASSETS				
Cash & Cash Equivalents	\$ 145,228	\$ 401,351	\$ 406,416	\$ 140,163
Total Assets	<u>\$ 145,228</u>	<u>\$ 401,351</u>	<u>\$ 406,416</u>	<u>\$ 140,163</u>
LIABILITIES				
Due to Other Governments and Agencies	\$ 145,228	\$ 401,351	\$ 406,416	\$ 140,163
Total Liabilities	<u>\$ 145,228</u>	<u>\$ 401,351</u>	<u>\$ 406,416</u>	<u>\$ 140,163</u>

JIM WELLS COUNTY, TEXAS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

ALL AGENCY FUNDS

YEAR ENDED DECEMBER 31, 2015

EXHIBIT C-17

	Balance January 1, 2015	Additions	Deductions	Balance December 31, 2015
Vouchers Payable Fund				
ASSETS				
Cash & Cash Equivalents	\$ 38,025	\$ 3,951,032	\$ 3,950,503	\$ 38,554
Total Assets	<u>\$ 38,025</u>	<u>\$ 3,951,032</u>	<u>\$ 3,950,503</u>	<u>\$ 38,554</u>
LIABILITIES				
Due to Other Governments and Agencies	\$ 38,025	\$ 3,951,032	\$ 3,950,503	\$ 38,554
Total Liabilities	<u>\$ 38,025</u>	<u>\$ 3,951,032</u>	<u>\$ 3,950,503</u>	<u>\$ 38,554</u>
Tax Collector Fund				
ASSETS				
Cash & Cash Equivalents	\$ 1,045,439	\$ 15,436,675	\$ 15,680,765	\$ 801,349
Total Assets	<u>\$ 1,045,439</u>	<u>\$ 15,436,675</u>	<u>\$ 15,680,765</u>	<u>\$ 801,349</u>
LIABILITIES				
Due to Other Governments and Agencies	\$ 1,045,439	\$ 15,436,675	\$ 15,680,765	\$ 801,349
Total Liabilities	<u>\$ 1,045,439</u>	<u>\$ 15,436,675</u>	<u>\$ 15,680,765</u>	<u>\$ 801,349</u>
District Clerk Fund				
ASSETS				
Cash & Cash Equivalents	\$ 281,206	\$ 776,278	\$ 858,522	\$ 198,962
Total Assets	<u>\$ 281,206</u>	<u>\$ 776,278</u>	<u>\$ 858,522</u>	<u>\$ 198,962</u>
LIABILITIES				
Due to Other Governments and Agencies	\$ 281,206	\$ 776,278	\$ 858,522	\$ 198,962
Total Liabilities	<u>\$ 281,206</u>	<u>\$ 776,278</u>	<u>\$ 858,522</u>	<u>\$ 198,962</u>
County Clerk Fund				
ASSETS				
Cash & Cash Equivalents	\$ 570,697	\$ 990,464	\$ 568,560	\$ 992,601
Total Assets	<u>\$ 570,697</u>	<u>\$ 990,464</u>	<u>\$ 568,560</u>	<u>\$ 992,601</u>
LIABILITIES				
Due to Other Governments and Agencies	\$ 570,697	\$ 990,464	\$ 568,560	\$ 992,601
Total Liabilities	<u>\$ 570,697</u>	<u>\$ 990,464</u>	<u>\$ 568,560</u>	<u>\$ 992,601</u>
Payroll Administrative Fund				
ASSETS				
Cash & Cash Equivalents	\$ 580,046	\$ 15,282,560	\$ 15,274,103	\$ 588,503
Total Assets	<u>\$ 580,046</u>	<u>\$ 15,282,560</u>	<u>\$ 15,274,103</u>	<u>\$ 588,503</u>
LIABILITIES				
Due to Other Governments and Agencies	\$ 580,046	\$ 15,282,560	\$ 15,274,103	\$ 588,503
Total Liabilities	<u>\$ 580,046</u>	<u>\$ 15,282,560</u>	<u>\$ 15,274,103</u>	<u>\$ 588,503</u>
Ad Valorem Tax Escrow Fund				
ASSETS				
Cash & Cash Equivalents	\$ 3,100,504	\$ 16,511,564	\$ 16,614,773	\$ 2,997,295
Total Assets	<u>\$ 3,100,504</u>	<u>\$ 16,511,564</u>	<u>\$ 16,614,773</u>	<u>\$ 2,997,295</u>
LIABILITIES				
Due to Other Governments and Agencies	\$ 3,100,504	\$ 16,511,564	\$ 16,614,773	\$ 2,997,295
Total Liabilities	<u>\$ 3,100,504</u>	<u>\$ 16,511,564</u>	<u>\$ 16,614,773</u>	<u>\$ 2,997,295</u>

JIM WELLS COUNTY, TEXAS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

ALL AGENCY FUNDS

YEAR ENDED DECEMBER 31, 2015

EXHIBIT C-17

	Balance January 1, 2015	Additions	Deductions	Balance December 31, 2015
County Attorney Trust Fund				
ASSETS				
Cash & Cash Equivalents	\$ 26,694	\$ 24,950	\$ 26,590	\$ 25,054
Total Assets	<u>\$ 26,694</u>	<u>\$ 24,950</u>	<u>\$ 26,590</u>	<u>\$ 25,054</u>
LIABILITIES				
Due to Other Governments and Agencies	\$ 26,694	\$ 24,950	\$ 26,590	\$ 25,054
Total Liabilities	<u>\$ 26,694</u>	<u>\$ 24,950</u>	<u>\$ 26,590</u>	<u>\$ 25,054</u>
Sheriff Cash Bond Fund				
ASSETS				
Cash & Cash Equivalents	\$ 3,057	\$ 13	\$ --	\$ 3,070
Total Assets	<u>\$ 3,057</u>	<u>\$ 13</u>	<u>\$ --</u>	<u>\$ 3,070</u>
LIABILITIES				
Due to Other Governments and Agencies	\$ 3,057	\$ 13	\$ --	\$ 3,070
Total Liabilities	<u>\$ 3,057</u>	<u>\$ 13</u>	<u>\$ --</u>	<u>\$ 3,070</u>
TOTAL AGENCY FUNDS:				
ASSETS				
Cash & Cash Equivalents	\$ 6,065,527	\$ 55,409,991	\$ 54,638,053	\$ 6,837,465
Total Assets	<u>\$ 6,065,527</u>	<u>\$ 55,409,991</u>	<u>\$ 54,638,053</u>	<u>\$ 6,837,465</u>
LIABILITIES				
Due to Other Governments and Agencies	\$ 6,065,527	\$ 55,409,991	\$ 54,638,053	\$ 6,837,465
Total Liabilities	<u>\$ 6,065,527</u>	<u>\$ 55,409,991</u>	<u>\$ 54,638,053</u>	<u>\$ 6,837,465</u>

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	108
These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	
Revenue Capacity	113
These schedules contain information to help the reader assess the factors affecting the County's ability to generate its property and sales taxes.	
Debt Capacity	120
These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
Demographic and Economic Information	124
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.	
Operating Information	126
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.	

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

TABLE E-1

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

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental Activities										
Net Investment in Capital Assets	\$ 16,979,900	\$ 17,106,981	\$ 17,470,025	\$ 17,516,191	\$ 18,478,771	\$ 19,050,644	\$ 20,612,073			
Restricted	1,403,872	1,207,721	1,329,969	1,373,428	1,383,367	1,417,635	1,438,440			
Unrestricted	4,632,273	6,100,398	7,315,406	6,895,058	6,595,371	8,266,629	11,172,800			
Total Governmental Activities Net Position	\$ 23,016,045	\$ 24,415,100	\$ 26,115,400	\$ 25,784,677	\$ 26,457,509	\$ 28,734,908	\$ 33,223,313			
Governmental Activities										
Net Investment in Capital Assets	\$ 21,121,207	\$ 21,740,309	\$ 21,480,901							
Restricted	1,456,603	1,582,644	1,282,470							
Unrestricted	11,139,913	11,111,657	11,090,825							
Total Governmental Activities Net Position	\$ 33,717,723	\$ 34,434,610	\$ 33,854,196							

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

TABLE E-2

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

	Fiscal Year								
	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses									
Governmental Activities:									
General Government	\$ 3,814,965	\$ 3,765,964	\$ 4,210,749	\$ 3,899,129	\$ 4,432,130	\$ 4,189,787	\$ 4,716,157	\$ 5,416,768	\$ 4,926,871
Judicial	2,606,714	2,806,925	3,319,623	3,454,814	3,565,739	3,732,690	4,377,675	4,104,234	4,690,475
Public Safety	6,722,720	7,340,490	7,455,989	7,185,489	7,232,526	8,611,259	8,622,918	8,331,437	8,878,685
Public Transportation	3,318,863	3,833,985	3,318,841	3,405,200	3,945,300	3,631,227	3,735,364	4,213,314	3,504,784
Health & Welfare	1,679,727	1,657,444	1,412,992	670,570	889,812	582,913	734,734	488,478	1,321,339
Culture & Recreation	51,380	1,457	47,636	51,380	55,624	69,692	86,888	17,597	63,771
Conservation	206,255	223,988	255,458	220,431	179,667	193,607	215,021	320,921	338,859
Economic Development & Assistance	68,500	72,851	106,201	122,466	132,651	130,926	229,631	334,818	166,160
Interest on Long-Term Debt	210,344	202,342	135,733	114,776	106,106	110,193	98,144	87,020	77,067
Total Governmental Activities Expenses	18,679,468	19,904,946	20,263,222	19,124,255	20,539,555	21,252,294	22,816,532	23,314,587	23,968,011
Total Primary Government Expenses	\$ 18,679,468	\$ 19,904,946	\$ 20,263,222	\$ 19,124,255	\$ 20,539,555	\$ 21,252,294	\$ 22,816,532	\$ 23,314,587	\$ 23,968,011
Program Revenues									
Governmental Activities:									
Charges for Services:									
General Government	\$ 915,573	\$ 891,401	\$ 825,948	\$ 887,296	\$ 862,367	\$ 1,539,647	\$ 934,260	\$ 1,410,019	\$ 1,307,737
Judicial	482,677	503,756	435,988	484,433	462,136	425,963	439,521	478,396	451,649
Public Safety	929,184	1,399,470	1,604,738	1,412,450	1,261,784	1,921,158	725,109	1,326,040	1,847,910
Other Activities	1,048,328	1,028,684	981,308	920,762	981,086	1,089,144	1,039,291	1,063,296	973,203
Operating Grants and Contributions	2,871,767	2,273,628	2,067,154	1,184,054	1,639,385	2,040,535	2,415,360	2,084,450	2,664,310
Total Governmental Activities Program Revenues	6,247,529	6,096,939	5,915,136	4,888,995	5,206,758	7,016,447	5,553,541	6,362,201	7,244,809
Total Primary Government Program Revenues	\$ 6,247,529	\$ 6,096,939	\$ 5,915,136	\$ 4,888,995	\$ 5,206,758	\$ 7,016,447	\$ 5,553,541	\$ 6,362,201	\$ 7,244,809
Net (Expense)/Revenue									
Governmental Activities	\$ (12,431,939)	\$ (13,808,007)	\$ (14,348,086)	\$ (14,235,260)	\$ (15,332,797)	\$ (14,235,847)	\$ (17,262,991)	\$ (16,952,386)	\$ (16,723,202)
Total Primary Government Net Expense	\$ (12,431,939)	\$ (13,808,007)	\$ (14,348,086)	\$ (14,235,260)	\$ (15,332,797)	\$ (14,235,847)	\$ (17,262,991)	\$ (16,952,386)	\$ (16,723,202)

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
 (ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year								
	2007	2008	2009	2010	2011	2012	2013	2014	2015
Net (Expense)/Revenue									
Governmental Activities	\$ (12,431,939)	\$ (13,808,008)	\$ (14,348,086)	\$ (14,235,260)	\$ (15,332,797)	\$ (14,235,547)	\$ (17,262,991)	\$ (16,952,386)	\$ (16,723,202)
Business-type Activities	--	--	--	--	--	--	--	--	--
Total Primary Government	\$ (12,431,939)	\$ (13,808,008)	\$ (14,348,086)	\$ (14,235,260)	\$ (15,332,797)	\$ (14,235,547)	\$ (17,262,991)	\$ (16,952,386)	\$ (16,723,202)
Expenses									
General Revenues and Other Changes in Net Assets									
Governmental Activities:									
Taxes									
Property Taxes	\$ 9,380,920	\$ 10,222,019	\$ 10,834,210	\$ 10,266,783	\$ 11,207,410	\$ 11,317,777	\$ 11,318,416	\$ 11,721,257	\$ 13,112,296
Sales Taxes	3,620,527	4,441,261	2,909,178	4,282,890	6,080,972	6,878,706	5,970,449	5,457,562	3,553,802
Fines and Forfeitures	--	--	12,077	--	3,460	--	--	--	--
Investment Earnings	381,959	482,047	253,302	13,190	20,988	50,817	59,237	59,443	64,710
Miscellaneous	399,595	362,981	319,212	287,603	297,366	371,301	409,299	431,011	501,454
Gain on Disposal of Capital Assets	--	--	--	(144,460)	--	--	--	--	--
Total Governmental Activities	\$ 13,783,001	\$ 15,508,308	\$ 14,327,979	\$ 14,706,006	\$ 17,610,196	\$ 18,618,601	\$ 17,757,401	\$ 17,669,273	\$ 17,232,262
Business-type Activities:									
Investment Earnings	--	--	--	--	--	--	--	--	--
Transfers	--	--	--	--	--	--	--	--	--
Total Business-type Activities	--	--	--	--	--	--	--	--	--
Total Primary Government	\$ 13,783,001	\$ 15,508,308	\$ 14,327,979	\$ 14,706,006	\$ 17,610,196	\$ 18,618,601	\$ 17,757,401	\$ 17,669,273	\$ 17,232,262
Change in Net Assets									
Governmental Activities	\$ 1,351,062	\$ 1,700,300	\$ (20,107)	\$ 470,746	\$ 2,277,399	\$ 4,383,054	\$ 494,410	\$ 716,887	\$ 509,060
Business-type Activities	--	--	--	--	--	--	--	--	--
Total Primary Government	\$ 1,351,062	\$ 1,700,300	\$ (20,107)	\$ 470,746	\$ 2,277,399	\$ 4,383,054	\$ 494,410	\$ 716,887	\$ 509,060

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

TABLE E-4

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

General Fund	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Nonspendable Committed	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Assigned	--	--	--	--	--	--	--	--	--	--
Unassigned	2,551,856	3,756,881	4,295,926	3,288,481	3,433,781	5,213,053	6,745,919	6,246,745	6,291,502	5,053,649
Total General Fund	\$ 2,551,856	\$ 3,756,881	\$ 4,295,926	\$ 3,288,481	\$ 3,433,781	\$ 5,213,053	\$ 6,745,919	\$ 6,246,745	\$ 6,291,502	\$ 5,053,649
All Other Governmental Funds										
Nonspendable Committed:	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Construction	1,054,277	1,101,676	1,153,939	1,178,109	1,179,629	1,182,135	1,186,860	1,191,616	1,196,391	1,201,213
Federal or State Grant Restriction	1,109,079	1,197,203	1,898,750	1,932,417	2,097,903	2,076,415	3,520,081	3,605,800	4,011,905	5,235,603
Retirement of Long-Term Debt	29,795	39,387	44,728	51,932	55,472	62,586	71,525	77,127	79,654	81,257
Assigned	--	--	--	--	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--	--	--	--	--
Total All Other Governmental Funds	\$ 2,193,151	\$ 2,338,266	\$ 3,097,417	\$ 3,162,458	\$ 3,333,004	\$ 3,321,136	\$ 4,778,466	\$ 4,874,543	\$ 5,287,950	\$ 6,518,073

TABLE E-5

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

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues										
Taxes	\$ 12,092,991	\$ 12,995,913	\$ 14,694,210	\$ 13,274,621	\$ 14,857,883	\$ 17,291,451	\$ 18,266,650	\$ 17,258,046	\$ 17,188,766	\$ 16,063,548
Licenses and Permits	608,008	638,540	485,234	412,248	567,817	532,132	572,295	604,222	481,658	349,689
Intergovernmental	7,844,338	2,953,161	2,417,183	2,180,754	1,352,490	1,821,683	2,216,490	2,564,283	2,315,409	2,938,603
Charges for Services	750,657	711,161	687,388	641,372	768,657	648,927	683,246	511,073	472,690	453,786
Fines & Forfeitures	1,306,491	730,598	1,170,518	1,384,330	1,048,428	994,594	1,604,474	581,323	1,259,807	1,746,555
Fees of Office	1,216,572	1,225,619	1,334,405	1,308,509	1,151,603	1,212,882	1,940,242	1,292,640	1,832,637	1,756,176
Investment Earnings	259,179	381,960	482,047	253,302	13,190	20,988	50,817	59,237	59,443	64,710
Misc Revenues	332,982	388,045	365,191	319,212	287,603	297,366	371,301	409,299	431,010	501,454
Total Revenues	24,411,218	20,024,997	21,636,176	19,774,348	20,047,671	22,820,023	25,705,515	23,280,123	24,041,420	23,874,521
Expenditures										
General Government	3,834,989	3,328,928	3,863,953	3,840,284	3,661,994	3,691,682	4,157,172	4,477,267	4,310,377	3,914,692
Judicial	2,373,828	2,606,714	2,806,925	3,319,623	3,454,814	3,565,739	3,758,584	4,377,675	4,136,477	4,728,052
Public Safety	10,252,232	6,613,772	6,698,768	6,685,575	6,321,014	6,593,466	6,783,872	9,010,449	8,754,738	9,372,761
Public Transportation	3,680,104	3,427,812	3,912,090	3,757,794	3,836,019	4,483,567	4,631,140	4,207,550	4,884,561	3,822,173
Health & Welfare	1,041,240	1,679,727	1,657,445	1,412,992	670,570	889,812	582,913	734,734	488,478	1,321,339
Culture and Recreation	55,784	51,380	1,457	47,636	51,380	55,624	69,692	86,888	17,597	63,771
Conservation	202,552	206,255	223,988	255,458	220,431	179,667	193,607	215,021	320,921	338,859
Economic Development & Assistance	144,528	66,500	72,351	106,201	122,466	132,651	130,926	229,631	334,818	166,160
Capital Outlay	914,747	618,777	673,441	1,233,563	1,199,517	1,412,595	2,189,713	--	--	--
Debt Service										
Interest	179,879	160,314	177,609	118,928	116,723	108,117	112,334	100,350	89,553	79,404
Principal	209,349	226,496	3,074,730	334,765	278,983	247,663	498,812	403,655	339,608	265,059
Fiscal Agents Fees	529	500	55,222	--	--	--	--	--	--	--
Total Expenditures	22,889,761	18,989,175	23,217,979	21,112,709	19,933,911	21,340,583	23,108,765	23,843,220	23,677,128	24,072,270
Excess of Revenues										
Over (Under) Expenditures	1,521,457	1,035,822	(1,581,803)	(1,338,361)	113,760	1,479,440	2,596,750	(563,097)	364,292	(197,749)
Other Financing Sources (Uses)										
Bonds Issued	--	--	2,880,000	--	--	--	--	--	--	--
Loan Proceeds	--	--	--	--	--	--	--	--	--	--
Capital Leases	--	266,325	--	395,959	--	287,964	288,095	160,000	93,863	190,020
Transfers In	1,225,317	1,020,609	1,156,393	584,205	374,624	350,970	346,736	577,149	294,264	284,995
Transfers Out	(1,225,317)	(1,020,609)	(1,156,393)	(584,205)	(374,624)	(350,970)	(346,736)	(577,149)	(294,264)	(284,995)
Total Other Financing Sources (Uses)	--	266,325	2,880,000	395,959	--	287,964	288,095	160,000	93,863	190,020
Net Change in Fund Balances	\$ 1,521,457	\$ 1,302,147	\$ 1,298,197	\$ (942,402)	\$ 113,760	\$ 1,767,404	\$ 2,884,845	\$ (403,097)	\$ 458,155	\$ (7,729)
Debt Service As A Percentage Of Noncapital Expenditures	1.7%	2.0%	14.1%	14.5%	2.0%	1.7%	2.7%	2.1%	1.8%	1.4%

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
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
2014	11,731,204	5,457,562	17,188,766
2015	12,509,746	3,553,802	16,063,548
Percent Change 2014-2015	6.6%	-34.9%	-6.5%

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
2006	\$ 493,411,817	1,021,635,590	91,836,810	322,977,795	1,283,906,422	0.730000	1,606,884,217	79.900%
2007	590,546,070	1,064,321,905	73,790,040	314,875,125	1,413,782,890	0.705832	1,728,658,015	81.785%
2008	611,980,506	1,190,587,725	84,810,510	341,591,715	1,545,787,026	0.658055	1,887,378,741	81.901%
2009	624,639,121	1,272,390,664	78,921,490	345,991,655	1,629,959,620	0.671122	1,975,951,275	82.490%
2010	652,740,384	1,503,754,978	78,312,052	538,722,678	1,696,084,736	0.633815	2,234,807,414	75.894%
2011	877,569,935	1,555,585,714	57,501,700	540,104,947	1,950,552,402	0.611543	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	0.561139	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	0.486830	3,050,278,423	83.383%
2014	1,674,183,451	1,202,608,638	47,830,750	519,504,513	2,405,118,326	0.454430	2,924,622,839	82.237%
2014	1,720,845,582	1,063,331,470	30,230,970	514,966,677	2,299,441,345	0.550857	2,814,408,022	81.702%

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 Rate	City of Alice	Alice ISD	Alice Water Authority	City of Premont	Premont ISD	City of Orange Grove	Orange Grove ISD	BB-PB ISD	La Gloria ISD	Fresh Water District #1	Emergency Service District #1
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	0.640819	0.017236	0.658055	0.331080	1.198650	0.112996	0.455783	1.133444	0.772729	1.186586	1.183872	1.040000	0.175423	0.093125
2008	0.654787	0.016335	0.671122	0.370000	1.281170	0.110915	0.458783	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	0.115569	0.442746	1.140000	0.636730	1.240000	1.160509	1.040000	0.075257	0.087996
2010	0.596722	0.014821	0.611543	0.372420	1.294300	0.116250	0.432690	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	1.268690	1.040000	0.083801	0.087996
2012	0.474460	0.011237	0.485697	0.247122	1.228600	0.126404	0.465085	1.284700	0.657055	1.240000	1.263430	1.040000	0.064962	0.087059
2013	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
2014	0.509366	0.010483	0.519849	0.247122	1.233700	0.130795	0.478960	1.304900	0.669964	1.240000	1.265000	1.040000	0.080662	0.087059
2015	0.539783	0.011094	0.550877	0.271826	1.284630	1.400440	0.490000	1.325500	0.712760	1.240000	1.283000	1.040000	0.132857	0.077094

Source: Jim Wells County Appraisal District

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

Taxpayer	2015			2006		
	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value
Baker Hughes	\$ 79,048,511	1	4.92%	\$ 28,563,254	3	2.90%
Well Services Division of STC	70,214,270	2	4.37%	--		--
Nabors Drilling USA Inc	66,061,104	3	4.11%	--		--
DCP Midstream LP/South Central Texas LLC	32,670,820	4	2.03%	26,258,741	4	2.66%
Helmerich & Payne Intl Drill	32,307,965	5	2.01%	48,562,523	1	4.92%
AEP Texas Central Co	27,590,861	6	1.72%	--		--
Forum US Inc	24,978,724	7	1.55%	--		--
Precision Drilling Oilfield	26,146,830	8	1.63%	17,857,485	6	1.81%
Halliburton Energy Services	19,975,010	9	1.24%	15,859,632	7	1.61%
Carbo Ceramics	19,871,656	10	1.24%	--		--
Total	\$ 398,865,751		24.82%	\$ 137,101,635		13.90%

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	Amount	Percentage of Levy		Amount	Percentage of Levy
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%
2014	12,506,699	7,992,309	63.90%	4,258,222	12,250,531	97.95%
2015	12,673,866	8,328,288	65.71%	3,795,990	12,124,278	95.66%

Sources: Jim Wells County Appraisal District

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

	Calendar Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Building Material & Hardware	\$ 20,485,015	\$ 22,455,856	\$ 20,683,662	\$ 23,752,661	\$ 50,201,906	\$ 106,281,144	\$ 67,749,008	\$ 77,389,392	\$ 79,832,658	\$ 76,710,785
General Merchandise	58,891,925	66,220,424	83,951,117	135,161,430	220,607,413	237,580,732	223,233,718	331,292,064	293,814,626	203,525,345
Food Stores	29,151,658	18,164,822	12,234,512	15,538,159	11,889,929	13,938,627	38,493,492	33,209,800	22,610,857	43,315,498
Auto Dealers & Gas	18,447,461	37,000,812	27,254,328	36,939,992	45,049,897	70,125,472	179,702,255	83,263,788	80,264,576	51,591,144
Apparel & Accessory	9,557,485	9,467,811	8,543,291	5,824,310	7,868,885	8,331,684	249,004,104	241,463,096	193,216,485	73,224,468
Home Furnishing & Appliances	8,286,149	11,854,974	12,962,817	5,513,370	6,403,813	3,753,873	9,017,488	10,834,480	8,583,410	29,872,970
Eating & Drinking Places	36,597,595	41,993,874	44,943,619	32,233,102	35,669,789	41,815,881	61,566,182	58,810,040	60,342,958	56,479,256
Misc Retail Stores	49,847,595	31,284,424	42,877,449	47,063,116	70,137,837	96,746,553	17,485,100	12,087,528	15,872,927	21,363,419
Total	\$ 231,264,883	\$ 238,442,997	\$ 252,860,795	\$ 302,026,140	\$ 447,829,469	\$ 578,573,966	\$ 846,251,347	\$ 848,350,188	\$ 754,538,497	\$ 556,082,885
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>
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%
2014	1.50%	0.50%
2015	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
2005	3,050,391	110,208	0.29%	67	3,160,666	1.01%	70
2006	2,934,561	266,225	0.27%	65	3,200,851	1.01%	71
2007	2,880,000	126,058	0.23%	64	3,006,122	1.18%	66
2008	2,735,000	332,253	0.21%	60	3,067,313	1.21%	68
2009	2,585,000	203,270	0.18%	57	2,788,327	1.35%	62
2010	2,430,000	398,572	0.17%	54	2,828,626	1.30%	63
2011	2,265,000	352,855	0.16%	50	2,617,905	1.52%	58
2012	2,095,000	279,199	0.15%	46	2,374,199	1.71%	52
2013	1,920,000	208,454	0.13%	42	2,128,454	1.91%	47
2015	1,740,000	313,414	0.13%	38	2,053,414	1.98%	45

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		
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
2014	1,920,000	1,920,000	0.14%	42
2015	1,740,000	1,740,000	0.12%	38

TABLE E-15

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	\$ 32,825,958	100.000%	32,825,958
Alice Independent School District	30,599,998	81.180%	24,841,078
Jim Wells County Fresh Water Supply District #1	1,925,852	100.000%	1,925,852
Orange Grove Independent School District	12,735,000	100.000%	12,735,000
Alice Water Authority	3,840,000	48.980%	1,880,832
Premont Independent School District	1,720,000	100.000%	1,720,000
Total Overlapping Debt			<u>75,928,720</u>
County Direct Debt			<u>2,128,454</u>
Total Direct and Overlapping Debt			<u>\$ 78,057,174</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									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Debt Limit	\$ 241,032,632	\$ 212,067,434	\$ 283,106,811	\$ 296,392,691	\$ 335,221,112	\$ 373,603,102	\$ 419,140,851	\$ 457,541,763	\$ 438,693,426	\$ 422,161,203
Total Net Debt Applicable to Limit	2,934,562	--	--	--	--	--	--	--	--	--
Legal Debt Margin	238,098,070	212,067,434	283,106,811	296,392,691	335,221,112	373,603,102	419,140,851	457,541,763	438,693,426	422,161,203
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	10%	15%	15%	15%	15%	15%	15%	15%	15%	15%

Legal Debt Margin Calculation for the Current Fiscal Year

Assessed Value	\$ 2,814,408,022
Debt Limit (15% of Assessed Value)	422,161,203
Debt Applicable to Limit:	
General Obligation Bonds	1,740,000
Less: Amount Set Aside for Repayment of General Obligation Debt	(190,000)
Total Net Debt Applicable to Limit	1,550,000
Legal Debt Margin	\$ 420,611,203

TABLE E-17

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Population	41,131	45,244	41,119	41,001	40,838	41,339	41,754	41,680	41,353	41,382
Total Personal Income	\$ 32,118	\$ 32,588	\$ 35,528	\$ 37,414	\$ 37,918	\$ 37,020	\$ 39,800	\$ 40,723	\$ 40,585	\$ 42,463
Per Capita Personal Income	\$ 25,320	\$ 27,852	\$ 26,767	\$ 29,523	\$ 33,450	\$ 16,976	\$ 18,268	\$ 19,818	\$ 20,452	\$ 20,977
Median Age	34.5	35.0	33.6	33.9	33.5	34.1	34.6	33.0	34.0	34.2
Education Level in Years of Schooling	12	12	12	12	12	12	12	12	12	12
School Enrollment	5,621	5,637	5,614	5,525	5,322	5,371	5,422	5,547	5,526	5,526
Unemployment	4.8%	4.0%	4.0%	9.1%	8.9%	5.8%	4.9%	4.7%	4.2%	7.9%

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	2015			2006		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Alice ISD	842	1	4.38%	880	1	4.69%
Forbes Energy Services, Ltd.	809	2	4.21%	--		--
Saldivar Primary Home Care	420	3	2.18%	--		--
Dixie Iron Works MSI	338	4	1.76%	200	10	1.06%
Jim Wells County	327	5	1.70%	236	9	--
Fesco, Inc.	279	6	1.45%	512	4	--
Wal-Mart	269	7	1.40%	425	7	--
City of Alice	243	8	1.26%	242	8	--
CACOST	234	9	1.22%	242		1.29%
Christus Spohn Hospital-Alice	218	10	1.13%	453	5	2.41%
Total	<u>3,979</u>		<u>20.69%</u>	<u>3,190</u>		<u>9.45%</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									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Government										
Administration	18	22	24	24	20	21	22	24	23	24
Finance	17	16	18	18	18	20	23	20	20	21
Judicial	31	31	38	35	35	37	36	37	37	34
Legal	18	23	27	26	20	24	23	27	26	25
Other	--	--	--	--	--	--	--	--	--	--
Public Safety	120	128	136	133	142	130	129	119	113	112
Public Transportation	99	105	119	107	117	91	91	96	92	82
Public Facilities	1	1	3	2	2	2	4	4	5	5
Health & Welfare										
Conservation & Agriculture	3	4	4	4	4	5	4	4	4	3
Civilians	4	3	3	3	2	2	2	2	2	2
Total	311	333	372	352	360	332	334	333	322	308

Source: County Auditor Office

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

Function/Program	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Government										
Building Permits Issued	479	445	295	224	208	208	242	35	29	24
Public Safety										
Serious Crimes	1,484	1,902	1,606	1,906	2,001	2,560	2,342	2,422	2,526	2,358
Parking/Traffic Violations	7,477	3,959	4,079	6,546	4,435	5,566	5,687	5,823	6,019	5,823
Judicial										
Number of Cases Heard	1,706	1,836	1,598	1,858	2,080	2,165	2,131	2,122	2,122	2,369
Culture & Recreation										
Number of Events	16	25	22	14	12	15	16	17	17	17
Annual Number of Patrons Assisted	90,179	99,823	120,735	120,816	145,316	155,216	156,233	157,288	158,244	159,632
Public Transportation										
Street Miles	1,610	1,610	1,617	1,617	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									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Government										
Number of Buildings	27	27	28	28	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	40	40	50	48	48	55	65	68	74
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	1,617	1,617	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

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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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

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

Members of the County Commissioners:

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, 2015, 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 July 29, 2016.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 blue ink that reads "Raul Hernandez & Company, P.C.".

Raul Hernandez & Company, P.C.

Corpus Christi, Texas
July 29, 2016

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

Independent Auditors' Report on Compliance for Each Major Program and
on Internal Control Over Compliance Required by the Uniform Guidance

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

Members of the County Commissioners:

Report on Compliance for Each Major Federal Program

We have audited the Jim Wells County, Texas's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Jim Wells County, Texas's major federal programs for the year ended December 31, 2015. 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 audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. (Uniform Guidance); Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the 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 the Jim Wells County, Texas's compliance.

Opinion on Each Major Federal Program

In our opinion, the 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, 2015.

Report on Internal Control Over Compliance

Management of the 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 the 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 the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,



Raul Hernandez & Company, P.C.

Corpus Christi, Texas
July 29, 2016

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

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? Yes X No

One or more significant deficiencies identified that are not considered to be material weaknesses? Yes X 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 2 CFR section 200.516(a)? Yes X No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
14.228	Community Development Block Grants

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

Auditee qualified as low-risk auditee? X Yes No

B. Financial Statement Findings

NONE

C. Federal Award Findings and Questioned Costs

NONE

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

<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, 2015

N/A

JIM WELLS COUNTY, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT D-1

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Pass-Through Expenditures
U. S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT			
Passed Through Texas General Land Office:			
Community Development Block Grant Disaster Recovery *	14.228	13-131-000-7193	\$ 529,270
Passed Through Texas Department of Agriculture:			
Texas Community Development Block Grant Program *	14.228	713251	219,478
Texas Community Development Block Grant *	14.228	713085	289,366
Total Passed Through Texas Department of Agriculture			<u>508,844</u>
Total U. S. Department of Housing & Urban Development			<u>1,038,114</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u><u>1,038,114</u></u>

* Indicates clustered program under OMB Circular A-133 Compliance Supplement
 ** The County does not have any Direct Awards Expenditures.
 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, 2015

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 Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) schedule may differ from amounts presented in, or used in the preparation of, the general purpose financial statements.

Indirect Cost Rate

The County does not have any indirect cost under the Uniform Guidance.

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