

**Annual Comprehensive Financial Report**

**For Fiscal Year Ended**

**December 31, 2021**

**JIM WELLS COUNTY, TEXAS**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
FOR THE YEAR ENDED DECEMBER 31, 2021

Prepared By:  
Jim Wells County Auditor's Office  
Mr. Noe Gamez  
County Auditor



Jim Wells County, Texas  
 Comprehensive Annual Financial Report  
 For The Year Ended December 31, 2021

TABLE OF CONTENTS

	<u>Page</u>	<u>Exhibit/Table</u>
<b>INTRODUCTORY SECTION</b>		
Letter of Transmittal.....	3	
GFOA Certificate of Achievement.....	11	
Organizational Chart.....	12	
List of Principal Officials.....	13	
<b>FINANCIAL SECTION</b>		
Independent Auditors' Report.....	17	
Management's Discussion and Analysis (Required Supplementary Information).....	21	
<b>Basic Financial Statements</b>		
Government-wide Financial Statements:		
Statement of Net Position.....	36	Exhibit A-1
Statement of Activities.....	37	Exhibit A-2
Fund Financial Statements:		
Balance Sheet - Governmental Funds.....	38	Exhibit A-3
Reconciliation of the Governmental Funds		
Balance Sheet to the Statement of Net Position.....	39	Exhibit A-4
Statement of Revenues, Expenditures, and Changes in		
Fund Balances - Governmental Funds.....	40	Exhibit A-5
Reconciliation of the Statement of Revenues, Expenditures, and Changes in		
Fund Balances of Governmental Funds to the Statement of Activities.....	41	Exhibit A-6
Statement of Fiduciary Net Position - Fiduciary Funds.....	42	Exhibit A-7
Statement of Changes in Fiduciary Net Position - Fiduciary Funds.....	43	Exhibit A-8
Notes to the Financial Statements .....	45	
<b>Required Supplementary Information</b>		
<b>Budgetary Comparison Schedules:</b>		
General Fund.....	68	Exhibit B-1
ARPA Grant Fund.....	72	Exhibit B-2

Jim Wells County, Texas  
 Comprehensive Annual Financial Report  
 For The Year Ended December 31, 2021

TABLE OF CONTENTS

	Page	Exhibit/Table
Schedule of the County's Proportionate Share of the Net Pension Liability - Pension Plan.....	73	Exhibit B-3
Schedule of County's Contributions - Pension Plan.....	74	Exhibit B-4
Notes to Schedule of Pension Contributions.....	75	
Schedule of the Changes in Total OPEB Liability and Related Ratios.....	76	Exhibit B-5
Notes to Schedule of OPEB Contributions.....	77	
Notes to Required Supplementary Information.....	78	
 <u>Combining Statements and Budgetary Comparison Schedules as Supplementary Information:</u>		
Combining Balance Sheet - All Nonmajor Governmental Funds.....	80	Exhibit C-1
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - All Nonmajor Governmental Funds.....	81	Exhibit C-2
 Special Revenue Funds:		
Combining Balance Sheet - Nonmajor Special Revenue Funds.....	82	Exhibit C-3
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds.....	92	Exhibit C-4
 Budgetary Comparison Schedules:		
Road & Bridge No. 21 Fund.....	101	Exhibit C-5
Road & Bridge No. 22 Fund.....	102	Exhibit C-6
Road & Bridge No. 23 Fund.....	103	Exhibit C-7
Road & Bridge No. 24 Fund.....	104	Exhibit C-8
Small Dams No. 32 Fund.....	105	Exhibit C-9
Law Library Fund.....	106	Exhibit C-10
 Debt Service Funds:		
Budgetary Comparison Schedule:		
Debt Service Fund.....	107	Exhibit C-11
 Capital Projects Funds:		
Combining Balance Sheet - Nonmajor Capital Projects Funds.....	108	Exhibit C-12
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Projects Funds.....	109	Exhibit C-13
 Fiduciary Funds:		
Agency Funds:		
Combining Statement of Fiduciary Net Position.....	110	Exhibit C-16
Combining Statement of Changes in Fiduciary Net Position.....	114	Exhibit C-17

Jim Wells County, Texas  
 Comprehensive Annual Financial Report  
 For The Year Ended December 31, 2021

TABLE OF CONTENTS

	Page	Exhibit/Table
<b>STATISTICAL SECTION</b>		
Net Position by Component.....	118	Table E-1
Expenses, Program Revenues, and Net (Expense)/Revenue.....	119	Table E-2
General Revenues and Total Change in Net Position.....	120	Table E-3
Fund Balances of Governmental Funds.....	121	Table E-4
Changes in Fund Balances of Governmental Funds.....	122	Table E-5
Tax Revenues by Source, Governmental Funds.....	123	Table E-6
Assessed Value and Estimated Actual Value of Taxable Property.....	124	Table E-7
Direct and Overlapping Property Tax Rates.....	125	Table E-8
Principal Property Tax Payers.....	126	Table E-9
Property Tax Levies and Collections.....	127	Table E-10
Taxable Sales by Category.....	128	Table E-11
Direct and Overlapping Sales Tax Rates.....	129	Table E-12
Ratios of Outstanding Debt by Type.....	130	Table E-13
Ratios of General Bonded Debt Outstanding.....	131	Table E-14
Direct and Overlapping Governmental Activities Debt.....	132	Table E-15
Legal Debt Margin Information.....	133	Table E-16
Demographic and Economic Statistics.....	134	Table E-17
Principal Employers.....	135	Table E-18
Full-Time-Equivalent Employees by Function/Program.....	136	Table E-19
Operating Indicators By Function/Program.....	137	Table E-20
Capital Asset Statistics by Function/Program.....	138	Table E-21
<b>OTHER SUPPLEMENTARY INFORMATION SECTION</b>		
Independent Auditors' Report on Internal Control over Financial Reporting and On Compliance and Others Matters Based on an Audit of Financial Statements Performed In Accordance with <i>Government Auditing Standards</i> .....	141	
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance.....	143	
Schedule of Findings and Questioned Costs .....	146	
Summary Schedule of Prior Audit Findings.....	147	
Corrective Action Plan.....	148	
Schedule of Expenditures of Federal Awards.....	149	Exhibit D-1
Notes to the Schedule of Expenditures of Federal Awards.....	150	



## 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 25, 2022

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 annual comprehensive financial report of the County of Jim Wells for the fiscal year ended December 31, 2021.

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, 2021, 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 unmodified opinion that the County's financial statements for the fiscal year ended December 31, 2021, 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 therefrom. 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 2021.

*Unemployment Rate.* The current unemployment rate of Jim Wells County, Texas is 8.2%, which is higher than the national unemployment rate of 3.9% and the statewide average rate is 4.8%.

*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 2021, the sales tax revenues were down compared to 2020.

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](http://www.christusspohn.org)

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

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

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

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

Major Highways: SH44/US 59 provides a major east-west trade corridor between the Port of Corpus Christi, Laredo, and Monterrey, Mexico and points south. US 281 provides a major north-south trade corridor between Northern Mexico, the Rio Grande Valley and points north. Alice is strategically located at the intersection of SH 44 and US 281, an essential component of the proposed Interstate Highway 69 International Trade Corridor. I-69 will connect Mexico, the United States and Canada.

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

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

Professional Sports: During May 2005, a 21.5 million dollar baseball stadium named "Whataburger Field" was completed in Corpus Christi, Texas, (which is 35 miles east of Alice, Texas) and is the 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](http://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 he 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.

### **Future Economic Developments**

The County experienced a pandemic on March 15, 2020, resulting from the coronavirus COVID-19. All financial activity related to COVID-19 is recorded in the Disaster Recovery department under the Special Revenue Fund. The Disaster Recovery department is used to account for disaster related expenditures, insurance proceeds, and Coronavirus Aid, Relief and Economic Security Act (CARES) grant distributions as well as other grants that are available. The County continues to evaluate the pandemic's effects and anticipates reimbursements from other federal agencies through Texas Department of Emergency Management (TDEM).

The fiscal impact of COVID-19 is aiming to be significant across the country. As the disaster evolves, the impact on counties' bottom line will be driven not only by overall economic conditions but the parts of the economy where revenue is generated. The National Association of Counties released on May 05, 2020 an analysis of the financial impact of COVID-19 on County finances estimating an overall \$144 billion budgetary hit across all U.S. counties. Jim Wells County had to adjust regular operations and budgets in response to the pandemic. Increase on unexpected expenditures and loss in revenue will impact the county's finances. The County is shifting our operations and adjusting our budget in response to the devastation of COVID-19. The unexpected increase in expenditures and the loss of revenue has resulted in the need to focus on curbing the spread of the virus but we are continuing to provide essential services to the residents.

Looking forward, even with the current COVID-19 pandemic our outlook is strong for continued growth in the near future. The Commissioners court continues to plan expenditures in a conservative manner. The 2020/2021 budget kept expenditures at or near the same levels as the prior budget with a few exceptions.



### **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 annual comprehensive financial report for the year ended December 31, 2020. 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 annual comprehensive financial report, whose contents conform to program standards. Such ACFR 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**

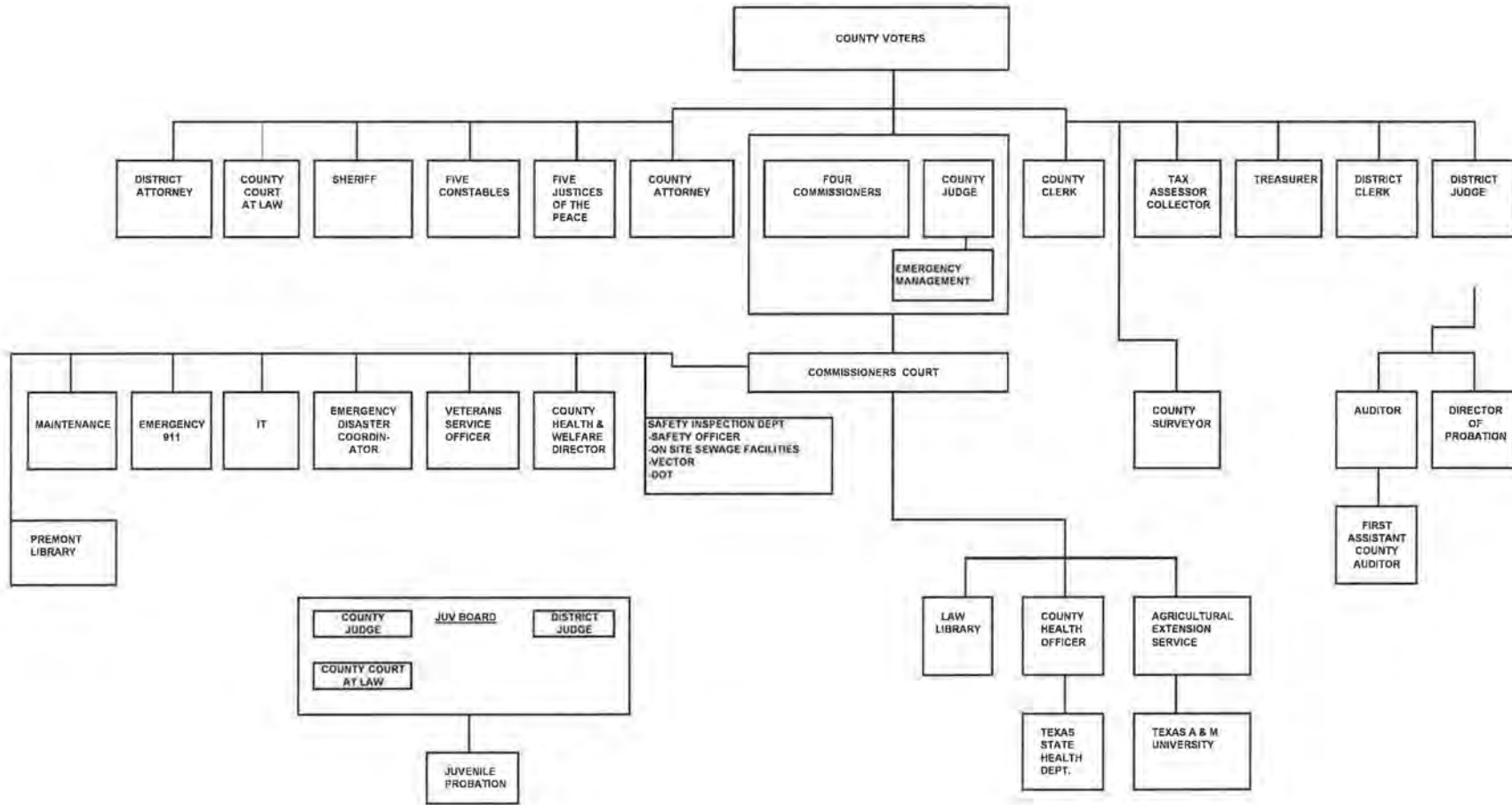
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2020

*Christopher P. Morrill*

Executive Director/CEO

**JIM WELLS COUNTY, TEXAS  
ORGANIZATION**



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

**DECEMBER 31, 2021**

**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**

Juan Rodriguez, Jr.	County Judge
Margie H. Gonzalez	County Commissioner, Precinct No. 1
Ventura Garcia	County Commissioner, Precinct No. 2
Renee Kirchoff Chapa	County Commissioner, Precinct No. 3
Wicho Gonzalez	County Commissioner, Precinct No. 4

**OTHER COUNTY OFFICIALS**

Daniel J. Bueno	Sheriff
J.C. Perez, III	County Clerk
Mark Dominguez	County Treasurer
Mary Lozano	Tax Assessor-Collector
Michael Guerra	County Attorney
Noe Gamez	County Auditor
Cindy Garcia	First Assistant County Auditor

**JUSTICES OF THE PEACE**

Richard Deleon	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**

Albert Martinez	Precinct No. 1
Jim Long	Precinct No. 3
Frank Davila	Precinct No. 4
Gerald Arismendez	Precinct No. 5
Bartolo Guajardo	Precinct No. 6

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

**DECEMBER 31, 2021  
(continued)**

**OTHER OFFICIALS**

Alejandro Lopez, M.D.  
Jose Lopez  
Rogelio Mercado  
David Salinas  
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  
5402 Holly Road, Suite 102  
Corpus Christi, Texas 78411  
Office (361)980-0428 Fax (361)980-1002

**Independent Auditor's Report**

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

**Report on the Audit of the Financial Statements**

***Opinions***

We have audited the 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, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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 the Jim Wells County, Texas as of December 31, 2021, 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.

***Basis for Opinions***

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.



## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In Performing an audit in accordance with GAAS, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, and budgetary comparison information and schedule of the County's proportionate share of the net pension liability and schedule of County pension contributions, and schedule of the County's proportionate share of the net OPEB liability and schedule of County OPEB contributions identified as Required Supplementary Information in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

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

### **Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### **Report on Other Legal and Regulatory Requirements**

In accordance with *Government Auditing Standards*, we have also issued our report dated July 25, 2022 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 solely 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 the effectiveness of the County's internal control over financial reporting and compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Jim Wells County, Texas's internal control over financial reporting and compliance.

Respectfully submitted,



Raul Hernandez & Company, P.C.

Corpus Christi, Texas  
July 25, 2022

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## 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, 2021. 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 \$43,154,912 (net position). The total assets of the County were \$49,564,587, total deferred outflows of resources were \$3,235,577, total liabilities were \$7,668,474, and total deferred inflows of resources were \$1,976,778.
- As of the close of the current fiscal year, the County of Jim Wells governmental funds reported combined ending fund balances of \$24,476,033, of which, \$11,579,916 represents an unassigned fund balance and places the County in a favorable position.
- The County of Jim Wells' total debt increased by a net of \$414,581 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.

# JIM WELLS COUNTY, TEXAS

- *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.
- *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 &amp; changes in fund balances</i> <i>Statement of cash flows</i>	<i>Statement of net position</i> <i>Statement of rev, exp, &amp; changes in net position</i> <i>Statement of flows</i>	<i>Statement of fiduciary net position</i>
<u>Accounting basis and measurement focus</u>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial	Accrual accounting and economic focus	Accrual accounting economic resources focus

## 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 net position was \$43,154,912; furthermore, the government's financial position has increased by a net amount of \$6,176,531 in the current fiscal year compared to the prior year. Net position is summarized below along with comparative data from the previous year. (See Table A-1).

Table A-1  
County's Net Position

	Governmental Activities <u>2021</u>	Governmental Activities <u>2020</u>	Increase (Decrease) <u>2021-2020</u>
<b>Current Assets:</b>			
Cash/Cash equivalents	\$ 24,700,189	\$ 18,381,716	\$ 6,318,473
Taxes receivable	1,201,035	864,212	336,823
Sales taxes receivable	256,623	-	256,623
<b>Total current assets:</b>	<u>26,157,847</u>	<u>19,245,928</u>	<u>6,911,919</u>
<b>Non-current assets:</b>			
Capital Assets	72,258,536	71,079,657	1,178,879
Less Accumulated Depreciation	(48,851,796)	(47,502,024)	(1,349,772)
<b>Total non-current assets:</b>	<u>23,406,740</u>	<u>23,577,633</u>	<u>(170,893)</u>
<b>Total Assets:</b>	<u>\$ 49,564,587</u>	<u>\$ 42,823,561</u>	<u>\$ 6,741,026</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Outflow Related to Pension Plan	3,044,347	1,108,598	1,935,749
Deferred Outflow Related to OPEB	191,230	157,850	33,380
<b>Total Deferred Outflows of Resources</b>	<u>3,235,577</u>	<u>1,266,448</u>	<u>1,969,129</u>
<b>Current Liabilities</b>			
Accounts payable and other current liabilities	\$ 480,780	\$ 390,015	\$ 90,765
Accrued Interest Payable	5,579	8,595	(3,016)
Due to Other Governments and Agencies	-	121,398	(121,398)
<b>Total current liabilities</b>	<u>486,359</u>	<u>520,008</u>	<u>(33,649)</u>
<b>Long-term liabilities</b>			
Due within one year	1,250,070	1,002,070	248,000
Due in more than one year	2,307,197	2,140,616	166,581
Net Pension Liability - due in more than one year	2,875,360	1,232,178	1,643,182
Net OPEB Liability - due in more than one year	749,488	638,688	110,800
<b>Total Liabilities</b>	<u>7,668,474</u>	<u>5,533,560</u>	<u>2,134,914</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Amounts Related to Pensions	1,937,121	1,520,273	416,848
Deferred Amounts Related to OPEB	39,657	57,795	(18,138)
<b>Total Deferred Inflows of Resources</b>	<u>1,976,778</u>	<u>1,578,068</u>	<u>398,710</u>
<b>Net Pension:</b>			
Net Investment in Capital Assets	22,686,740	20,782,340	1,904,400
<b>Restricted For:</b>			
Debt Service	93,064	87,448	5,616
Capital Projects	766,968	762,037	4,931
Unrestricted	19,608,140	15,346,556	4,261,584
<b>Total Net Position</b>	<u>\$ 43,154,912</u>	<u>\$ 36,978,381</u>	<u>\$ 6,176,531</u>

# JIM WELLS COUNTY, TEXAS

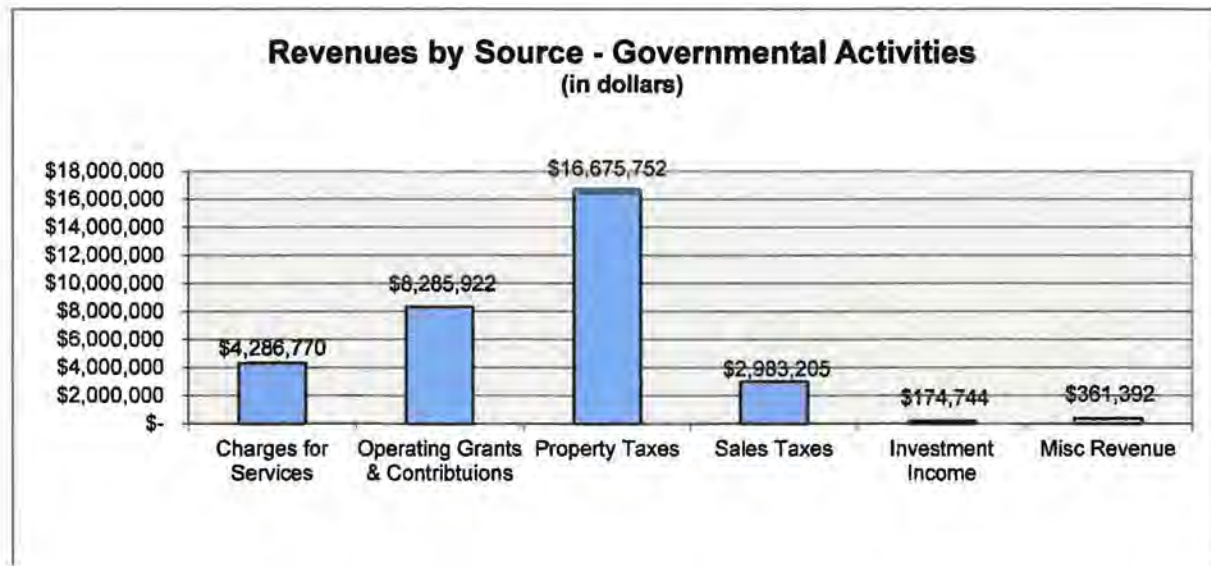
The \$93,064 and \$766,968 of the County's restricted net position represents funds available for the debt service and capital projects funds, respectively. These funds when spent are restricted for repayment of debt and capital asset acquisitions respectively. The \$19,608,140 unrestricted net position represents resources available to fund the programs of the County next year.

**Revenues.** The County's total revenues were \$32,767,785. A significant portion, 51 percent, of the County's revenue comes from property taxes. 25 percent comes from operating grants & contributions and 13 percent relates to charges for services. (See Figure A-1 and Table A-2)

## Governmental Activities

- Property tax rates had a total direct rate of .787581, which did not change from the previous year. Net taxable value of property totaled \$2,127,837,199.
- Sales tax revenues increased from the prior year due, in part, to an increase in collections.
- Property tax revenues in 2021 increased from the prior year by \$933,242.

Figure A-1





# JIM WELLS COUNTY, TEXAS

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

	<b>Governmental Activities</b>		<b>Increase (Decrease)</b>
	<u>2021</u>	<u>2020</u>	<u>2021-2020</u>
<b>Revenues</b>			
Program:			
Charges for services	\$ 4,286,770	\$ 4,122,653	\$ 164,117
Operating Grants and Contributions	8,285,922	2,755,297	5,530,625
<b>General</b>			
Property Taxes	16,675,752	15,742,510	933,242
Sales Taxes	2,983,205	2,612,434	370,771
Investment Income	174,744	293,567	(118,823)
Miscellaneous Revenues	361,392	262,828	98,564
<b>Total Revenues</b>	<u>\$ 32,767,785</u>	<u>\$ 25,789,289</u>	<u>\$ 6,978,496</u>
<b>Cost of Services:</b>			
General Government	7,422,076	7,217,136	204,940
Judicial	4,349,317	4,393,298	(43,981)
Public Safety	8,641,759	8,727,386	(85,627)
Public Transportation	4,460,623	4,370,019	90,604
Health and Welfare	1,129,556	355,114	774,442
Culture and Recreation	24,830	-	24,830
Conservation	224,394	231,979	(7,585)
Economic Development and Assistance	172,652	146,176	26,476
Interest on Long-term Debt	166,047	234,226	(68,179)
<b>Total Cost of Services</b>	<u>\$ 26,591,254</u>	<u>\$ 25,675,334</u>	<u>\$ 915,920</u>
Change in net position	6,176,531	113,955	6,062,576
<b>Net position - beginning</b>	<u>36,978,381</u>	<u>36,864,426</u>	<u>113,955</u>
<b>Net position - ending</b>	<u>\$ 43,154,912</u>	<u>\$ 36,978,381</u>	<u>\$ 6,176,531</u>

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

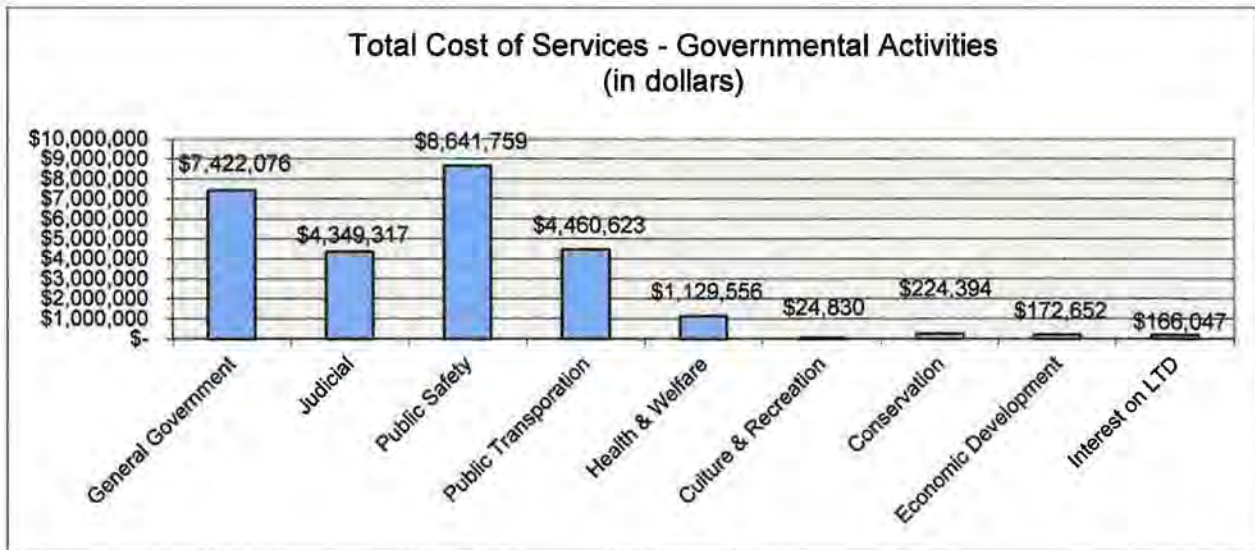
- The cost of all governmental activities this year was \$26,591,254. Public Safety was a significant part of the amount totaling \$8,641,759, which the majority was due to costs in

# JIM WELLS COUNTY, TEXAS

the General Fund, Adult & State Juvenile Probation funds, the Sheriff Drug Forfeiture fund and 79<sup>th</sup> Judicial District Attorney Forfeiture fund.

- However, the amount that our taxpayers paid for these activities through property taxes was approximately \$16,675,752.
- 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.
- \$7,422,076 of these costs were for general government, which increased by \$204,940 from the prior year due to expenditures related to COVID-19.

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 \$24,476,033, a net increase of \$6,605,727 compared with the prior year. As shown on page 37 the unassigned fund balance resulted in an amount of \$11,715,151. 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 general property taxes, general sales & use taxes revenues, licenses & permits, fines & forfeitures, fees of office, investment earnings, miscellaneous revenues, and increase in capital leases.

The General fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the General Fund increased to \$11,715,151 from the previous year's balance of \$10,348,406 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. Revenues increased compared to the prior year, this increase was a result of a increase in charges for services, intergovernmental revenues, and sales taxes collected.

The Debt Service Fund (county-wide), which was created during 2004, has a total fund balance of \$93,064. 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 \$766,968. 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**

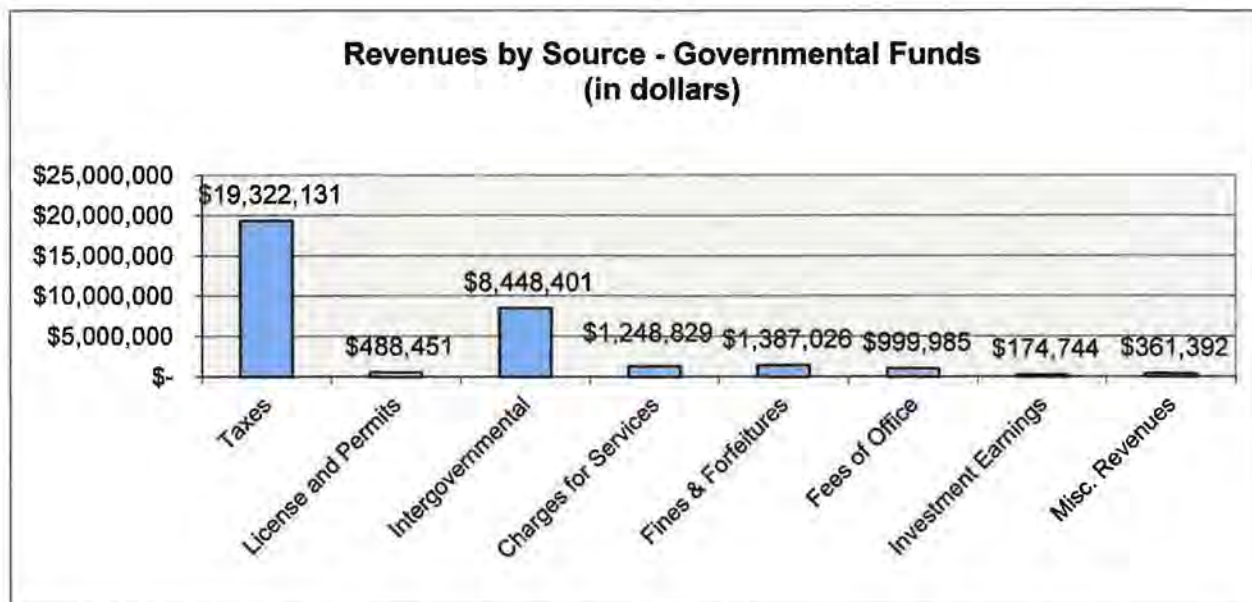
Revenues from governmental fund types had a net increase of \$6,641,670 from the preceding year, totaling \$32,430,959. Taxes and Intergovernmental revenue were the most significant portions in governmental fund revenue sources, which totaled \$19,322,131 and \$8,448,401, respectively. The largest increase was in intergovernmental revenues.

The County's primary source of revenue consists of taxes, which comprise 60% of the County's total revenues. In addition, intergovernmental revenues and fines & forfeitures comprise 26% and 4% 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 \$129,115, from the prior year due to more fines & cash seizures. Furthermore, taxes increased by \$967,187 from the previous year, as a result of an increase in property tax collections.

# JIM WELLS COUNTY, TEXAS

**Figure A-3**



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

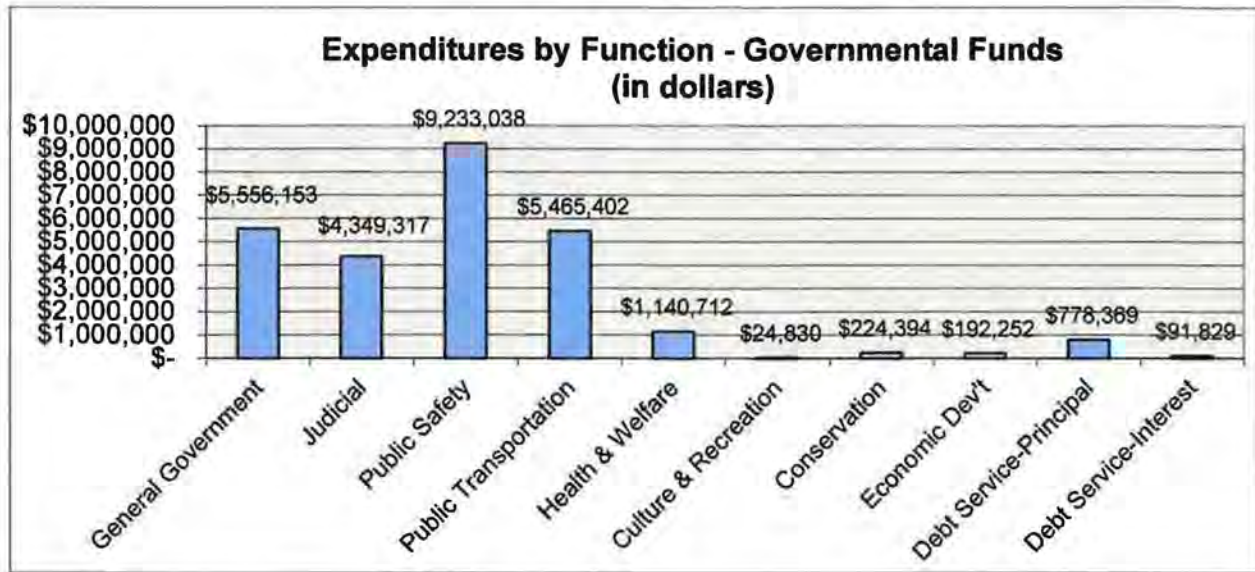
	<b>2021</b>	<b>2020</b>	<b>Increase (Decrease)</b>
Taxes	\$ 19,322,131	\$ 18,354,944	\$ 967,187
License and Permits	488,451	549,999	(61,548)
Intergovernmental	8,448,401	2,755,297	5,693,104
Charges for Services	1,248,829	501,931	746,898
Fines & Forfeitures	1,387,026	1,257,911	129,115
Fees of Office	999,985	1,784,990	(785,005)
Investment Earnings	174,744	293,567	(118,823)
Misc. Revenues	361,392	290,650	70,742
<b>Total Revenues</b>	<b>\$ 32,430,959</b>	<b>\$ 25,789,289</b>	<b>\$ 6,641,670</b>

**Expenditures**

The increase in general government expenditures of \$827,856 is partly due to an increase in health & welfare and public transportation expenditures. The increase in public transportation of \$488,868 was due to increases in the Road & Bridge Funds expenditures.

The County's primary expenditures were for public safety, general government, and public transportation. Public safety now accounts for over 34% of total expenditures. (See Figure A-4 and Table A-4)

# JIM WELLS COUNTY, TEXAS



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

	<u>2021</u>	<u>2020</u>	<u>Increase (Decrease)</u>
General Government	\$ 5,556,153	\$ 5,462,107	\$ 94,046
Judicial	4,349,317	4,393,298	(43,981)
Public Safety	9,233,038	9,655,825	(422,787)
Public Transportation	5,465,402	4,976,534	488,868
Health and Welfare	1,140,712	355,114	785,598
Culture and Recreation	24,830	-	24,830
Conservation	224,394	231,979	(7,585)
Economic Development and Assistance	192,252	173,492	18,760
Debt Service:			
Principal	778,369	875,464	(97,095)
Interest and Fiscal Charges	91,829	104,627	(12,798)
Total Expenditures	<u>\$ 27,056,296</u>	<u>\$ 26,228,440</u>	<u>\$ 827,856</u>

# JIM WELLS COUNTY, TEXAS

Other financing sources from the County came from:

**Table A-5  
Other Financing Resources**

	<u>2021</u>	<u>2020</u>	<u>Increase (Decrease)</u>
Transfers In	\$ 699,334	\$ 535,120	\$ 164,214
Transfers Out	(699,334)	(535,120)	(164,214)
Capital Leases	<u>1,231,064</u>	<u>899,776</u>	<u>331,288</u>
	<u>\$ 1,231,064</u>	<u>\$ 899,776</u>	<u>\$ 331,288</u>

## General Fund Budgetary Highlights

The final budget was adopted with total General Fund revenues of \$17,240,450 and expenditures of \$18,202,762, 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 \$556,719. Of this amount, general property taxes had the largest favorable variance. The County's revenue booms and busts through the years closely follow oil prices and oil field activities.
- Actual expenditures (before transfers) were \$1,435,933 below final budget amounts. This biggest favorable variance resulted from over-budgeted expenditures in every department. County departments were encouraged to monitor expenditures to help support the overall County budget since the County was incurring higher costs due to the COVID-19 pandemic.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

At the end of 2021, the County had invested \$72,258,536 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, 2021 net capital assets of the governmental activities totaled \$23,406,740. Depreciation on capital assets is recognized in the Government-wide financial statements. Accumulated depreciation for infrastructure, buildings & improvements, and machinery & equipment totaled \$48,851,796. More detailed information about the county's capital assets is presented in the notes to the financial statements on page 52.

**JIM WELLS COUNTY, TEXAS**

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

	Governmental Activities		Increase (Decrease)
	2021	2020	2021-2020
Land	\$ 416,773	\$ 416,773	\$ -
Infrastructure	43,715,816	43,715,816	-
Buildings and Improvements	13,670,999	13,605,705	65,294
Machinery & Equipment	14,454,948	13,341,361	1,113,587
Total at historical cost	<u>72,258,536</u>	<u>71,079,655</u>	<u>1,178,881</u>
Total Accumulated Depreciation	<u>(48,851,796)</u>	<u>(47,502,024)</u>	<u>(1,349,772)</u>
Net Capital Assets	<u>\$ 23,406,740</u>	<u>\$ 23,577,631</u>	<u>\$ (170,891)</u>

The largest increase to capital assets was attributed to machinery & equipment in the net amount of \$1,113,587 due to purchases of vehicles and equipment. Additional details on capital assets can be found in the notes to the financial statements on page 52.

**Long Term Debt**

At year-end the County had \$3,557,267 in bonds, capital leases obligations, and other long-term liabilities outstanding as shown in Table A-7. The County's total debt increased by a net of \$414,581 from 2020. More detailed information about the County's debt is presented in the notes to the financial statements on page 54.

**Table A-7  
Long Term Debt**

	Governmental Activities	
	2021	2020
General obligation bonds	\$ 490,000	\$ 720,000
Capital leases	2,757,988	2,075,293
Compensated absences	309,279	347,393
Total governmental activities	<u>\$ 3,557,267</u>	<u>\$ 3,142,686</u>

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

- Appraised value used for the 2022 budget preparation is up from the prior year.
- General operating fund spending in the 2022 budget is expected to have an increase as compared to 2021.

These indicators were taken into account when adopting the general fund budget for 2022. Property taxes will remain constant due to 2022 adopted tax rate remaining the same.

Expenditures are expected to experience an 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 2022 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; and (3) 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, 2021**

	<u>Governmental Activities</u>
<b>ASSETS:</b>	
Cash and Cash Equivalents	\$ 24,700,189
Taxes Receivables ( net of allowances for uncollectibles):	1,201,035
Sales Taxes Receivable	256,623
Capital Assets ( net of accumulated depreciation):	
Land	416,773
Buildings and System	6,604,055
Machinery and Equipment	6,019,480
Infrastructure	10,366,432
Total Assets	<u>49,564,587</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred Outflow Related to Pension Plan	3,044,347
Deferred Outflow Related to OPEB	191,230
Total Deferred Outflows of Resources	<u>3,235,577</u>
<b>LIABILITIES:</b>	
Accounts Payable and Other Current Liabilities	480,780
Accrued Interest Payable	5,579
Noncurrent Liabilities-	
Due within one year	1,250,070
Due in more than one year	2,307,197
Net Pension Liability-due in more than one year	2,875,360
Net OPEB Liability-due in more than one year	749,488
Total Liabilities	<u>7,668,474</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred Amounts Related to Pensions	1,937,121
Deferred Amounts Related to OPEB	39,657
Total Deferred Inflows of Resources	<u>1,976,778</u>
<b>NET POSITION:</b>	
Net Investment in Capital Assets	22,686,740
Restricted For:	
Debt Service	93,064
Capital Projects	766,968
Unrestricted	19,608,140
Total Net Position	<u>\$ 43,154,912</u>

The accompanying notes are an integral part of this statement.

**JIM WELLS COUNTY, TEXAS**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
<b>PRIMARY GOVERNMENT:</b>				
Governmental Activities:				
General Government	\$ 7,422,076	\$ 1,157,149	\$ -	\$ (6,264,927)
Judicial	4,349,317	372,818	430,608	(3,545,891)
Public Safety	8,641,759	1,318,769	1,776,566	(5,546,424)
Public Transportation	4,460,623	1,438,034	497,118	(2,525,471)
Health and Welfare	1,129,556	-	5,581,630	4,452,074
Culture and Recreation	24,830	-	-	(24,830)
Conservation	224,394	-	-	(224,394)
Economic Development and Assistance	172,652	-	-	(172,652)
Interest on Long-term Debt	166,047	-	-	(166,047)
Total Governmental Activities	26,591,254	4,286,770	8,285,922	(14,018,562)
Total Primary Government	\$ 26,591,254	\$ 4,286,770	\$ 8,285,922	(14,018,562)
General Revenues:				
Property Taxes				16,675,752
Sales Taxes				2,983,205
Investment Income				174,744
Miscellaneous Revenues				361,392
Total General Revenues				20,195,093
Change in Net Position				6,176,531
Net Position - Beginning				36,978,381
Net Position - Ending				\$ 43,154,912

The accompanying notes are an integral part of this statement.

**JIM WELLS COUNTY, TEXAS**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2021**

	General Fund	ARPA Grant Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 11,793,764	\$ 3,923,972	\$ 8,982,453	\$ 24,700,189
Taxes Receivables ( net of allowances for uncollectibles):	10,894,259	--	3,312,724	14,206,983
Sales Taxes Receivable	205,298	--	51,325	256,623
<b>Total Assets</b>	<b>\$ 22,893,321</b>	<b>\$ 3,923,972</b>	<b>\$ 12,346,502</b>	<b>\$ 39,163,795</b>
<b>LIABILITIES AND FUND BALANCES:</b>				
<b>Liabilities:</b>				
Accounts Payable	\$ 283,911	\$ --	\$ 196,869	\$ 480,780
<b>Total Liabilities</b>	<b>283,911</b>	<b>--</b>	<b>196,869</b>	<b>480,780</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Unavailable Revenue Property Taxes	10,894,259	--	3,312,723	14,206,982
<b>Total Deferred Inflows of Resources</b>	<b>10,894,259</b>	<b>--</b>	<b>3,312,723</b>	<b>14,206,982</b>
<b>Fund Balances:</b>				
<b>Restricted Fund Balances:</b>				
Federal or State Funds Grant Restriction	--	3,923,972	8,112,113	12,036,085
Retirement of Long-Term Debt	--	--	93,064	93,064
Capital Project Funds	--	--	766,968	766,968
Unassigned Fund Balance	11,715,151	--	(135,235)	11,579,916
<b>Total Fund Balance</b>	<b>11,715,151</b>	<b>3,923,972</b>	<b>8,836,910</b>	<b>24,476,033</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 22,893,321</b>	<b>\$ 3,923,972</b>	<b>\$ 12,346,502</b>	<b>\$ 39,163,795</b>

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, 2021

Total fund balances - governmental funds balance sheet	\$ 24,476,033
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.	23,406,740
Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds.	1,201,034
Payables for bond principal which are not due in the current period are not reported in the funds.	(490,000)
Payables for capital leases which are not due in the current period are not reported in the funds.	(2,757,988)
Payables for bond interest which are not due in the current period are not reported in the funds.	(5,579)
Payables for compensated absences which are not due in the current period are not reported in the funds.	(309,279)
Recognition of the County's proportionate share of the net pension liability is not reported in the funds.	(2,875,360)
Deferred Resource Inflows related to the pension plan are not reported in the funds.	(1,937,121)
Deferred Resource Outflows related to the pension plan are not reported in the funds.	3,044,347
Recognition of the County's proportionate share of the net OPEB liability is not reported in the funds.	(749,488)
Deferred Resource Inflows related to the OPEB plan are not reported in the funds.	(39,657)
Deferred Resource Outflows related to the OPEB plan are not reported in the funds.	<u>191,230</u>
Net position of governmental activities - Statement of Net Position	<u>\$ 43,154,912</u>

The accompanying notes are an integral part of this statement.

**JIM WELLS COUNTY, TEXAS**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2021

	General Fund	ARPA Grant Fund	Other Governmental Funds	Total Governmental Funds
Revenue:				
Taxes:				
General Property Taxes	\$ 12,852,631	\$ --	\$ 3,486,295	\$ 16,338,926
General Sales and Use Taxes	2,410,843	--	572,362	2,983,205
License and Permits	86,560	--	401,891	488,451
Intergovernmental	667,894	3,931,577	3,848,930	8,448,401
Charges for Services	961,243	--	287,586	1,248,829
Fines and Forfeitures	354,501	--	1,032,525	1,387,026
Fees of Office	17,101	--	982,884	999,985
Investment Earnings	113,428	3,208	58,108	174,744
Miscellaneous Revenues	332,968	--	28,424	361,392
Total revenues	<u>17,797,169</u>	<u>3,934,785</u>	<u>10,699,005</u>	<u>32,430,959</u>
Expenditures:				
Current:				
General Government	5,129,365	10,813	415,975	5,556,153
Judicial	3,872,961	--	476,356	4,349,317
Public Safety	6,181,133	--	3,051,905	9,233,038
Public Transportation	--	--	5,465,402	5,465,402
Health and Welfare	88,474	--	1,052,238	1,140,712
Culture and Recreation	24,830	--	--	24,830
Conservation	224,394	--	--	224,394
Economic Development and Assistance	192,252	--	--	192,252
Debt Service:				
Principal	245,697	--	532,672	778,369
Interest and Fiscal Charges	34,033	--	57,796	91,829
Total Expenditures	<u>15,993,139</u>	<u>10,813</u>	<u>11,052,344</u>	<u>27,056,296</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,804,030</u>	<u>3,923,972</u>	<u>(353,339)</u>	<u>5,374,663</u>
Other Financing Sources (Uses):				
Transfers In	--	--	699,334	699,334
Transfers Out	(437,285)	--	(262,049)	(699,334)
Capital Leases	--	--	1,231,064	1,231,064
Total Other Financing Sources (Uses)	<u>(437,285)</u>	<u>--</u>	<u>1,668,349</u>	<u>1,231,064</u>
Net Change in Fund Balances	1,366,745	3,923,972	1,315,010	6,605,727
Fund Balances - Beginning	10,348,406	--	7,521,900	17,870,306
Fund Balances - Ending	<u>\$ 11,715,151</u>	<u>\$ 3,923,972</u>	<u>\$ 8,836,910</u>	<u>\$ 24,476,033</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, 2021

Net change in fund balances - total governmental funds	\$ 6,605,727
Amounts reported for governmental activities in the Statement of Activities ("SOA") are different because:	
Capital outlays are not reported as expenses in the SOA.	1,549,580
The depreciation of capital assets used in governmental activities is not reported in the funds.	(1,720,474)
Certain property tax revenues are deferred in the funds. This is the change in these amounts this year.	336,826
Repayment of bond principal is an expenditure in the funds but is not an expense in the SOA.	230,000
Repayment of capital lease principal is an expenditure in the funds but is not an expense in the SOA.	548,369
(Increase) decrease in accrued interest from beginning of period to end of period.	3,016
Compensated absences are reported as the amount earned in the SOA but as the amount paid in the funds.	38,114
Proceeds of leases do not provide revenue in the SOA, but are reported as current resources in the funds.	(1,231,064)
Pension expense relating to GASB 68 is recorded in the SOA but not in the funds.	(183,563)
Change in net position of governmental activities - Statement of Activities	<u>\$ 6,176,531</u>

The accompanying notes are an integral part of this statement.



**JIM WELLS COUNTY, TEXAS**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**DECEMBER 31, 2021**

	<u>Custodial Funds</u>
<b>ASSETS:</b>	
Cash and Cash Equivalents	\$ 7,248,042
<b>Total Assets</b>	<u>7,248,042</u>
<b>LIABILITIES:</b>	
Due to Other Governments and Agencies	<u>---</u>
<b>Total Liabilities</b>	<u>---</u>
<b>NET POSITION:</b>	<u>\$ 7,248,042</u>

The accompanying notes are an integral part of this statement.

**JIM WELLS COUNTY, TEXAS**  
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 FIDUCIARY FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Custodial Funds</u>
<b>Additions:</b>	
Contributions	\$ 65,046,923
Total Additions	<u>65,046,923</u>
<b>Deductions:</b>	
Administrative Expenses	64,994,554
Total Deductions	<u>64,994,554</u>
<b>Change in Net Position</b>	52,369
Net Position-Beginning of the Year	7,195,673
Net Position-End of the Year	<u>\$ 7,248,042</u>

The accompanying notes are an integral part of this statement.

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**JIM WELLS COUNTY, TEXAS**  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**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

The County also evaluated each legally separate, tax-exempt organization whose resources are used principally to provide support to the County to determine if its omission from the reporting entity would result in financial statements which are misleading or incomplete. GASB Statement No. 14 requires inclusion of such an organization as a component unit when: 1) The economic resources received or held by the organization are entirely or almost entirely for the direct benefit of the County, its component units or its constituents; and 2) The County or its component units is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the organization; and 3) Such economic resources are significant to the County.

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

**2. Basis of Presentation, Basis of Accounting**

**a. Basis of Presentation**

**Government-wide Statements:** The statement of net position and the statement of activities include the financial activities of the overall government, except for fiduciary activities. Eliminations been made to minimize the double-counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the County's governmental 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 statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

**JIM WELLS COUNTY, TEXAS**  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

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.

The COVID ARPA fund is used to account for the COVID-19 ARPA revenues and expenditures

In addition, the County reports the following fund types:

Custodial funds: Custodial funds are used to report fiduciary activities that are not required to be reported in any other type of fiduciary funds.

Fiduciary funds are reported in the fiduciary fund financial statements. However, because their assets are held in a trustee or agent capacity and are therefore not available to support County programs, these funds are not included in the government-wide 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 in the governmental funds to be available if the revenues are collected within sixty days after year-end. 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. 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.

**JIM WELLS COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

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 (1) when they become due or past due and receivable within the current period and (2) when they are expected to be collected during a 60-day period after the close of the fiscal year.

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.

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.

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 or donated works of art and similar items should be reported at acquisition value. 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 received in a service concession

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

d. 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, 2021

e. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of the Texas Municipal Retirement System (TMRS) and additions to or deductions from TMRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

f. Other Post-Employment Benefits (OPEB)

The total OPEB liability of the Texas Counties and Districts Retirement System (TCDRS) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits and OPEB expense. Benefit payments are recognized when due and payable in accordance with the benefit terms. There are no investments as this is a pay-as-you-go plan and all cash is held in a cash account.

g. 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 position.

h. Fund Balances - Governmental Funds

Fund balances of the governmental funds are classified as follows:

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

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

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

**JIM WELLS COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

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

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

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

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

**B. Compliance and Accountability**

**1. Deficit Fund Balance or Fund Net Position of Individual Funds**

Following are funds having deficit fund balances or fund net position at year end, if any, along with remarks which address such deficits:

Fund Name	Deficit Amount
Road and Bridge #1	\$ (3,800)
Colonia Grant Fund	(131,435)

**2. Excess of expenditures over appropriations**

For the year ended December 31, 2021, the County had no funds that had expenditures exceeding appropriations.

**C. Deposits and Investments**

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



**JIM WELLS COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

**Cash Deposits:**

At December 31, 2021, the carrying amount of the County's deposits (cash, certificates of deposit, and interest-bearing savings accounts included in temporary investments) was \$31,948,231 and the bank balance was \$31,950,432. The County's cash deposits at December 31, 2021 and during the year ended December 31, 2021, were entirely covered by FDIC insurance or by pledged collateral held by the County's agent bank in the County's name.

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 \$37,940,489.
- c. The highest combined balances of cash, savings and time deposit accounts amounted to \$35,868,489 and occurred during the month of March, 2021.
- 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, 2021.

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.

**JIM WELLS COUNTY, TEXAS**  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

b. Custodial Credit Risk

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

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

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

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.

**JIM WELLS COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

**D. Capital Assets**

Capital asset activity for the year ended December 31, 2021, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 416,773	\$ --	\$ --	\$ 416,773
Total capital assets not being depreciated	<u>416,773</u>	<u>--</u>	<u>--</u>	<u>416,773</u>
Capital assets being depreciated:				
Infrastructure	43,715,819	--	--	43,715,819
Buildings and improvements	13,605,705	24,409	--	13,630,114
Machinery & Equipment	13,341,361	1,525,171	(370,703)	14,495,829
Total capital assets being depreciated	<u>70,662,885</u>	<u>1,549,580</u>	<u>(370,703)</u>	<u>71,841,762</u>
Less accumulated depreciation for:				
Infrastructure	(33,198,101)	(151,286)	--	(33,349,387)
Buildings and improvements	(6,737,928)	(288,126)	--	(7,026,054)
Machinery & Equipment	(7,565,995)	(1,281,062)	370,703	(8,476,354)
Total accumulated depreciation	<u>(47,502,024)</u>	<u>(1,720,474)</u>	<u>370,703</u>	<u>(48,851,795)</u>
Total capital assets being depreciated, net	<u>23,160,861</u>	<u>(170,894)</u>	<u>--</u>	<u>22,989,967</u>
Governmental activities capital assets, net	<u>\$ 23,577,634</u>	<u>\$ (170,894)</u>	<u>\$ --</u>	<u>\$ 23,406,740</u>

Depreciation was charged to functions as follows:

General Government	\$ 705,395
Public Protection:	
Courthouse & Buildings	326,890
Probation	34,408
Sheriff	361,299
Fire Protection	51,614
Public Ways and Facilities, including Depreciation of General Infrastructure Assets	240,868
	<u>\$ 1,720,474</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, 2021,

**JIM WELLS COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

2. Transfers To and From Other Funds

Transfers to and from other funds at December 31, 2021, consisted of the following:

Transfers out:	Transfers In:		
	General Fund	Nonmajor Governmental	Total
General fund	\$ --	\$ 437,285	\$ 437,285
Nonmajor governmental	--	262,049	262,049
Total transfers out	--	699,334	699,334

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. Short-Term Debt Activity

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.

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

Restricted Fund Balance:	
Federal or State Funds Grant Restriction	\$ 12,036,085
Retirement of Long-Term Debt	93,064
Capital Project Funds	766,968
	<u>12,896,117</u>
Committed Fund Balance:	
Construction	--
Other Committed Fund Balance	--
	<u>--</u>
Assigned Fund Balance:	
Other Assigned Fund Balance	--
	<u>--</u>
Unassigned Fund Balance	11,579,916
	<u>11,579,916</u>
Total Fund Balance	<u>\$ 24,476,033</u>

**JIM WELLS COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

G. 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, 2021.

Description	Interest Rates (%)	Date of Issuance	Date of Maturity	Bonds Outstanding
Certificates of Obligation Refunding Bonds, Series 2008	3.86%	May 1, 2008	September 1 2023	\$490,000

Long-term obligations include debt and other long-term liabilities. Changes in long-term obligations for the year ended December 31, 2021, are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental activities:					
General obligation bonds	\$ 720,000	\$ --	\$ 230,000	\$ 490,000	240,000
Capital leases	2,075,293	1,231,064	548,369	2,757,988	682,070
Compensated absences *	347,393	54,782	92,895	309,279	90,000
Total governmental activities	\$ 3,142,686	\$ 1,285,846	\$ 871,264	\$ 3,557,267	\$ 1,012,070

\* Other long-term liabilities

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

Liability	Activity Type	Fund
Compensated absences	Governmental	General

2. Debt Service Requirements

Debt service requirements on long-term debt at December 31, 2021, are as follows:

Year Ending December 31,	Governmental Activities		
	Principal	Interest	Total
2022	\$ 240,000	\$ 16,598	\$ 256,598
2023	250,000	7,237	257,237
Totals	\$ 490,000	\$ 23,835	\$ 513,835

**JIM WELLS COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

H. Commitments Under Noncapitalized Leases

Operating Leases

Commitments under operating (noncapitalized) lease agreements for facilities and equipment provide for minimum future rental payments as of December 31, 2021, as follows:

Year Ending December 31,	
2022	47,715
2023	47,715
2024	\$ 23,857
Total Minimum Rentals	\$ <u>119,287</u>
Rental Expenditures in 2021	\$ <u>47,715</u>

Capital Leases

1. On July 10, 2019, the County entered into a three year lease agreement, secured with 3 2019 Chevrolet Tahoes with Government Capital Corporation with a maturity date of July 10, 2022. Payments are due in annual installments of \$100,153.09, including interest of 4.249%.
2. On July 26, 2019, the County entered into a five year lease agreement, secured with Voter Registration Equipment with Government Capital Corporation, with a maturity of January 8, 2024. Payments are due in annual installments of \$107,545.18 with interest of 3.99%.
3. On January 31, 2021, the County entered into a five year lease agreement, secured by roller spreader with Govt Capital Corporation, with a maturity date of January 31, 2026. Payments are due in annual installments of \$34,016.46 including interest of 2.861%.
4. On February 28, 2018, the County entered into a 5 year agreement, secured with a Peterbilt with Government Capital Corporation with a maturity date of February 28, 2023. Payments are due in monthly installments of \$1,959.25, including interest of 4.565%.
5. On October 4, 2016, the County entered into a 7 year lease agreement secured by Drum Vibratory Roller with Government Capital Corporation, with a maturity date of September 28, 2023. Payments are \$15,859.76 for 7 years annually, including interest of 3.244%.
6. On September 27, 2019, the County entered into a 5 year lease agreement secured by a Peterbilt Refuse Truck with Government Capital Corporation, with a maturity date of November 1, 2024. Payments of \$76,916 are due annually with an interest rate of 3.442%.
7. On March 8, 2021, the County entered into a 3 year lease agreement secured by 10 Police Vehicles with Government Capital Corporation, with a maturity date of February 22, 2024. Payments are due in annual installments of \$162,868.21, including interest of 3.091%.
8. On December 12, 2016, the County entered into a six year lease agreement secured by a 2017 Suburban with Government Capital Corporation, with a maturity date of December 12, 2022. Payments are due in annual installments of \$6,648.43 including interest of 4.478%.
9. On November 2, 2016, the County entered into a seven year lease agreement secured by a 2017 Trash Truck and Refuse Equipment with Government Capital Corporation, with a maturity date of November 1, 2023. Payments are due in monthly installments of \$5,529.09 including interest of 3.179%.

**JIM WELLS COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

10. On December 27, 2021, the County entered into a 13 month lease agreement with Bancorp South Equipment Finance for a Mack Truck w/ Ox Body with a maturity date of December, 2022. One payment in the amount of \$150,842 is due with an interest rate of 3.94%.

11. On October 15, 2020, the County entered into a 7 year lease agreement with Motorola Solutions, Inc. for law enforcement equipment with a maturity date of October 15, 2026. Payment are due in annual installments of \$115,554.95 including interest of 2.84%.

12. On February 28, 2020, the County entered into a 4 year lease agreement with Government Capital Corporation for a Doosan 3 wheel loader with a maturity date of February 29, 2024. Payments are due in annual installments of \$11,994.03 including interest of 4.371%.

13. On March 24, 2021, the County entered into a 5 year lease agreement with Government Capital Corporation for a John Deere Motorgrader with a maturity date of March 15, 2026. Payments are due in annual installments of \$44,257.37 including interest of 3.139%.

14. On April 2, 2021, the County entered into a 3 year lease agreement with Government Capital Corporation for a 2 trucks and related equipment with a maturity date of April 2, 2024. Payments are due in annual installments of \$48,236.84 including interest of 3.367%.

15. On April 12, 2021, the County entered into a 3 year lease agreement with Government Capital Corporation for a asphalt zipper with a maturity date of April 12, 2026. Payments are due in annual installments of \$44,923.26 including interest of 3.334%.

The assets acquired through capital leases are as follows:

Asset:	Governmental Activities
Machinery and Equipment	\$ 6,736,850
Less: accumulated depreciation	(2,436,842)
Total	<u>\$ 4,300,008</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2021 were as follows:

Year Ending December 31,	
2022	\$ 920,070
2023	689,110
2024	611,789
2025	222,416
2026	229,058
Thereafter	85,545
Total Minimum Lease Payments	<u>\$ 2,757,988</u>
Less: amount representing interest	(139,558)
Present Value of Minimum Lease Payments	<u>\$ 2,618,430</u>

**JIM WELLS COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

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 2021, 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.

Members are vested after 8 years of employment with any organization with an accredited plan (not just the County), but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer. Benefit amounts are determined by the sum of the employee's deposits to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the employer within the actuarial constraints imposed by the TCRDS Act so that the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute. At retirement, death, or disability, the benefit is calculated by converting the sum of the employee's accumulated deposits and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

2. 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 10.8% for the calendar year 2018. 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 9.43% and 8.59% in calendar years 2020 and 2021, respectively. Jim Wells County's contributions to TCDRS for the fiscal year ended December 31, 2021 were \$1,066,727 and were equal to the required contributions.



**JIM WELLS COUNTY, TEXAS**  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

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 expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS' investment consultant, Cliffwater LLC. The numbers shown are based on January LLC. The numbers shown below are based on January 2019 information for a 7-10 year time horizon.

Note that the valuation assumption for long-term expected return is re-assessed in detail at a minimum of every four years, and is set based on a long-term time horizon. The TCDRS Board of Trustees adopted the current assumption at their March 2021 meeting. The assumption for the long-term expected return is reviewed annually for continued compliance with the relevant actuarial standards of practice. Milliman relies on the expertise of Cliffwater in this assessment.

**JIM WELLS COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

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	11.50%	4.25%
Global Equities	MSCI World (net) Index	2.50%	4.55%
Int'l Equities - Developed Markets	MSCI World Ex USA (net) Index	5.00%	4.25%
Int'l Equities - Emerging Markets	MSCI Emerging Markets (net) Index	6.00%	4.75%
Investment-Grade Bonds	Bloomberg Barclays U.S. Aggregate Bond Index	3.00%	-0.85%
Strategic Credit	FTSE High-Yield Cash Pay Capped Index	9.00%	2.11%
Direct Lending	S&P/LSTA Leveraged Loan Index	16.00%	6.70%
Distressed Debt	Cambridge Associates Distressed Securities Index (3)	4.00%	5.70%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% S&P Global REIT (net) Index	2.00%	3.45%
Master Limited Partnerships	Alerian MLP Index	2.00%	5.10%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index (4)	6.00%	4.90%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index (5)	25.00%	7.25%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	6.00%	1.85%
Cash Equivalents	90-Day U.S. Treasury	2.00%	-0.70%
Total		100.00%	

(1) Target asset allocation adopted at the March 2021 TCDRS board meeting.

(2) Geometric real rates of return equal the expected return for the asset class minus the assumed inflation rate 2.0% per Cliffwater's 2021 capital market assumptions.

(3) Includes vintage years 2005-present of Quarter Pooled Horizon IRRs.

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

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

**JIM WELLS COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

4. Changes in Net Pension Liability

At December 31, 2021, Jim Wells County reported a net pension liability of \$ 2,875,360. The changes in net pension liability were as follows:

	Total Pension Liability (a)	Increase (Decrease)	
		Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at 12/31/2019	\$ 47,267,137	\$ 46,035,158	\$ 1,231,979
Changes for the year			
Service cost	1,318,210	-	1,318,210
Interest on total pension liability	3,836,822	-	3,836,822
Effect on plan changes	-	-	-
Effect of assumptions changes or inputs	2,679,296	-	2,679,296
Refund of contributions	(35,168)	(35,168)	-
Benefit payments	(2,447,519)	(2,447,519)	-
Administrative expenses	-	(36,608)	36,608
Member contributions	-	668,121	(668,121)
Net investment income	-	4,754,298	(4,754,298)
Employer contributions	-	1,108,598	(1,108,598)
Other	-	(16,328)	16,328
Balance at 12/31/2020	\$ 52,905,912	\$ 50,030,552	\$ 2,875,360

The net pension liability was measured as of December 31, 2021 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 7.6%, 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 (6.60%) or 1-percentage-point higher (8.60%) than the current rate.

	1%	Current	1%
	Decrease 7.10%	Discount Rate 8.10%	Increase 9.10%
County's net pension liability	\$ 59,161,153	\$ 52,905,912	\$ 47,608,775
Fiduciary net position	50,030,553	50,030,552	50,030,553
Net pension liability / (asset)	\$ 9,130,600	\$ 2,875,360	\$ (2,421,778)

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

For the year ended December 31, 2021, the District recognized pension expense of \$1,191,207.

At December 31, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**JIM WELLS COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ 222,417	\$ 191,423
Changes in assumptions	-	1,786,197
Net difference between projected and actual earnings	1,714,704	-
Contributions subsequent to the measurement date	-	1,066,727
Total	\$ 1,937,121	\$ 3,044,347

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 expenses as follows:

Year ended Dec. 31:	
2021	\$ 325,085
2022	\$ 817,822
2023	\$ (891,292)
2024	\$ (211,116)
2025	-
Thereafter	-

**K. Other Post-Employment Benefits**

Group Term Life Insurance Provided Through the Texas County District Retirement System (TCDRS)

**1. Plan Description**

The County provides group term life insurance for all of its full-time employees and retirees through a statewide, agent multiple-employer, public-employee retirement system through TCDRS. The fund for this benefit is a separate trust administered by TCDRS. The fund receives monthly premiums and pays benefits when due. The obligations of the program are payable only from this fund, and are not an obligation of, or a claim against, the TCDRS Pension Trust Fund. The fund's assets are pooled with those of the Pension Trust Fund under provisions of the TCDRS Act and annually receive an allocation of income based on the fund value. The TCDRS 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.

Current employees of the plan are insured for an amount equivalent to the employee's current annual compensation. Employers may also choose to cover retirees. Retirees are insured for \$5,000. Life insurance proceeds are payable as a lump sum. The coverage provided to retirees is a post-employment benefit other than pension benefits.

**2. Contributions**

The County contributes to the program at a contractually required rate. An annual actuarial valuation is performed and the contractual rate is equal to the cost of providing one-year term life insurance. The premium rate is expressed as a percentage of the covered payroll of members employed by the County. There is a one-year delay between the actuarial valuation that serves as the basis for the employer contribution rate and the calendar year when the rate goes into effect.

The program is voluntary and the County can cease participation at any time. Therefore, the funding policy of the program is to ensure that adequate resources are available to meet all insurance benefit payments for the upcoming year. It is not the intent of the funding policy to pre-fund retiree term life insurance during employees' entire careers.

**JIM WELLS COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Contribution Rates	
	2020	2021
Employee	--	--
Employer	0.39%	0.38%
Fiscal year 2021 employer contributions	\$	41,111

The County's contributions to TCDRS for the year ended December 31, 2021 were equal to the required contributions.

**3. Actuarial Assumptions**

The Group Term Life Fund (GTLF) is an optional cost-sharing multiple-employer defined benefit plan that is administered by the TCDRS. It provides death benefits to active and, if elected, retired employees of participating employers. The financing objective of the GTLF is to operate as a group term insured benefit, charging each employer its premium based on current actuarial assumptions and its own demographic membership (number of active and retired members covered by the GTLF). The funding of the GTLF is in accordance with Section 845.406 of the TCDRS statute. Contribution rates are established as a percentage of pay.

The GTLF provides death benefits to both active and retired members. Each participating employer can elect to cover just active members, or active and retired members. The required contribution rates for funding purposes are equal to a premium rate that is individually determined for each participating employer annually, and is based on the mortality and service experience of all employees and retirees covered by the fund and the demographics specific to the workforce of the participating employer. The rate is expressed as a percentage of the compensation of members employed by the participating employer. The required contributions are determined using a one-year term cost funding method.

Employers who participate in the TCDRS retirement plan may elect to participate in the GTLF. Employers may elect to cover members who are active employees only or both members who are active employees and retirees, and may elect to change or discontinue coverage annually.

The County must have elected the applicable Group Term Life coverage for the calendar year in which a member who is an active employee or retiree dies. If death occurs while the member is actively employed, the benefit is an amount equal to the employee's most recent regular annualized salary. The insurance benefit payable upon the death of a retiree is \$5,000.

The total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions:

Actuarial Cost Method	Entry age
Amortization Method	Straight-line amortization of expected working life
Remaining Amortization Period	N/A
Asset Valuation Method	N/A
Inflation	N/A
Salary Increases	N/A
Investment Rate of Return	2.12%
Retirement Age	N/A
Mortality	130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014
Changes in Plan Provisions	None

**JIM WELLS COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

**Discount Rate:**

The OPEB plan has been determined to be an unfunded OPEB plan. Therefore, the discount rate used to measure the total OPEB liability was the municipal bond rate of 2.12%.

**Changes in the Total OPEB Liability:**

At December 31, 2021 the County reported a total OPEB liability of \$749,488. The changes in the total OPEB liability were as follows:

	Increase (Decrease) Total OPEB Liability
Balance at December 31, 2020	\$ 638,688
Changes for the year:	
Service cost	27,184
Interest on total OPEB liability	18,037
Change in benefit terms	-
Effect of assumptions changes or inputs	1,899
Effect of assumptions changes or inputs	78,986
Benefit payments	(15,306)
Other	-
Balance at December 31, 2021	<u>\$ 749,488</u>

The total OPEB liability was measured as of December 31, 2020 and 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 OPEB liability during the measurement period.

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

**4. Discount Rate Sensitivity Analysis**

The following table shows the Total OPEB Liability of the employer, calculated using the discount rate of 2.12% as well as what the Jim Wells County Total OPEB Liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.12%) or 1 percentage point higher (3.12%) than the current rate. Note that the healthcare cost trend rate does not affect the Total OPEB Liability, so sensitivity to the healthcare cost trend rate is not shown.

	1% Decrease in Discount Rate 1.12%	Discount Rate 2.12%	1% Decrease in Discount rate 3.12%
Total OPEB Liability	\$ 908,211	\$ 749,488	\$ 628,003

**5. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended December 31, 2021, the County recognized OPEB expense of \$73,061.

At December 31, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

**JIM WELLS COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Deferred Inflows of Resources	Deferred Outflows of Resources
Difference between expected and actual economic experience (net of current year amortization)	\$ 17,153	\$ 1,972
Changes in actuarial assumptions (net of current year amortization)	22,504	148,147
Differences between projected and actual investment earnings (net of current year amortization)	-	-
Contributions subsequent to the measurement date		41,111
Total	\$ 39,657	\$ 191,230

\$41,111 currently reported as deferred outflows of resources related to OPEBs resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability for the year ending December 31, 2022. Other amounts reported as deferred outflows and inflows of resources related to OPEBs will be recognized in OPEB expense as follows:

Fiscal year ended December 31		
2021	\$	27,840
2022	\$	27,842
2023	\$	38,602
2024	\$	16,177

**L. Health Care Coverage**

During the year ended December 31, 2021, employees of the County were covered by a health insurance plan (the Plan). The County paid premiums of \$634 per pay period per employee to the Plan. Employees, at their option, authorized payroll withholdings to pay premiums for dependents. The Plan was authorized by Article 3.51-2, Texas Insurance Code and was documented by contractual agreement. The premiums were paid to a licensed insurer.

The contract between the County and the licensed insurer is renewable January 2, 2021, and the terms of coverage and premium costs are included in the contractual provisions.

Latest financial statements for the Plan are available for the year ended December 31, 2021, and have been filed with the Texas State Board of Insurance, Austin, Texas, and are public records.

**M. 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, 2021.

**JIM WELLS COUNTY, TEXAS**  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021

N. Budgeted Funds

The following funds had adopted budgets for the fiscal year ended December 31, 2021:

- General Fund
- Road and Bridge Funds
- Small Dams Fund
- Law Library Fund
- Debt Service Fund
- ARPA Grant Fund

O. Subsequent Events

The County has evaluated subsequent events through July 25, 2022, the date which the financial statements were available to be issued.



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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, 2021**

**EXHIBIT B-1**  
 Page 1 of 4

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUE:</b>				
Taxes:				
General Property Taxes	\$ 12,382,947	\$ 12,382,947	\$ 12,852,631	\$ 469,684
General Sales and Use Taxes	2,100,314	2,427,009	2,410,843	(16,166)
License and Permits	136,000	86,000	86,560	560
Intergovernmental	247,240	315,340	667,894	352,554
Charges for Services	982,700	1,121,000	961,243	(159,757)
Fines and Forfeitures	457,000	457,554	354,501	(103,053)
Fees of Office	50,800	10,800	17,101	6,301
Investment Earnings	190,000	190,000	113,428	(76,572)
Miscellaneous Revenues	240,000	249,800	332,968	83,168
Total revenues	16,787,001	17,240,450	17,797,169	556,719
<b>EXPENDITURES:</b>				
<b>General Government</b>				
<b>County Judge</b>				
Personal Services	260,000	262,987	259,976	3,011
Supplies	5,000	5,200	4,308	892
Other Services and Charges	8,000	9,750	1,306	8,444
Total County Judge	273,000	277,937	265,590	12,347
<b>County Clerk</b>				
Personal Services	375,000	365,718	330,455	35,263
Supplies	8,000	8,000	6,542	1,458
Other Services and Charges	55,440	75,145	73,754	1,391
Total County Clerk	438,440	448,863	410,751	38,112
<b>Veterans Service</b>				
Personal Services	51,644	56,644	53,538	3,106
Supplies	5,000	500	-	500
Other Services and Charges	41,700	36,700	31,240	5,460
Total Veterans Service	98,344	93,844	84,778	9,066
<b>County Auditor</b>				
Personal Services	590,000	594,251	593,744	507
Supplies	12,200	11,200	10,565	635
Other Services and Charges	46,000	59,793	59,198	595
Total County Auditor	648,200	665,244	663,507	1,737
<b>County Treasurer</b>				
Personal Services	174,668	175,668	175,372	296
Supplies	1,500	2,500	2,429	71
Other Services and Charges	3,100	2,000	1,973	27
Total County Treasurer	179,268	180,168	179,774	394
<b>Tax Assessor-Collector</b>				
Personal Services	476,140	476,140	444,532	31,608
Supplies	2,500	2,500	2,264	236
Other Services and Charges	563,620	588,994	455,842	133,152
Total Tax Assessor-Collector	1,042,260	1,067,634	902,638	164,996
<b>County Courthouse and Annex</b>				
Personal Services	348,360	348,360	317,338	31,022
Supplies	27,188	58,188	57,567	621
Other Services and Charges	1,117,785	1,317,785	1,196,256	121,529
Total County Courthouse and Annex	1,493,333	1,724,333	1,571,161	153,172

**JIM WELLS COUNTY, TEXAS**  
**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

**EXHIBIT B-1**  
Page 2 of 4

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>County Airport</b>				
Other Services and Charges	50,000	50,000	19,347	30,653
<b>Total County Airport</b>	<b>50,000</b>	<b>50,000</b>	<b>19,347</b>	<b>30,653</b>
<b>Elections</b>				
Personal Services	192,666	192,666	177,060	15,606
Supplies	19,300	39,300	38,921	379
Other Services and Charges	35,275	15,275	9,752	5,523
<b>Total Elections</b>	<b>247,241</b>	<b>247,241</b>	<b>225,733</b>	<b>21,508</b>
<b>Non-Departmental</b>				
Personal Services	291,820	110,920	90,063	20,857
Supplies	54,900	54,945	54,046	899
Other Services and Charges	955,000	955,533	661,977	293,556
<b>Total Non-Departmental</b>	<b>1,301,720</b>	<b>1,121,398</b>	<b>806,086</b>	<b>315,312</b>
<b>Total General Government</b>	<b>5,771,806</b>	<b>5,876,662</b>	<b>5,129,365</b>	<b>747,297</b>
<b>Judicial</b>				
<b>County court</b>				
Personal Services	501,141	501,141	500,999	142
Supplies	3,000	3,000	2,577	423
Other Services and Charges	265,825	268,825	234,172	34,653
<b>Total County Court</b>	<b>769,966</b>	<b>772,966</b>	<b>737,748</b>	<b>35,218</b>
<b>District Court</b>				
Personal Services	462,605	462,605	387,914	74,691
Supplies	5,000	5,000	2,526	2,474
Other Services and Charges	181,500	191,500	57,767	133,733
<b>Total District Court</b>	<b>649,105</b>	<b>659,105</b>	<b>448,207</b>	<b>210,898</b>
<b>District Clerk</b>				
Personal Services	501,838	501,838	494,369	7,469
Supplies	14,000	14,000	6,444	7,556
Other Services and Charges	34,100	39,100	15,031	24,069
<b>Total District Clerk</b>	<b>549,938</b>	<b>554,938</b>	<b>515,844</b>	<b>39,094</b>
<b>Justice of the Peace</b>				
Personal Services	827,842	827,842	802,015	25,827
Supplies	20,000	21,950	20,502	1,448
Other Services and Charges	30,000	35,800	31,390	4,410
<b>Total Justice of the Peace</b>	<b>877,842</b>	<b>885,592</b>	<b>853,907</b>	<b>31,685</b>
<b>County Attorney</b>				
Personal Services	586,104	586,104	532,918	53,186
Supplies	5,000	5,000	969	4,031
Other Services and Charges	7,200	10,725	6,943	3,782
<b>Total County Attorney</b>	<b>598,304</b>	<b>601,829</b>	<b>540,830</b>	<b>60,999</b>
<b>District Attorney</b>				
Personal Services	811,620	811,620	762,933	48,687
Supplies	6,000	6,000	3,887	2,113
Other Services and Charges	15,500	16,500	9,605	6,895
<b>Total District Attorney</b>	<b>833,120</b>	<b>834,120</b>	<b>776,425</b>	<b>57,695</b>
<b>Total Judicial</b>	<b>4,278,275</b>	<b>4,308,550</b>	<b>3,872,961</b>	<b>435,589</b>
<b>Public Safety</b>				
<b>Ambulance</b>				
Other Services and Charges	218,000	218,000	158,867	59,133
<b>Total Ambulance</b>	<b>218,000</b>	<b>218,000</b>	<b>158,867</b>	<b>59,133</b>
<b>Fire Protection</b>				
Other Services and Charges	150,000	150,000	149,915	85
<b>Total Fire Protection</b>	<b>150,000</b>	<b>150,000</b>	<b>149,915</b>	<b>85</b>

**JIM WELLS COUNTY, TEXAS**  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2021

**EXHIBIT B-1**  
Page 3 of 4

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Constable</b>				
Personal Services	372,000	373,388	372,983	405
Supplies	8,200	8,285	4,881	3,404
Other Services and Charges	24,000	28,920	18,711	10,209
Total Constable	404,200	410,593	396,575	14,018
<b>Sheriff</b>				
Personal Services	3,900,000	4,123,870	4,111,870	12,000
Supplies	434,000	434,065	430,978	3,087
Other Services and Charges	378,000	378,393	377,220	1,173
Capital Outlay	44,000	44,000	39,920	4,080
Total Sheriff	4,756,000	4,980,328	4,959,988	20,340
<b>Juvenile Corrections Board</b>				
Personal Services	28,553	28,553	23,777	4,776
Supplies	19,000	14,000	13,606	394
Other Services and Charges	375,381	255,381	254,390	991
Capital Outlay	13,000	13,600	13,500	100
Total Juvenile Corrections Board	435,934	311,534	305,273	6,261
<b>Emergency Management</b>				
Supplies	4,000	4,000	3,393	607
Total Emergency Management	4,000	4,000	3,393	607
<b>Safety Department</b>				
Personal Services	116,857	116,857	116,853	4
Supplies	4,500	4,500	4,226	274
Other Services and Charges	5,275	5,275	4,492	783
Total Safety Department	126,632	126,632	125,571	1,061
<b>Vector Control</b>				
Supplies	1,500	1,500	1,471	29
Other Services and Charges	950	950	712	238
Total Vector Control	2,450	2,450	2,183	267
<b>Highway Patrol &amp; Nat'l Guard</b>				
Personal Services	5,000	5,000	4,808	192
Total Highway Patrol & Nat'l Guard	5,000	5,000	4,808	192
<b>Adult Probation</b>				
Supplies	4,000	4,000	3,993	7
Other Services and Charges	9,000	9,772	7,819	1,953
Capital Outlay	35,000	35,000	34,112	888
Total Adult Probation	48,000	48,772	45,924	2,848
<b>Total Public Safety</b>	6,200,215	6,308,206	6,181,133	127,073
<b>Health and Welfare</b>				
Personal Services	87,284	87,284	54,351	32,933
Supplies	1,000	1,000	465	535
Other Services and Charges	35,242	40,242	22,502	17,740
Capital Outlay	16,500	11,500	11,156	344
Total Health and Welfare	140,026	140,026	88,474	51,552
<b>Culture and Recreation</b>				
Jim Wells County Library				
Other Services and Charges	16,588	16,588	13,674	2,914
Total Jim Wells County Library	16,588	16,588	13,674	2,914
Parks Department				
Other Services and Charges	13,500	13,500	11,156	2,344
Total Parks Department	13,500	13,500	11,156	2,344
Total Culture and Recreation	30,088	30,088	24,830	5,258

**JIM WELLS COUNTY, TEXAS**  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2021

**EXHIBIT B-1**  
Page 4 of 4

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Conservation</b>				
<b>Agriculture Extension Service</b>				
Personal Services	158,000	158,073	157,083	990
Supplies	15,000	15,100	9,817	5,283
Other Services and Charges	57,600	57,600	57,494	106
Total Agriculture Extension Service	<u>230,600</u>	<u>230,773</u>	<u>224,394</u>	<u>6,379</u>
<b>Economic Development and Assistance</b>				
Personal Services	61,767	62,067	61,972	95
Other Services and Charges	163,000	162,700	110,680	52,020
Capital Outlay	25,000	25,000	19,600	5,400
Total Economic Development and Assistance	<u>249,767</u>	<u>249,767</u>	<u>192,252</u>	<u>57,515</u>
<b>Debt Service:</b>				
Principal	250,000	250,000	245,697	4,303
Interest and Fiscal Charges	35,000	35,000	34,033	967
Total Debt Service	<u>285,000</u>	<u>285,000</u>	<u>279,730</u>	<u>5,270</u>
<b>Total Expenditures</b>	<u>17,185,777</u>	<u>17,429,072</u>	<u>15,993,139</u>	<u>1,435,933</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(398,776)</u>	<u>(188,622)</u>	<u>1,804,030</u>	<u>1,992,652</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers Out	(1,058,690)	(773,690)	(437,285)	(336,405)
Total Other Financing Sources (Uses)	<u>(1,058,690)</u>	<u>(773,690)</u>	<u>(437,285)</u>	<u>(336,405)</u>
Net Change in Fund Balances	(1,457,466)	(962,312)	1,366,745	2,329,057
Fund Balances - Beginning	10,348,406	10,348,406	10,348,406	--
Fund Balances - Ending	<u>\$ 8,890,940</u>	<u>\$ 9,386,094</u>	<u>\$ 11,715,151</u>	<u>\$ 2,329,057</u>

**JIM WELLS COUNTY, TEXAS**  
 ARPA GRANT FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED DECEMBER 31, 2021

**EXHIBIT B-2**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUE:</b>				
Intergovernmental	\$ 3,931,577	\$ 3,931,577	\$ 3,931,577	\$ --
Investment Earnings	3,208	3,208	3,208	--
Total revenues	<u>3,934,785</u>	<u>3,934,785</u>	<u>3,934,785</u>	<u>--</u>
<b>EXPENDITURES:</b>				
<b>General Government</b>				
<b>Non-Departmental</b>				
Other Services and Charges	10,813	10,813	10,813	--
Total Non-Departmental	<u>10,813</u>	<u>10,813</u>	<u>10,813</u>	<u>--</u>
<b>Total General Government</b>	<u>10,813</u>	<u>10,813</u>	<u>10,813</u>	<u>--</u>
<b>Total Expenditures</b>	<u>10,813</u>	<u>10,813</u>	<u>10,813</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>3,923,972</u>	<u>3,923,972</u>	<u>3,923,972</u>	<u>--</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	<u>3,923,972</u>	<u>3,923,972</u>	<u>3,923,972</u>	<u>--</u>
Fund Balances - Beginning	--	--	--	--
Fund Balances - Ending	<u>\$ 3,923,972</u>	<u>\$ 3,923,972</u>	<u>\$ 3,923,972</u>	<u>\$ --</u>

**JIM WELLS COUNTY, TEXAS**  
**SCHEDULE OF CHANGES IN THE COUNTY'S**  
**NET POSITION LIABILITY AND RELATED RATIOS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	2020	2019	2018	2017	2016	2015	2014
<b>Total Pension Liability:</b>							
Service cost	\$ 1,318,210	\$ 1,254,477	\$ 1,208,189	\$ 1,291,227	\$ 1,495,734	\$ 1,290,592	\$ 1,292,660
Interest	3,836,822	3,671,347	3,484,547	3,323,734	3,187,787	3,058,111	2,907,143
Changes of benefit terms					(431,184)	(162,268)	-
Difference between expected and actual experience	287,134	(444,833)	(57,969)	(598,806)	(975,283)	(751,373)	(67,749)
Benefit payments, including refunds of employee contributions	196,609	(2,520,229)	(2,235,086)	(2,023,128)	(2,348,036)	(1,278,502)	(1,471,906)
Net change in total pension liability	5,638,775	1,960,762	2,399,681	1,993,027	929,018	2,156,560	2,660,148
Total pension liability -beginning	47,267,137	45,306,375	42,906,694	40,913,667	39,984,649	37,828,089	35,978,529
Total pension liability-ending (a)	\$ 52,905,912	\$ 47,267,137	\$ 45,306,375	\$ 42,906,694	\$ 40,913,667	\$ 39,984,649	\$ 38,638,677
<b>Plan Fiduciary Net Position</b>							
Contributions - employer	\$ 1,108,598	\$ 982,395	\$ 920,434	\$ 848,058	\$ 1,122,930	\$ 1,110,494	\$ 1,142,342
Contributions - employee	668,121	614,637	579,496	561,628	622,697	617,908	591,887
Net investment income	4,754,298	6,633,054	(789,932)	5,462,859	2,635,191	(528,742)	2,287,706
Benefit payments, including refunds of employee contributions	(2,482,687)	(2,520,229)	(2,235,086)	(2,388,802)	(2,348,036)	(1,724,687)	(1,471,906)
Administrative expense	(36,608)	(35,081)	(32,438)	(27,905)	(28,652)	(25,862)	(26,972)
Other	(16,328)	(25,195)	(17,687)	(30,604)	(90,829)	(63,876)	(32,749)
Net Change in plan fiduciary net position	3,995,394	5,649,581	(1,575,213)	4,425,234	1,913,301	(614,765)	2,490,308
Plan fiduciary net position -beginning	46,035,158	40,385,576	41,960,790	37,535,557	35,622,256	36,237,022	33,746,713
Plan fiduciary net position -ending (b)	\$ 50,030,552	\$ 46,035,157	\$ 40,385,577	\$ 41,960,791	\$ 37,535,557	\$ 35,622,257	\$ 36,237,021
County's net position liability - ending (a) - (b)	\$ 2,875,360	\$ 1,231,980	\$ 4,920,798	\$ 945,903	\$ 3,378,110	\$ 4,362,392	\$ 2,401,656
Plan fiduciary net position as a percentage of the total pension liability	94.57%	97.39%	89.14%	97.80%	91.74%	89.09%	93.78%
Covered payroll	\$ 10,932,924	\$ 10,243,956	\$ 9,658,275	\$ 9,360,464	\$ 10,378,279	\$ 11,140,898	\$ 9,864,786
County's net position liability as a percentage of covered payroll	26.30%	12.03%	50.95%	10.11%	32.55%	39.16%	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 DECEMBER 31, 2021

	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 1,066,727	\$ 1,108,598	\$ 984,249	\$ 920,454	\$ 848,058	\$ 1,122,930	\$ 1,110,494	\$ 1,142,342
Contributions in relation to the actuarially required contribution	<u>(1,066,727)</u>	<u>(1,108,598)</u>	<u>(984,249)</u>	<u>(920,454)</u>	<u>(848,058)</u>	<u>(1,122,930)</u>	<u>(1,110,494)</u>	<u>(1,142,342)</u>
Contribution deficiency (excess)	\$ <u>—</u>	\$ <u>—</u>	\$ <u>—</u>	\$ <u>—</u>	\$ <u>—</u>	\$ <u>—</u>	\$ <u>—</u>	\$ <u>—</u>
Covered payroll	\$ 11,807,928	\$ 11,920,196	\$ 11,201,012	\$ 10,642,885	\$ 9,360,464	\$ 10,378,279	\$ 10,244,406	\$ 9,864,786
Contributions as a percentage of covered payroll	9.03%	9.30%	8.79%	8.65%	8.26%	10.82%	10.84%	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 PENSION CONTRIBUTIONS  
FOR THE YEAR ENDED DECEMBER 31, 2021

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

**Methods and Assumptions Used to Determine Contribution Rates:**

Actuarial Cost Method	Entry age
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	0.0 years (based on contribution rate calculated in 12/31/2019 valuation)
Asset Valuation Method	5-yr smoothed market
Inflation	2.75%
Salary Increases	Varies by age and service. 4.9% average over career including inflation.
Investment Rate of Return	8.0%, net of investment expenses, including inflation.
Retirement Age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.

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

**JIM WELLS COUNTY, TEXAS**  
**SCHEDULE OF THE CHANGES IN TOTAL OPEB**  
**LIABILITY AND RELATED RATIOS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**  
**LAST TEN FISCAL YEARS \***

EXHIBIT B-5

	2020	2019	2018	2017
Total OPEB Liability				
Service cost	\$ 27,184	\$ 17,216	\$ 20,237	\$ 19,110
Interest (on the total OPEB liability)	18,037	21,024	18,777	19,571
Change in benefit terms				
Difference between expected and actual experience	1,899	(16,922)	1,134	(21,003)
Change of assumptions	78,986	129,047	(56,263)	22,589
Benefit payments, including refunds of employee contributions	(15,306)	(14,642)	(13,522)	(13,105)
Net Change in Total OPEB Liability	110,800	135,723	(29,637)	27,162
Total OPEB Liability - Beginning	638,688	502,665	532,302	505,140
Total OPEB Liability - Ending	\$ 749,488	\$ 638,388	\$ 502,665	\$ 532,302
Covered payroll	\$ 10,932,924	\$ 10,243,956	\$ 9,658,275	\$ 9,360,464
Total OPEB Liability as a Percentage of Covered Payroll	6.23%	6.23%	5.20%	5.69%

\* 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  
NOTES TO SCHEDULE OF OPEB CONTRIBUTIONS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**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

**Methods and Assumptions Used to Determine Contribution Rates:**

Actuarial Cost Method	Entry age
Amortization Method	Straight-line amortization of expected working life
Remaining Amortization Period	NA
Asset Valuation Method	NA
Inflation	NA
Salary Increases	NA
Investment Rate of Return	2.74%, based on 20-year Bond GO Index published by bondbuyer.com as
Retirement Age	NA
Mortality	See Tables 1 thru 4 in the Milliman Valuation Report

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

**JIM WELLS COUNTY, TEXAS**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**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 1<sup>st</sup> of the current fiscal year.

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

## **Combining Statements and Budget Comparisons as Supplementary Information**

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

**JIM WELLS COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2021**

	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Total Nonmajor Governmental Funds (See Exhibit A-3)
<b>ASSETS</b>				
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 8,122,421	\$ 93,064	\$ 766,968	\$ 8,982,453
Taxes Receivables ( net of allowances for uncollectibles):	3,312,724	--	--	3,312,724
Sales Taxes Receivable	51,325	--	--	51,325
<b>Total Assets</b>	<b>\$ 11,486,470</b>	<b>\$ 93,064</b>	<b>\$ 766,968</b>	<b>\$ 12,346,502</b>
<b>LIABILITIES AND FUND BALANCES:</b>				
<b>Liabilities:</b>				
Accounts Payable	\$ 196,869	\$ --	\$ --	\$ 196,869
<b>Total Liabilities</b>	<b>196,869</b>	<b>--</b>	<b>--</b>	<b>196,869</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Unavailable Revenue Property Taxes	3,312,723	--	--	3,312,723
<b>Total Deferred Inflows of Resources</b>	<b>3,312,723</b>	<b>--</b>	<b>--</b>	<b>3,312,723</b>
<b>Fund Balances:</b>				
<b>Restricted Fund Balances:</b>				
Federal or State Funds Grant Restriction	8,112,113	--	--	8,112,113
Retirement of Long-Term Debt	--	93,064	--	93,064
Unassigned	(135,235)	--	--	(135,235)
Capital Project Funds	--	--	766,968	766,968
<b>Total Fund Balance</b>	<b>7,976,878</b>	<b>93,064</b>	<b>766,968</b>	<b>8,836,910</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 11,486,470</b>	<b>\$ 93,064</b>	<b>\$ 766,968</b>	<b>\$ 12,346,502</b>

**JIM WELLS COUNTY, TEXAS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2021

	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Total Nonmajor Governmental Funds (See Exhibit A-5)
Revenue:				
Taxes:				
General Property Taxes	\$ 3,226,168	\$ 260,127	\$ --	\$ 3,486,295
General Sales and Use Taxes	572,362	--	--	572,362
License and Permits	401,891	--	--	401,891
Intergovernmental	3,848,930	--	--	3,848,930
Charges for Services	287,586	--	--	287,586
Fines and Forfeitures	1,032,525	--	--	1,032,525
Fees of Office	982,884	--	--	982,884
Investment Earnings	56,776	1,062	270	58,108
Miscellaneous Revenues	23,763	--	4,661	28,424
Total revenues	<u>10,432,885</u>	<u>261,189</u>	<u>4,931</u>	<u>10,699,005</u>
Expenditures:				
Current:				
General Government	415,975	--	--	415,975
Judicial	476,356	--	--	476,356
Public Safety	3,051,905	--	--	3,051,905
Public Transportation	5,465,402	--	--	5,465,402
Health and Welfare	1,052,238	--	--	1,052,238
Debt Service:				
Principal	302,672	230,000	--	532,672
Interest and Fiscal Charges	32,223	25,573	--	57,796
Total Expenditures	<u>10,796,771</u>	<u>255,573</u>	<u>--</u>	<u>11,052,344</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(363,886)</u>	<u>5,616</u>	<u>4,931</u>	<u>(353,339)</u>
Other Financing Sources (Uses):				
Transfers In	699,334	--	--	699,334
Transfers Out	(262,049)	--	--	(262,049)
Capital Leases	1,231,064	--	--	1,231,064
Total Other Financing Sources (Uses)	<u>1,668,349</u>	<u>--</u>	<u>--</u>	<u>1,668,349</u>
Net Change in Fund Balances	1,304,463	5,616	4,931	1,315,010
Fund Balances - Beginning	6,672,415	87,448	762,037	7,521,900
Fund Balances - Ending	<u>\$ 7,976,878</u>	<u>\$ 93,064</u>	<u>\$ 766,968</u>	<u>\$ 8,836,910</u>



**JIM WELLS COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**DECEMBER 31, 2021**

	HIDTA Grant Fund	Border Star Grant Fund	Road & Bridge No. 21 Fund	Road & Bridge No. 22 Fund
<b>ASSETS</b>				
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 31,678	\$ 16,296	\$ 1,392	\$ 1,402,903
Taxes Receivables ( net of allowances for uncollectibles):	--	--	729,413	488,300
Sales Taxes Receivable	--	--	9,906	7,668
<b>Total Assets</b>	<b>\$ 31,678</b>	<b>\$ 16,296</b>	<b>\$ 740,711</b>	<b>\$ 1,898,871</b>
<b>LIABILITIES AND FUND BALANCES:</b>				
<b>Liabilities:</b>				
Accounts Payable	\$ --	\$ --	\$ 15,098	\$ --
<b>Total Liabilities</b>	<b>--</b>	<b>--</b>	<b>15,098</b>	<b>--</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Unavailable Revenue Property Taxes	--	--	729,413	488,300
<b>Total Deferred Inflows of Resources</b>	<b>--</b>	<b>--</b>	<b>729,413</b>	<b>488,300</b>
<b>Fund Balances:</b>				
<b>Restricted Fund Balances:</b>				
Federal or State Funds Grant Restriction	31,678	16,296	--	1,410,571
Unassigned	--	--	(3,800)	--
<b>Total Fund Balance</b>	<b>31,678</b>	<b>16,296</b>	<b>(3,800)</b>	<b>1,410,571</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 31,678</b>	<b>\$ 16,296</b>	<b>\$ 740,711</b>	<b>\$ 1,898,871</b>

Road & Bridge No. 23 Fund	Road & Bridge No. 24 Fund	Indigent Health Care Fund	HAVA Grant Fund	CARES Act Grant
\$ 1,843,917	\$ 1,187,986	\$ 46,731	\$ 14,832	\$ 583,438
1,002,119	1,092,892	--	--	--
16,757	16,994	--	--	--
<u>\$ 2,862,793</u>	<u>\$ 2,297,872</u>	<u>\$ 46,731</u>	<u>\$ 14,832</u>	<u>\$ 583,438</u>
\$ --	\$ --	\$ 22,036	\$ --	\$ --
--	--	22,036	--	--
1,002,119	1,092,891	--	--	--
<u>1,002,119</u>	<u>1,092,891</u>	--	--	--
1,860,674	1,204,981	24,695	14,832	583,438
--	--	--	--	--
<u>1,860,674</u>	<u>1,204,981</u>	<u>24,695</u>	<u>14,832</u>	<u>583,438</u>
<u>\$ 2,862,793</u>	<u>\$ 2,297,872</u>	<u>\$ 46,731</u>	<u>\$ 14,832</u>	<u>\$ 583,438</u>

**JIM WELLS COUNTY, TEXAS**  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 DECEMBER 31, 2021

	<u>Victim Assistance Program</u>	<u>Sheriff Impound Fees</u>	<u>Small Dams No. 32 Fund</u>	<u>CSCD Pretrial Division Felony</u>
<b>ASSETS</b>				
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 30,112	\$ 22,341	\$ 67,846	\$ 8,125
Taxes Receivables ( net of allowances for uncollectibles):	-	-	-	-
Sales Taxes Receivable	-	-	-	-
<b>Total Assets</b>	<u>\$ 30,112</u>	<u>\$ 22,341</u>	<u>\$ 67,846</u>	<u>\$ 8,125</u>
<b>LIABILITIES AND FUND BALANCES:</b>				
<b>Liabilities:</b>				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Unavailable Revenue Property Taxes	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances:</b>				
<b>Restricted Fund Balances:</b>				
Federal or State Funds Grant Restriction	30,112	22,341	67,846	8,125
Unassigned	-	-	-	-
<b>Total Fund Balance</b>	<u>30,112</u>	<u>22,341</u>	<u>67,846</u>	<u>8,125</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 30,112</u>	<u>\$ 22,341</u>	<u>\$ 67,846</u>	<u>\$ 8,125</u>

<u>CSCD Pretrial Division Substance Abuse</u>	<u>CSCD Specialized Caseload (SO)</u>	<u>DA State Grant Fund</u>	<u>Pre-Trial Bond Supervision</u>	<u>CSCD After Care Caseload</u>
\$ 13,923	\$ 7,208	\$ 6,694	\$ 130,273	\$ 4,710
--	--	--	--	--
<u>\$ 13,923</u>	<u>\$ 7,208</u>	<u>\$ 6,694</u>	<u>\$ 130,273</u>	<u>\$ 4,710</u>
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
13,923	7,208	6,694	130,273	4,710
--	--	--	--	--
<u>13,923</u>	<u>7,208</u>	<u>6,694</u>	<u>130,273</u>	<u>4,710</u>
<u>\$ 13,923</u>	<u>\$ 7,208</u>	<u>\$ 6,694</u>	<u>\$ 130,273</u>	<u>\$ 4,710</u>

**JIM WELLS COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**DECEMBER 31, 2021**

	County Attorney Check Collection	Juvenile Probation Fund	Adult Probation Fund	State Juvenile Probation Fund
<b>ASSETS</b>				
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 13,775	\$ 185	\$ 174,626	\$ 113,291
Taxes Receivables ( net of allowances for uncollectibles):	--	--	--	--
Sales Taxes Receivable	--	--	--	--
<b>Total Assets</b>	<u>\$ 13,775</u>	<u>\$ 185</u>	<u>\$ 174,626</u>	<u>\$ 113,291</u>
<b>LIABILITIES AND FUND BALANCES:</b>				
<b>Liabilities:</b>				
Accounts Payable	\$ --	\$ --	\$ --	\$ --
<b>Total Liabilities</b>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Unavailable Revenue Property Taxes	--	--	--	--
<b>Total Deferred Inflows of Resources</b>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Fund Balances:</b>				
<b>Restricted Fund Balances:</b>				
Federal or State Funds Grant Restriction	13,775	185	174,626	113,291
Unassigned	--	--	--	--
<b>Total Fund Balance</b>	<u>13,775</u>	<u>185</u>	<u>174,626</u>	<u>113,291</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 13,775</u>	<u>\$ 185</u>	<u>\$ 174,626</u>	<u>\$ 113,291</u>

Colonia Grant Fund	Home Program Fund	Law Library Fund	Disaster Relief Fund	Drug Abuse and Rehabilitation Fund
\$ 10,000	\$ 12,360	\$ 51,370	\$ 229,840	\$ 64,249
--	--	--	--	--
<u>\$ 10,000</u>	<u>\$ 12,360</u>	<u>\$ 51,370</u>	<u>\$ 229,840</u>	<u>\$ 64,249</u>
\$ 141,435	\$ --	\$ --	\$ 18,300	\$ --
<u>141,435</u>	<u>--</u>	<u>--</u>	<u>18,300</u>	<u>--</u>
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
--	12,360	51,370	211,540	64,249
<u>(131,435)</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>(131,435)</u>	<u>12,360</u>	<u>51,370</u>	<u>211,540</u>	<u>64,249</u>
<u>\$ 10,000</u>	<u>\$ 12,360</u>	<u>\$ 51,370</u>	<u>\$ 229,840</u>	<u>\$ 64,249</u>

**JIM WELLS COUNTY, TEXAS**  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 DECEMBER 31, 2021

	County Attorney Crime Prevention Fund	79th Judicial District Attorney Forfeiture Fund	Sheriff Drug Forfeiture Fund	Sheriff Forfeiture Fund
<b>ASSETS</b>				
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 18,252	\$ 333,634	\$ 918,690	\$ 4,178
Taxes Receivables ( net of allowances for uncollectibles):	--	--	-	--
Sales Taxes Receivable	-	-	-	-
<b>Total Assets</b>	<u>\$ 18,252</u>	<u>\$ 333,634</u>	<u>\$ 918,690</u>	<u>\$ 4,178</u>
<b>LIABILITIES AND FUND BALANCES:</b>				
<b>Liabilities:</b>				
Accounts Payable	\$ --	\$ -	\$ -	\$ --
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Unavailable Revenue Property Taxes	--	--	--	-
<b>Total Deferred Inflows of Resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances:</b>				
<b>Restricted Fund Balances:</b>				
Federal or State Funds Grant Restriction	18,252	333,634	918,690	4,178
Unassigned	-	-	-	-
<b>Total Fund Balance</b>	<u>18,252</u>	<u>333,634</u>	<u>918,690</u>	<u>4,178</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 18,252</u>	<u>\$ 333,634</u>	<u>\$ 918,690</u>	<u>\$ 4,178</u>

Community Corrections Fund	Constable Prct 5 Drug Forfeiture Fund	Pretrial Domestic Violence	Drug and Alcohol Court Fund	Bail Bond Board
\$ 17,782	\$ 55,800	\$ 6,315	\$ 11,241	\$ 14,125
--	--	--	--	--
<u>\$ 17,782</u>	<u>\$ 55,800</u>	<u>\$ 6,315</u>	<u>\$ 11,241</u>	<u>\$ 14,125</u>
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
17,782	55,800	6,315	11,241	14,125
--	--	--	--	--
<u>17,782</u>	<u>55,800</u>	<u>6,315</u>	<u>11,241</u>	<u>14,125</u>
<u>\$ 17,782</u>	<u>\$ 55,800</u>	<u>\$ 6,315</u>	<u>\$ 11,241</u>	<u>\$ 14,125</u>



**JIM WELLS COUNTY, TEXAS**  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 DECEMBER 31, 2021

	JP Technology Fund	County and District Court Technology Fund	Records Preservation Fund	Total Nonmajor Special Revenue Funds (See Exhibit C-1)
<b>ASSETS</b>				
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 6,939	\$ 4,402	\$ 640,962	\$ 8,122,421
Taxes Receivables ( net of allowances for uncollectibles):	--	--	--	3,312,724
Sales Taxes Receivable	--	--	--	51,325
<b>Total Assets</b>	<u>\$ 6,939</u>	<u>\$ 4,402</u>	<u>\$ 640,962</u>	<u>\$ 11,486,470</u>
<b>LIABILITIES AND FUND BALANCES:</b>				
<b>Liabilities:</b>				
Accounts Payable	\$ --	\$ --	\$ --	\$ 196,869
<b>Total Liabilities</b>	<u>--</u>	<u>--</u>	<u>--</u>	<u>196,869</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Unavailable Revenue Property Taxes	--	--	--	3,312,723
<b>Total Deferred Inflows of Resources</b>	<u>--</u>	<u>--</u>	<u>--</u>	<u>3,312,723</u>
<b>Fund Balances:</b>				
<b>Restricted Fund Balances:</b>				
Federal or State Funds Grant Restriction	6,939	4,402	640,962	8,112,113
Unassigned	--	--	--	(135,235)
<b>Total Fund Balance</b>	<u>6,939</u>	<u>4,402</u>	<u>640,962</u>	<u>7,976,878</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 6,939</u>	<u>\$ 4,402</u>	<u>\$ 640,962</u>	<u>\$ 11,486,470</u>

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## JIM WELLS COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2021

	HIDTA Grant Fund	Border Star Grant Fund	Road & Bridge No. 21 Fund	Road & Bridge No. 22 Fund
Revenue:				
Taxes:				
General Property Taxes	\$ --	\$ --	\$ 622,688	\$ 482,016
General Sales and Use Taxes	--	--	110,466	85,511
License and Permits	--	--	80,988	--
Intergovernmental	73,823	14,751	26,485	83,195
Charges for Services	--	--	--	--
Fines and Forfeitures	--	--	241	188
Fees of Office	--	--	426,571	44,387
Investment Earnings	137	1,545	2,013	10,437
Miscellaneous Revenues	--	--	4,524	--
Total revenues	<u>73,960</u>	<u>16,296</u>	<u>1,273,976</u>	<u>705,734</u>
Expenditures:				
Current:				
General Government	--	--	--	--
Judicial	--	--	--	--
Public Safety	--	--	--	--
Public Transportation	--	--	1,233,912	624,762
Health and Welfare	--	--	--	--
Debt Service:				
Principal	--	--	89,838	--
Interest and Fiscal Charges	--	--	8,134	--
Total Expenditures	<u>--</u>	<u>--</u>	<u>1,331,884</u>	<u>624,762</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>73,960</u>	<u>16,296</u>	<u>(57,908)</u>	<u>80,972</u>
Other Financing Sources (Uses):				
Transfers In	--	--	--	--
Transfers Out	(42,282)	--	(6,404)	(4,958)
Capital Leases	--	--	157,000	--
Total Other Financing Sources (Uses)	<u>(42,282)</u>	<u>--</u>	<u>150,596</u>	<u>(4,958)</u>
Net Change in Fund Balances	31,678	16,296	92,688	76,014
Fund Balances - Beginning	--	--	(96,488)	1,334,557
Fund Balances - Ending	<u>\$ 31,678</u>	<u>\$ 16,296</u>	<u>\$ (3,800)</u>	<u>\$ 1,410,571</u>

Road & Bridge No. 23 Fund	Road & Bridge No. 24 Fund	Indigent Health Care Fund	HAVA Grant Fund	CARES Act Grant
\$ 1,053,316	\$ 1,068,148	\$ --	\$ --	\$ --
186,876	189,509	--	--	--
181,964	138,939	--	--	--
44,805	45,436	--	--	745,987
--	--	--	--	--
409	414	--	--	--
97,003	302,894	--	--	--
13,203	10,751	334	68	--
5,930	9,246	3,903	--	--
<u>1,583,506</u>	<u>1,765,337</u>	<u>4,237</u>	<u>68</u>	<u>745,987</u>
--	--	--	105,236	169,126
--	--	--	--	--
--	--	--	--	--
1,547,118	2,003,999	--	--	--
--	--	202,027	--	--
--	77,234	--	--	--
--	11,626	--	--	--
<u>1,547,118</u>	<u>2,092,859</u>	<u>202,027</u>	<u>105,236</u>	<u>169,126</u>
<u>36,388</u>	<u>(327,522)</u>	<u>(197,790)</u>	<u>(105,168)</u>	<u>576,861</u>
--	--	200,000	120,000	4,614
(10,835)	(10,988)	--	--	--
337,438	276,395	--	--	--
<u>326,603</u>	<u>265,407</u>	<u>200,000</u>	<u>120,000</u>	<u>4,614</u>
362,991	(62,115)	2,210	14,832	581,475
1,497,683	1,267,096	22,485	--	1,963
<u>\$ 1,860,674</u>	<u>\$ 1,204,981</u>	<u>\$ 24,695</u>	<u>\$ 14,832</u>	<u>\$ 583,438</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, 2021

	Victim Assistance Program	Sheriff Impound Fees	Small Dams No. 32 Fund	CSCD Pretrial Division Felony
Revenue:				
Taxes:				
General Property Taxes	\$ --	\$ --	\$ --	\$ --
General Sales and Use Taxes	--	--	--	--
License and Permits	--	--	--	--
Intergovernmental	81,818	--	--	40,615
Charges for Services	--	1,895	--	--
Fines and Forfeitures	--	--	--	--
Fees of Office	--	--	--	--
Investment Earnings	--	134	618	--
Miscellaneous Revenues	--	--	--	--
Total revenues	<u>81,818</u>	<u>2,029</u>	<u>618</u>	<u>40,615</u>
Expenditures:				
Current:				
General Government	--	--	--	--
Judicial	--	--	--	--
Public Safety	--	--	--	40,625
Public Transportation	--	--	55,611	--
Health and Welfare	--	--	--	--
Debt Service:				
Principal	--	--	--	--
Interest and Fiscal Charges	--	--	--	--
Total Expenditures	<u>--</u>	<u>--</u>	<u>55,611</u>	<u>40,625</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>81,818</u>	<u>2,029</u>	<u>(54,993)</u>	<u>(10)</u>
Other Financing Sources (Uses):				
Transfers In	--	--	33,185	--
Transfers Out	(78,219)	--	--	--
Capital Leases	--	--	--	--
Total Other Financing Sources (Uses)	<u>(78,219)</u>	<u>--</u>	<u>33,185</u>	<u>--</u>
Net Change in Fund Balances	3,599	2,029	(21,808)	(10)
Fund Balances - Beginning	26,513	20,312	89,654	8,135
Fund Balances - Ending	<u>\$ 30,112</u>	<u>\$ 22,341</u>	<u>\$ 67,846</u>	<u>\$ 8,125</u>

CSCD Pretrial Division Substance Abuse	CSCD Specialized Caseload (SO)	DA State Grant Fund	Pre-Trial Bond Supervision	CSCD After Care Caseload
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
50,375	38,423	353,933	158,548	26,300
--	--	--	--	--
--	--	362	403	--
--	--	--	--	--
<u>50,375</u>	<u>38,423</u>	<u>354,295</u>	<u>158,951</u>	<u>26,300</u>
--	--	--	--	--
48,870	39,654	449,623	77,155	--
--	--	--	--	--
--	--	--	--	26,250
--	--	--	--	--
<u>48,870</u>	<u>39,654</u>	<u>449,623</u>	<u>77,155</u>	<u>26,250</u>
<u>1,505</u>	<u>(1,231)</u>	<u>(95,328)</u>	<u>81,796</u>	<u>50</u>
--	--	19,000	--	--
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>19,000</u>	<u>--</u>	<u>--</u>
1,505	(1,231)	(76,328)	81,796	50
12,418	8,439	83,022	48,477	4,660
<u>\$ 13,923</u>	<u>\$ 7,208</u>	<u>\$ 6,694</u>	<u>\$ 130,273</u>	<u>\$ 4,710</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, 2021

	County Attorney Check Collection	Juvenile Probation Fund	Adult Probation Fund	State Juvenile Probation Fund
Revenue:				
Taxes:				
General Property Taxes	\$ --	\$ --	\$ --	\$ --
General Sales and Use Taxes	--	--	--	--
License and Permits	--	--	--	--
Intergovernmental	--	--	364,110	517,220
Charges for Services	--	--	285,691	--
Fines and Forfeitures	90	--	--	--
Fees of Office	--	--	--	--
Investment Earnings	92	--	1,418	698
Miscellaneous Revenues	--	--	--	--
Total revenues	<u>182</u>	<u>--</u>	<u>651,219</u>	<u>517,918</u>
Expenditures:				
Current:				
General Government	--	--	--	--
Judicial	654	--	--	--
Public Safety	--	--	653,815	524,824
Public Transportation	--	--	--	--
Health and Welfare	--	--	--	--
Debt Service:				
Principal	--	--	--	--
Interest and Fiscal Charges	--	--	--	--
Total Expenditures	<u>654</u>	<u>--</u>	<u>653,815</u>	<u>524,824</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(472)</u>	<u>--</u>	<u>(2,596)</u>	<u>(6,906)</u>
Other Financing Sources (Uses):				
Transfers In	--	--	85,000	--
Transfers Out	--	--	--	--
Capital Leases	--	--	--	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>85,000</u>	<u>--</u>
Net Change in Fund Balances	<u>(472)</u>	<u>--</u>	<u>82,404</u>	<u>(6,906)</u>
Fund Balances - Beginning	14,247	185	92,222	120,197
Fund Balances - Ending	<u>\$ 13,775</u>	<u>\$ 185</u>	<u>\$ 174,626</u>	<u>\$ 113,291</u>

Colonia Grant Fund	Home Program Fund	Law Library Fund	Disaster Relief Fund	Drug Abuse and Rehabilitation Fund
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
242,561	--	--	661,505	36,238
--	--	--	--	--
--	--	18,227	--	--
--	--	237	--	486
<u>242,561</u>	<u>--</u>	<u>18,464</u>	<u>661,505</u>	<u>36,724</u>
--	--	--	--	--
--	--	15,039	--	--
--	--	--	--	54,000
373,996	--	--	449,965	--
--	--	--	--	--
<u>373,996</u>	<u>--</u>	<u>15,039</u>	<u>449,965</u>	<u>54,000</u>
<u>(131,435)</u>	<u>--</u>	<u>3,425</u>	<u>211,540</u>	<u>(17,276)</u>
--	--	20,000	--	--
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>20,000</u>	<u>--</u>	<u>--</u>
<u>(131,435)</u>	<u>--</u>	<u>23,425</u>	<u>211,540</u>	<u>(17,276)</u>
--	12,360	27,945	--	81,525
<u>\$ (131,435)</u>	<u>\$ 12,360</u>	<u>\$ 51,370</u>	<u>\$ 211,540</u>	<u>\$ 64,249</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, 2021

	County Attorney Crime Prevention Fund	79th Judicial District Attorney Forfeiture Fund	Sheriff Drug Forfeiture Fund	Sheriff Forfeiture Fund
Revenue:				
Taxes:				
General Property Taxes	\$ --	\$ --	\$ --	\$ --
General Sales and Use Taxes	--	--	--	--
License and Permits	--	--	--	--
Intergovernmental	51,215	--	--	--
Charges for Services	--	--	--	--
Fines and Forfeitures	--	271,015	760,168	--
Fees of Office	--	--	--	1,557
Investment Earnings	416	1,531	6,411	382
Miscellaneous Revenues	--	--	--	--
Total revenues	<u>51,631</u>	<u>272,546</u>	<u>766,579</u>	<u>1,939</u>
Expenditures:				
Current:				
General Government	--	--	--	--
Judicial	--	--	--	--
Public Safety	53,840	336,885	970,883	61,886
Public Transportation	--	--	--	--
Health and Welfare	--	--	--	--
Debt Service:				
Principal	--	--	135,600	--
Interest and Fiscal Charges	--	--	12,463	--
Total Expenditures	<u>53,840</u>	<u>336,885</u>	<u>1,118,946</u>	<u>61,886</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,209)</u>	<u>(64,339)</u>	<u>(352,367)</u>	<u>(59,947)</u>
Other Financing Sources (Uses):				
Transfers In	22,883	143,271	39,096	--
Transfers Out	(65,052)	(43,311)	--	--
Capital Leases	--	--	460,231	--
Total Other Financing Sources (Uses)	<u>(42,169)</u>	<u>99,960</u>	<u>499,327</u>	<u>--</u>
Net Change in Fund Balances	<u>(44,378)</u>	<u>35,621</u>	<u>146,960</u>	<u>(59,947)</u>
Fund Balances - Beginning	62,630	298,013	771,730	64,125
Fund Balances - Ending	<u>\$ 18,252</u>	<u>\$ 333,634</u>	<u>\$ 918,690</u>	<u>\$ 4,178</u>

Community Corrections Fund	Constable Prct 5 Drug Forfeiture Fund	Pretrial Domestic Violence	Drug and Alcohol Court Fund	Bail Bond Board
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
--	--	--	--	--
101,466	750	35,895	51,976	1,500
--	--	--	--	--
--	--	--	--	--
--	360	--	--	83
--	--	--	--	--
<u>101,466</u>	<u>1,110</u>	<u>35,895</u>	<u>51,976</u>	<u>1,583</u>
--	--	--	--	--
--	--	--	--	--
101,438	1,137	36,320	50,492	81
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>101,438</u>	<u>1,137</u>	<u>36,320</u>	<u>50,492</u>	<u>81</u>
<u>28</u>	<u>(27)</u>	<u>(425)</u>	<u>1,484</u>	<u>1,502</u>
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>28</u>	<u>(27)</u>	<u>(425)</u>	<u>1,484</u>	<u>1,502</u>
17,754	55,827	6,740	9,757	12,623
<u>\$ 17,782</u>	<u>\$ 55,800</u>	<u>\$ 6,315</u>	<u>\$ 11,241</u>	<u>\$ 14,125</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, 2021

	JP Technology Fund	County and District Court Technology Fund	Records Preservation Fund	Total Nonmajor Special Revenue Funds (See Exhibit C-2)
Revenue:				
Taxes:				
General Property Taxes	\$ --	\$ --	\$ --	\$ 3,226,168
General Sales and Use Taxes	--	--	--	572,362
License and Permits	--	--	--	401,891
Intergovernmental	--	--	--	3,848,930
Charges for Services	--	--	--	287,586
Fines and Forfeitures	--	--	--	1,032,525
Fees of Office	4,350	--	87,895	982,884
Investment Earnings	14	28	4,615	56,776
Miscellaneous Revenues	--	160	--	23,763
Total revenues	<u>4,364</u>	<u>188</u>	<u>92,510</u>	<u>10,432,885</u>
Expenditures:				
Current:				
General Government	--	--	141,613	415,975
Judicial	11,040	--	--	476,356
Public Safety	--	--	--	3,051,905
Public Transportation	--	--	--	5,465,402
Health and Welfare	--	--	--	1,052,238
Debt Service:				
Principal	--	--	--	302,672
Interest and Fiscal Charges	--	--	--	32,223
Total Expenditures	<u>11,040</u>	<u>--</u>	<u>141,613</u>	<u>10,796,771</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(6,676)</u>	<u>188</u>	<u>(49,103)</u>	<u>(363,886)</u>
Other Financing Sources (Uses):				
Transfers In	12,285	--	--	699,334
Transfers Out	--	--	--	(262,049)
Capital Leases	--	--	--	1,231,064
Total Other Financing Sources (Uses)	<u>12,285</u>	<u>--</u>	<u>--</u>	<u>1,668,349</u>
Net Change in Fund Balances	5,609	188	(49,103)	1,304,463
Fund Balances - Beginning	1,330	4,214	690,065	6,672,415
Fund Balances - Ending	<u>\$ 6,939</u>	<u>\$ 4,402</u>	<u>\$ 640,962</u>	<u>\$ 7,976,878</u>

**JIM WELLS COUNTY, TEXAS**  
ROAD & BRIDGE NO. 21 FUND  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2021

EXHIBIT C-5

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUE:</b>				
Taxes:				
General Property Taxes	\$ 624,272	\$ 624,672	\$ 622,688	\$ (1,984)
General Sales and Use Taxes	101,340	101,340	110,466	9,126
License and Permits	93,000	93,000	80,988	(12,012)
Intergovernmental	32,000	32,000	26,485	(5,515)
Fines and Forfeitures	1,105	1,105	241	(864)
Fees of Office	380,000	380,000	426,571	46,571
Investment Earnings	3,000	3,000	2,013	(987)
Miscellaneous Revenues	500	500	4,524	4,024
Total revenues	<u>1,235,217</u>	<u>1,235,617</u>	<u>1,273,976</u>	<u>38,359</u>
<b>EXPENDITURES:</b>				
<b>Public Transportation</b>				
Personal Services	647,521	647,521	644,481	3,040
Supplies	141,700	141,700	131,181	10,519
Other Services and Charges	582,550	483,550	417,888	65,662
Capital Outlay	5,000	50,000	40,362	9,638
Total Public Transportation	<u>1,376,771</u>	<u>1,322,771</u>	<u>1,233,912</u>	<u>88,859</u>
Debt Service:				
Principal	--	90,000	89,838	162
Interest and Fiscal Charges	--	9,000	8,134	866
Total Debt Service	<u>--</u>	<u>99,000</u>	<u>97,972</u>	<u>1,028</u>
<b>Total Expenditures</b>	<u>1,376,771</u>	<u>1,421,771</u>	<u>1,331,884</u>	<u>89,887</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(141,554)</u>	<u>(186,154)</u>	<u>(57,908)</u>	<u>128,246</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers Out	(6,404)	(6,404)	(6,404)	--
Capital Leases	157,000	157,000	157,000	--
Total Other Financing Sources (Uses)	<u>150,596</u>	<u>150,596</u>	<u>150,596</u>	<u>--</u>
Net Change in Fund Balances	9,042	(35,558)	92,688	128,246
Fund Balances - Beginning	(96,488)	(96,488)	(96,488)	--
Fund Balances - Ending	<u>\$ (87,446)</u>	<u>\$ (132,046)</u>	<u>\$ (3,800)</u>	<u>\$ 128,246</u>

**JIM WELLS COUNTY, TEXAS**  
ROAD & BRIDGE NO. 22 FUND  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2021

**EXHIBIT C-6**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUE:</b>				
Taxes:				
General Property Taxes	\$ 506,145	\$ 506,145	\$ 482,016	\$ (24,129)
General Sales and Use Taxes	78,447	78,447	85,511	7,064
Intergovernmental	104,000	104,000	83,195	(20,805)
Fines and Forfeitures	815	815	188	(627)
Fees of Office	63,000	63,000	44,387	(18,613)
Investment Earnings	16,000	16,000	10,437	(5,563)
Miscellaneous Revenues	500	500	-	(500)
Total revenues	<u>768,907</u>	<u>768,907</u>	<u>705,734</u>	<u>(63,173)</u>
<b>EXPENDITURES:</b>				
<b>Public Transportation</b>				
Personal Services	519,970	519,970	435,920	84,050
Supplies	61,300	61,300	53,366	7,934
Other Services and Charges	55,800	55,800	42,364	13,436
Capital Outlay	250,000	250,000	93,112	156,888
Total Public Transportation	<u>887,070</u>	<u>887,070</u>	<u>624,762</u>	<u>262,308</u>
<b>Total Expenditures</b>	<u>887,070</u>	<u>887,070</u>	<u>624,762</u>	<u>262,308</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(118,163)</u>	<u>(118,163)</u>	<u>80,972</u>	<u>199,135</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers Out	<u>(4,958)</u>	<u>(4,958)</u>	<u>(4,958)</u>	<u>--</u>
Total Other Financing Sources (Uses)	<u>(4,958)</u>	<u>(4,958)</u>	<u>(4,958)</u>	<u>-</u>
Net Change in Fund Balances	<u>(123,121)</u>	<u>(123,121)</u>	<u>76,014</u>	<u>199,135</u>
Fund Balances - Beginning	<u>1,334,557</u>	<u>1,334,557</u>	<u>1,334,557</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 1,211,436</u>	<u>\$ 1,211,436</u>	<u>\$ 1,410,571</u>	<u>\$ 199,135</u>

**JIM WELLS COUNTY, TEXAS**  
ROAD & BRIDGE NO. 23 FUND  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2021

**EXHIBIT C-7**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUE:</b>				
Taxes:				
General Property Taxes	\$ 987,593	\$ 987,593	\$ 1,053,316	\$ 65,723
General Sales and Use Taxes	171,438	171,438	186,876	15,438
License and Permits	151,000	151,000	181,964	30,964
Intergovernmental	54,000	54,000	44,805	(9,195)
Fines and Forfeitures	1,950	1,950	409	(1,541)
Fees of Office	138,000	138,000	97,003	(40,997)
Investment Earnings	18,000	18,000	13,203	(4,797)
Miscellaneous Revenues	500	500	5,930	5,430
Total revenues	<u>1,522,481</u>	<u>1,522,481</u>	<u>1,583,506</u>	<u>61,025</u>
<b>EXPENDITURES:</b>				
<b>Public Transportation</b>				
Personal Services	827,968	827,968	776,361	51,607
Supplies	337,700	337,700	256,325	81,375
Other Services and Charges	185,300	185,300	143,072	42,228
Capital Outlay	388,200	388,200	371,360	16,840
Total Public Transportation	<u>1,739,168</u>	<u>1,739,168</u>	<u>1,547,118</u>	<u>192,050</u>
<b>Total Expenditures</b>	<u>1,739,168</u>	<u>1,739,168</u>	<u>1,547,118</u>	<u>192,050</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(216,687)</u>	<u>(216,687)</u>	<u>36,388</u>	<u>253,075</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers Out	(10,835)	(10,835)	(10,835)	--
Capital Leases	--	--	337,438	(337,438)
Total Other Financing Sources (Uses)	<u>(10,835)</u>	<u>(10,835)</u>	<u>326,603</u>	<u>(337,438)</u>
Net Change in Fund Balances	<u>(227,522)</u>	<u>(227,522)</u>	<u>362,991</u>	<u>590,513</u>
Fund Balances - Beginning	1,497,683	1,497,683	1,497,683	--
Fund Balances - Ending	<u>\$ 1,270,161</u>	<u>\$ 1,270,161</u>	<u>\$ 1,860,674</u>	<u>\$ 590,513</u>

**JIM WELLS COUNTY, TEXAS**  
ROAD & BRIDGE NO. 24 FUND  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2021

EXHIBIT C-8

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUE:</b>				
Taxes:				
General Property Taxes	\$ 1,000,098	\$ 1,000,098	\$ 1,068,148	\$ 68,050
General Sales and Use Taxes	173,853	173,853	189,509	15,656
License and Permits	152,000	152,000	138,939	(13,061)
Intergovernmental	36,000	36,000	45,436	9,436
Fines and Forfeitures	1,700	1,700	414	(1,286)
Fees of Office	306,000	306,000	302,894	(3,106)
Investment Earnings	18,000	18,000	10,751	(7,249)
Miscellaneous Revenues	500	500	9,246	8,746
Total revenues	<u>1,688,151</u>	<u>1,688,151</u>	<u>1,765,337</u>	<u>77,186</u>
<b>EXPENDITURES:</b>				
<b>Public Transportation</b>				
Personal Services	898,285	886,285	882,407	3,878
Supplies	170,550	215,550	212,135	3,415
Other Services and Charges	573,200	553,200	535,167	18,033
Capital Outlay	456,970	378,970	374,290	4,680
Total Public Transportation	<u>2,099,005</u>	<u>2,034,005</u>	<u>2,003,999</u>	<u>30,006</u>
Debt Service:				
Principal	--	78,000	77,234	766
Interest and Fiscal Charges	--	12,000	11,626	374
Total Debt Service	<u>--</u>	<u>90,000</u>	<u>88,860</u>	<u>1,140</u>
<b>Total Expenditures</b>	<u>2,099,005</u>	<u>2,124,005</u>	<u>2,092,859</u>	<u>31,146</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(410,854)</u>	<u>(435,854)</u>	<u>(327,522)</u>	<u>108,332</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers Out	(10,988)	(10,988)	(10,988)	--
Capital Leases	--	--	276,395	(276,395)
Total Other Financing Sources (Uses)	<u>(10,988)</u>	<u>(10,988)</u>	<u>265,407</u>	<u>(276,395)</u>
Net Change in Fund Balances	<u>(421,842)</u>	<u>(446,842)</u>	<u>(62,115)</u>	<u>384,727</u>
Fund Balances - Beginning	1,267,096	1,267,096	1,267,096	--
Fund Balances - Ending	<u>\$ 845,254</u>	<u>\$ 820,254</u>	<u>\$ 1,204,981</u>	<u>\$ 384,727</u>

**JIM WELLS COUNTY, TEXAS**  
SMALL DAMS NO. 32 FUND  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2021

**EXHIBIT C-9**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUE:</b>				
Investment Earnings	\$ 1,500	\$ 1,500	\$ 618	\$ (882)
Total revenues	<u>1,500</u>	<u>1,500</u>	<u>618</u>	<u>(882)</u>
<b>EXPENDITURES:</b>				
<b>Public Transportation</b>				
Personal Services	26,158	26,158	17,431	8,727
Other Services and Charges	79,000	79,000	38,180	40,820
Total Public Transportation	<u>105,158</u>	<u>105,158</u>	<u>55,611</u>	<u>49,547</u>
<b>Total Expenditures</b>	<u>105,158</u>	<u>105,158</u>	<u>55,611</u>	<u>49,547</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(103,658)</u>	<u>(103,658)</u>	<u>(54,993)</u>	<u>48,665</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	33,185	33,185	33,185	--
Total Other Financing Sources (Uses)	<u>33,185</u>	<u>33,185</u>	<u>33,185</u>	<u>--</u>
Net Change in Fund Balances	<u>(70,473)</u>	<u>(70,473)</u>	<u>(21,808)</u>	<u>48,665</u>
Fund Balances - Beginning	89,654	89,654	89,654	--
Fund Balances - Ending	<u>\$ 19,181</u>	<u>\$ 19,181</u>	<u>\$ 67,846</u>	<u>\$ 48,665</u>



**JIM WELLS COUNTY, TEXAS**  
LAW LIBRARY FUND  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2021

EXHIBIT C-10

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUE:</b>				
Fees of Office	\$ 21,500	\$ 21,500	\$ 18,227	\$ (3,273)
Investment Earnings	200	200	237	37
Total revenues	<u>21,700</u>	<u>21,700</u>	<u>18,464</u>	<u>(3,236)</u>
<b>EXPENDITURES:</b>				
<b>Judicial</b>				
<b>County court</b>				
Other Services and Charges	41,000	41,000	15,039	25,961
Total County Court	<u>41,000</u>	<u>41,000</u>	<u>15,039</u>	<u>25,961</u>
<b>Total Judicial</b>	<u>41,000</u>	<u>41,000</u>	<u>15,039</u>	<u>25,961</u>
<b>Total Expenditures</b>	<u>41,000</u>	<u>41,000</u>	<u>15,039</u>	<u>25,961</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(19,300)</u>	<u>(19,300)</u>	<u>3,425</u>	<u>22,725</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	20,000	20,000	20,000	--
Total Other Financing Sources (Uses)	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>--</u>
Net Change in Fund Balances	700	700	23,425	22,725
Fund Balances - Beginning	27,945	27,945	27,945	--
Fund Balances - Ending	<u>\$ 28,645</u>	<u>\$ 28,645</u>	<u>\$ 51,370</u>	<u>\$ 22,725</u>

**JIM WELLS COUNTY, TEXAS**  
DEBT SERVICE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2021

EXHIBIT C-11

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUE:</b>				
Taxes:				
General Property Taxes	\$ 250,677	\$ 250,677	\$ 260,127	\$ 9,450
Investment Earnings	2,000	2,000	1,062	(938)
Total revenues	<u>252,677</u>	<u>252,677</u>	<u>261,189</u>	<u>8,512</u>
<b>EXPENDITURES:</b>				
Debt Service:				
Principal	230,000	230,000	230,000	--
Interest and Fiscal Charges	25,573	25,573	25,573	--
Total Debt Service	<u>255,573</u>	<u>255,573</u>	<u>255,573</u>	<u>--</u>
<b>Total Expenditures</b>	<u>255,573</u>	<u>255,573</u>	<u>255,573</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,896)	(2,896)	5,616	8,512
<b>OTHER FINANCING SOURCES (USES):</b>				
Total Other Financing Sources (Uses)	--	--	--	--
Net Change in Fund Balances	(2,896)	(2,896)	5,616	8,512
Fund Balances - Beginning	87,448	87,448	87,448	--
Fund Balances - Ending	<u>\$ 84,552</u>	<u>\$ 84,552</u>	<u>\$ 93,064</u>	<u>\$ 8,511</u>

**JIM WELLS COUNTY, TEXAS**  
 COMBINING BALANCE SHEET  
 NONMAJOR CAPITAL PROJECTS FUNDS  
 DECEMBER 31, 2021

	<u>Relief Route Capital Fund</u>	<u>Jail Expansion Fund</u>	<u>Total Nonmajor Capital Projects Funds (See Exhibit C-1)</u>
<b>ASSETS</b>			
<b>Assets:</b>			
Cash and Cash Equivalents	\$ 766,966	\$ 2	\$ 766,968
<b>Total Assets</b>	<u>\$ 766,966</u>	<u>\$ 2</u>	<u>\$ 766,968</u>
<b>LIABILITIES AND FUND BALANCES:</b>			
<b>Liabilities:</b>			
<b>Fund Balances:</b>			
<b>Restricted Fund Balances:</b>			
Capital Project Funds	\$ 766,966	\$ 2	\$ 766,968
<b>Total Fund Balance</b>	<u>766,966</u>	<u>2</u>	<u>766,968</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 766,966</u>	<u>\$ 2</u>	<u>\$ 766,968</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, 2021

	Relief Route Capital Fund	Jail Expansion Fund	Total Nonmajor Capital Projects Funds (See Exhibit C-2)
Revenue:			
Investment Earnings	\$ 270	\$ --	\$ 270
Miscellaneous Revenues	4,661	--	4,661
Total revenues	<u>4,931</u>	<u>--</u>	<u>4,931</u>
Expenditures:			
Total Expenditures	<u>--</u>	<u>--</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>4,931</u>	<u>--</u>	<u>4,931</u>
Other Financing Sources (Uses):			
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	4,931	--	4,931
Fund Balances - Beginning	762,035	2	762,037
Fund Balances - Ending	<u>\$ 766,966</u>	<u>\$ 2</u>	<u>\$ 766,968</u>

**JIM WELLS COUNTY, TEXAS**  
 COMBINING STATEMENT OF FIDUCIARY NET POSITION  
 CUSTODIAL FUNDS  
 DECEMBER 31, 2021

	Appelate Judicial Fund	79th Judicial District Attorney Escrow Fund	79th Judicial D.A. Fee Fund	Sheriff Department Fee Fund
<b>ASSETS:</b>				
Cash and Cash Equivalents	\$ 2,302	\$ 1,494,121	\$ 5,270	\$ 80,619
<b>Total Assets</b>	<u>2,302</u>	<u>1,494,121</u>	<u>5,270</u>	<u>80,619</u>
<b>LIABILITIES:</b>				
Due to Other Governments and Agencies	--	--	--	--
<b>Total Liabilities</b>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>NET POSITION</b>	<u>\$ 2,302</u>	<u>\$ 1,494,121</u>	<u>\$ 5,270</u>	<u>\$ 80,619</u>

State Fees Fund	Vouchers Payable Fund	Tax Collector Fund	District Clerk Fund	County Clerk Fund
\$ 188,028	\$ 44,590	\$ 613,256	\$ 339,188	\$ 1,220,296
<u>188,028</u>	<u>44,590</u>	<u>613,256</u>	<u>339,188</u>	<u>1,220,296</u>
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
\$ <u>188,028</u>	\$ <u>44,590</u>	\$ <u>613,256</u>	\$ <u>339,188</u>	\$ <u>1,220,296</u>

**JIM WELLS COUNTY, TEXAS**  
 COMBINING STATEMENT OF FIDUCIARY NET POSITION  
 CUSTODIAL FUNDS  
 DECEMBER 31, 2021

	Payroll Administrative Fund	Ad Valorem Tax Escrow Fund
<b>ASSETS:</b>		
Cash and Cash Equivalents	\$ 505,429	\$ 2,750,023
Total Assets	<u>505,429</u>	<u>2,750,023</u>
<b>LIABILITIES:</b>		
Due to Other Governments and Agencies	--	--
Total Liabilities	<u>--</u>	<u>--</u>
<b>NET POSITION</b>	<u>\$ 505,429</u>	<u>\$ 2,750,023</u>

<u>County Attorney Trust Fund</u>	<u>Sheriff Cash Bond Fund</u>	<u>Total Agency Funds (See Exhibit A-7)</u>
\$ 1,725	\$ 3,195	\$ 7,248,042
<u>1,725</u>	<u>3,195</u>	<u>7,248,042</u>
--	--	--
<u>--</u>	<u>--</u>	<u>--</u>
\$ 1,725	\$ 3,195	\$ 7,248,042
<u>1,725</u>	<u>3,195</u>	<u>7,248,042</u>



**JIM WELLS COUNTY, TEXAS**

EXHIBIT C-15

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 FIDUCIARY FUNDS-CUSTODIAL FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Appelate Judicial Fund	79th Judicial D.A. Escrow Fund	79th Judicial D.A. Fee Fund	Sheriff Department Fee Fund
<b>ADDITIONS</b>				
<b>Contributions</b>	\$ 2,259	\$ 872,797	\$ 35	\$ 249,957
Total Contributions	<u>2,259</u>	<u>872,797</u>	<u>35</u>	<u>249,957</u>
<b>DEDUCTIONS</b>				
<b>Administrative Expenses</b>	3,540	720,344	--	249,547
Total Deductions	<u>3,540</u>	<u>720,344</u>	<u>--</u>	<u>249,547</u>
Change in Net Position	(1,281)	152,453	35	410
<b>Net Position-Beginning of the Year</b>	3,583	1,341,668	5,235	80,209
Net Position-End of the Year	<u>\$ 2,302</u>	<u>\$ 1,494,121</u>	<u>\$ 5,270</u>	<u>\$ 80,619</u>

	State Fees Fund	Vouchers Payable Fund	Tax Collector Fund	District Clerk Fund	County Clerk Fund
<b>ADDITIONS</b>					
<b>Contributions</b>	\$ 430,998	\$ 4,567,560	\$ 13,717,670	\$ 712,267	\$ 458,441
Total Contributions	<u>430,998</u>	<u>4,567,560</u>	<u>13,717,670</u>	<u>712,267</u>	<u>458,441</u>
<b>DEDUCTIONS</b>					
<b>Administrative Expenses</b>	378,557	4,843,993	13,771,789	696,064	462,847
Total Deductions	<u>378,557</u>	<u>4,843,993</u>	<u>13,771,789</u>	<u>696,064</u>	<u>462,847</u>
Change in Net Position	52,441	(276,433)	(54,119)	16,203	(4,406)
<b>Net Position-Beginning of the Year</b>	135,587	321,023	667,375	322,985	1,224,702
Net Position-End of the Year	<u>\$ 188,028</u>	<u>\$ 44,590</u>	<u>\$ 613,256</u>	<u>\$ 339,188</u>	<u>\$ 1,220,296</u>

	Payroll Administrative Fund	Ad Valorem Tax Escrow Fund	County Attorney Trust Fund	Sheriff Cash Bond Fund	Total Custodial Funds
<b>ADDITIONS</b>					
<b>Contributions</b>	\$ 24,005,783	\$ 20,022,946	\$ 6,189	\$ 21	\$ 65,046,923
Total Contributions	<u>24,005,783</u>	<u>20,022,946</u>	<u>6,189</u>	<u>21</u>	<u>65,046,923</u>
<b>DEDUCTIONS</b>					
<b>Administrative Expenses</b>	24,096,836	19,763,897	7,140	--	64,994,554
Total Deductions	<u>24,096,836</u>	<u>19,763,897</u>	<u>7,140</u>	<u>--</u>	<u>64,994,554</u>
Change in Net Position	(91,053)	259,049	(951)	21	52,369
<b>Net Position-Beginning of the Year</b>	596,482	2,490,974	2,676	3,174	7,195,673
Net Position-End of the Year	<u>\$ 505,429</u>	<u>\$ 2,750,023</u>	<u>\$ 1,725</u>	<u>\$ 3,195</u>	<u>\$ 7,248,042</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.

<b>Contents</b>	<b>Page</b>
Financial Trends	118
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	123
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	130
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	134
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	138
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 THIRTEEN FISCAL YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year						
	2009	2010	2011	2012	2013	2014	2015
<b>Governmental Activities</b>							
Net Investment in Capital Assets	\$ 17,516,191	\$ 18,478,771	\$ 19,050,644	\$ 20,612,073	\$ 21,121,207	\$ 21,740,309	\$ 21,480,901
Restricted	1,373,428	1,383,367	1,417,635	1,438,440	1,456,603	1,582,644	1,282,470
Unrestricted	6,895,058	6,595,371	8,266,629	11,172,800	11,139,913	11,111,657	11,090,825
<b>Total Governmental Activities Net Position</b>	<b>\$ 25,784,677</b>	<b>\$ 26,457,509</b>	<b>\$ 28,734,908</b>	<b>\$ 33,223,313</b>	<b>\$ 33,717,723</b>	<b>\$ 34,434,610</b>	<b>\$ 33,854,196</b>
	2016	2017	2018	2019	2020	2021	
<b>Governmental Activities</b>							
Net Investment in Capital Assets	\$ 21,296,519	\$ 21,037,621	\$ 20,832,777	\$ 20,801,027	\$ 20,782,340	\$ 22,686,740	
Restricted	1,274,637	1,065,748	977,814	988,296	849,485	860,032	
Unrestricted	9,103,318	11,328,575	14,239,298	15,075,103	15,346,556	19,608,140	
<b>Total Governmental Activities Net Position</b>	<b>\$ 31,674,474</b>	<b>\$ 33,431,944</b>	<b>\$ 36,049,889</b>	<b>\$ 36,864,426</b>	<b>\$ 36,978,381</b>	<b>\$ 43,154,912</b>	

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 TEN FISCAL YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Expenses</b>										
<b>Governmental Activities:</b>										
General Government	\$ 4,189,787	\$ 4,716,157	\$ 5,416,768	\$ 4,926,871	\$ 6,126,377	\$ 5,585,530	\$ 5,985,704	\$ 6,360,674	\$ 7,217,136	\$ 7,422,076
Judicial	3,732,690	4,377,675	4,104,234	4,690,475	3,966,181	4,566,636	4,034,322	4,324,846	4,393,298	4,349,317
Public Safety	8,611,259	8,622,918	8,331,437	8,878,685	8,520,388	8,405,430	8,371,679	8,713,377	8,727,386	8,641,759
Public Transportation	3,631,227	3,735,364	4,213,314	3,504,784	4,016,728	3,614,657	3,917,189	4,573,934	4,370,019	4,460,623
Health & Welfare	582,913	734,734	488,478	1,321,339	1,247,698	1,141,001	593,500	613,246	355,114	1,129,556
Culture & Recreation	69,692	86,888	17,597	63,771	59,650	59,860	84,132	52,300	--	24,830
Conservation	193,607	215,021	320,921	338,859	234,661	229,285	210,170	223,949	231,979	224,394
Economic Development & Assistance	130,926	229,631	334,818	166,160	25,000	302,505	135,133	120,482	146,176	172,652
Interest on Long-Term Debt	110,193	98,144	87,020	77,067	72,403	76,221	73,452	76,352	234,226	166,047
<b>Total Governmental Activities Expenses</b>	<b>21,252,294</b>	<b>22,816,532</b>	<b>23,314,587</b>	<b>23,968,011</b>	<b>24,269,086</b>	<b>23,981,125</b>	<b>23,385,281</b>	<b>25,059,160</b>	<b>25,675,334</b>	<b>26,591,254</b>
<b>Total Primary Government Expenses</b>	<b>\$ 21,252,294</b>	<b>\$ 22,816,532</b>	<b>\$ 23,314,587</b>	<b>\$ 23,968,011</b>	<b>\$ 24,269,086</b>	<b>\$ 23,981,125</b>	<b>\$ 23,385,281</b>	<b>\$ 25,059,160</b>	<b>\$ 25,675,334</b>	<b>\$ 26,591,254</b>
<b>Program Revenues</b>										
<b>Governmental Activities:</b>										
<b>Charges for Services:</b>										
General Government	\$ 1,539,647	\$ 934,260	\$ 1,410,019	\$ 1,307,737	\$ 1,384,274	\$ 1,451,596	\$ 954,670	\$ 1,200,139	\$ 1,092,086	\$ 1,157,149
Judicial	425,963	439,521	478,386	451,649	511,863	477,456	634,503	475,499	362,253	372,818
Public Safety	1,921,158	725,109	1,326,040	1,847,910	673,538	1,626,331	2,127,711	1,052,985	1,316,319	1,318,769
Other Activities	1,089,144	1,039,291	1,063,296	973,203	909,536	1,063,439	1,195,793	1,231,848	1,351,895	1,438,034
Operating Grants and Contributions	2,040,535	2,415,360	2,084,450	2,664,310	3,007,131	3,644,741	2,550,173	2,972,088	2,755,297	8,285,922
<b>Total Governmental Activities Program Revenues</b>	<b>7,016,447</b>	<b>5,553,541</b>	<b>6,362,201</b>	<b>7,244,809</b>	<b>6,486,342</b>	<b>8,263,563</b>	<b>7,462,850</b>	<b>6,932,559</b>	<b>6,877,950</b>	<b>12,572,692</b>
<b>Total Primary Government Program Revenues</b>	<b>\$ 7,016,447</b>	<b>\$ 5,553,541</b>	<b>\$ 6,362,201</b>	<b>\$ 7,244,809</b>	<b>\$ 6,486,342</b>	<b>\$ 8,263,563</b>	<b>\$ 7,462,850</b>	<b>\$ 6,932,559</b>	<b>\$ 6,877,950</b>	<b>\$ 12,572,692</b>
<b>Net (Expense)/Revenue</b>										
<b>Governmental Activities</b>	<b>\$ (14,235,847)</b>	<b>\$ (17,262,991)</b>	<b>\$ (16,952,386)</b>	<b>\$ (16,723,202)</b>	<b>\$ (17,782,744)</b>	<b>\$ (15,717,562)</b>	<b>\$ (15,922,431)</b>	<b>\$ (18,126,601)</b>	<b>\$ (18,797,384)</b>	<b>\$ (14,018,562)</b>
<b>Total Primary Government Net Expense</b>	<b>\$ (14,235,847)</b>	<b>\$ (17,262,991)</b>	<b>\$ (16,952,386)</b>	<b>\$ (16,723,202)</b>	<b>\$ (17,782,744)</b>	<b>\$ (15,717,562)</b>	<b>\$ (15,922,431)</b>	<b>\$ (18,126,601)</b>	<b>\$ (18,797,384)</b>	<b>\$ (14,018,562)</b>

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

TABLE E-3

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Net (Expense)/Revenue</b>										
Governmental Activities	\$ (14,235,547)\$	(17,262,991)\$	(16,952,386)\$	(16,723,202)\$	(17,782,744)\$	(15,717,562)\$	(15,922,431)\$	(18,126,601)\$	(18,797,384)\$	(14,018,562)
Business-type Activities	--	--	--	--	--	--	--	--	--	--
Total Primary Government										
Expenses	\$ (14,235,547)\$	(17,262,991)\$	(16,952,386)\$	(16,723,202)\$	(17,782,744)\$	(15,717,562)\$	(15,922,431)\$	(18,126,601)\$	(18,797,384)\$	(14,018,562)
<b>General Revenues and Other Changes in Net Assets</b>										
Governmental Activities:										
<b>Taxes</b>										
Property Taxes	\$ 11,317,777 \$	11,318,416 \$	11,721,257 \$	13,112,296 \$	11,639,683 \$	14,780,021 \$	15,388,135 \$	15,226,441 \$	15,742,510 \$	16,675,752
Sales Taxes	6,878,706	5,970,449	5,457,562	3,553,802	2,189,082	2,383,694	3,085,301	3,087,065	2,612,434	2,983,205
Fines and Forfeitures	--	--	--	--	--	--	--	--	--	--
Investment Earnings	50,817	59,237	59,443	64,710	64,210	71,177	83,737	192,222	293,567	174,744
Miscellaneous	371,301	409,299	431,011	501,454	1,694,948	212,328	571,300	435,410	262,828	361,392
Gain on Disposal of Capital Assets	--	--	--	--	15,100	--	--	--	--	--
Total Governmental Activities	\$ 18,618,601 \$	17,757,401 \$	17,669,273 \$	17,232,262 \$	15,603,023 \$	17,447,220 \$	19,128,473 \$	18,941,138 \$	18,911,339 \$	20,195,093
Business-type Activities:										
Investment Earnings	--	--	--	--	--	--	--	--	--	--
Transfers	--	--	--	--	--	--	--	--	--	--
Total Business-type Activities	--	--	--	--	--	--	--	--	--	--
Total Primary Government	\$ 18,618,601 \$	17,757,401 \$	17,669,273 \$	17,232,262 \$	15,603,023 \$	17,447,220 \$	19,128,473 \$	18,941,138 \$	18,911,339 \$	20,195,093
<b>Change in Net Assets</b>										
Governmental Activities	\$ 4,383,054 \$	494,410 \$	716,887 \$	509,060 \$	(2,179,721)\$	1,729,658 \$	3,206,042 \$	814,537 \$	113,955 \$	6,176,531
Business-type Activities	--	--	--	--	--	--	--	--	--	--
Total Primary Government	\$ 4,383,054 \$	494,410 \$	716,887 \$	509,060 \$	(2,179,721)\$	1,729,658 \$	3,206,042 \$	814,537 \$	113,955 \$	6,176,531

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)**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>General Fund</b>										
Nonspendable	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Committed	--	--	--	--	--	--	--	--	--	--
Assigned	--	--	--	--	--	--	--	--	--	--
Unassigned	6,745,919	6,246,745	6,291,502	5,053,649	4,389,125	5,681,573	7,302,040	9,428,542	10,348,406	11,715,151
<b>Total General Fund</b>	<b>\$ 6,745,919</b>	<b>\$ 6,246,745</b>	<b>\$ 6,291,502</b>	<b>\$ 5,053,649</b>	<b>\$ 4,389,125</b>	<b>\$ 5,681,573</b>	<b>\$ 7,302,040</b>	<b>\$ 9,428,542</b>	<b>\$ 10,348,406</b>	<b>\$ 11,715,151</b>
<b>All Other Governmental Funds</b>										
Nonspendable	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Committed:										
Construction	1,186,860	1,191,616	1,196,391	1,201,213	1,195,801	988,972	894,729	902,632	762,037	766,968
Restricted:										
Federal or State Grant Restriction	3,520,081	3,605,800	4,011,905	5,235,603	4,901,715	5,994,109	7,669,447	6,992,839	6,768,901	12,036,085
Retirement of Long-Term Debt	71,525	77,127	79,654	81,257	78,836	76,776	83,085	85,664	87,448	93,064
Assigned	--	--	--	--	--	--	--	--	--	--
Unassigned	--	--	--	--	(323,684)	(32,575)	--	--	(96,489)	(135,235)
<b>Total All Other Governmental Funds</b>	<b>\$ 4,778,466</b>	<b>\$ 4,874,543</b>	<b>\$ 5,287,950</b>	<b>\$ 6,518,073</b>	<b>\$ 5,852,668</b>	<b>\$ 7,027,282</b>	<b>\$ 8,647,261</b>	<b>\$ 7,981,135</b>	<b>\$ 7,521,897</b>	<b>\$ 12,760,882</b>



TABLE E-5

**JIM WELLS COUNTY, TEXAS**

## CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

## LAST TEN FISCAL YEARS

## (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Revenues</b>										
Taxes	\$ 18,266,650	\$ 17,258,046	\$ 17,188,766	\$ 16,063,548	\$ 14,712,092	\$ 17,036,649	\$ 18,352,101	\$ 18,313,506	\$ 18,354,944	\$ 19,322,131
Licenses and Permits	572,295	604,222	481,658	349,689	298,808	306,427	453,941	447,346	549,999	488,451
Intergovernmental	2,216,490	2,564,283	2,315,409	2,938,603	3,363,702	4,017,520	2,900,598	3,076,005	2,755,297	8,448,401
Charges for Services	683,246	511,073	472,690	453,786	422,397	1,562,786	342,542	386,305	501,931	1,248,829
Fines & Forfeitures	1,604,474	581,323	1,259,807	1,746,555	657,655	1,623,619	2,186,246	1,163,569	1,257,911	1,387,026
Fees of Office	1,940,242	1,292,640	1,832,637	1,756,176	1,743,778	753,211	1,559,523	1,859,334	1,784,990	999,985
Investment Earnings	50,817	59,237	59,443	64,710	64,210	71,177	83,737	192,222	293,567	174,744
Misc Revenues	371,301	409,299	431,010	501,454	1,694,950	212,328	591,300	435,410	290,650	361,392
Total Revenues	25,705,515	23,280,123	24,041,420	23,874,521	22,957,592	25,583,717	26,469,988	25,873,697	25,789,289	32,430,959
<b>Expenditures</b>										
General Government	4,157,172	4,477,267	4,310,377	3,914,692	4,982,742	3,799,862	4,553,090	4,932,434	5,462,107	5,556,153
Judicial	3,758,584	4,377,675	4,136,477	4,728,052	3,966,181	4,566,636	4,034,322	4,324,846	4,393,298	4,349,317
Public Safety	6,783,872	9,010,449	8,754,738	9,372,761	9,118,991	8,968,342	8,725,879	9,403,777	9,655,825	9,233,038
Public Transportation	4,631,140	4,207,550	4,884,561	3,822,173	5,090,150	3,882,070	4,565,691	5,471,733	4,976,534	5,465,402
Health & Welfare	582,913	734,734	488,478	1,321,339	1,247,698	1,141,001	593,500	613,246	355,114	1,140,712
Culture and Recreation	69,692	86,888	17,597	63,771	59,650	59,860	64,132	52,300	--	24,830
Conservation	193,607	215,021	320,921	338,859	276,159	229,285	210,170	223,949	231,979	224,394
Economic Development & Assistance	130,926	229,631	334,818	166,160	25,000	302,505	135,133	120,482	173,492	192,252
Capital Outlay	2,189,713	--	--	--	--	--	--	--	--	--
Debt Service										
Interest	112,334	100,350	89,553	79,404	74,836	79,775	76,111	79,109	875,464	778,369
Principal	498,812	403,655	339,608	265,059	294,489	403,021	521,738	437,791	104,627	91,829
Fiscal Agents Fees	--	--	--	--	31	--	--	--	--	--
Total Expenditures	23,108,765	23,843,220	23,677,128	24,072,270	25,135,927	23,432,357	23,479,766	25,659,667	26,228,440	27,056,296
Excess of Revenues Over (Under) Expenditures	2,596,750	(563,097)	364,292	(197,749)	(2,178,335)	2,151,360	2,990,222	214,030	(439,151)	5,374,663
<b>Other Financing Sources (Uses)</b>										
Bonds Issued	--	--	--	--	--	--	--	--	--	--
Loan Proceeds	--	--	--	--	--	--	--	--	--	--
Capital Leases	288,095	160,000	93,863	190,020	833,304	287,889	575,242	246,065	535,120	699,334
Transfers In	346,736	577,149	294,264	284,995	1,001,742	638,296	(575,242)	(246,065)	(535,120)	(699,334)
Transfers Out	(346,736)	(577,149)	(294,264)	(284,995)	(1,001,742)	(638,296)	371,557	1,246,341	899,776	1,231,064
Sale of Capital Assets	--	--	--	--	15,100	--	--	--	--	--
Total Other Financing Sources (Uses)	288,095	160,000	93,863	190,020	848,404	287,889	371,557	1,246,341	899,776	1,231,064
Net Change in Fund Balances	\$ 2,884,845	\$ (403,097)	\$ 458,155	\$ (7,729)	\$ (1,329,931)	\$ 2,439,249	\$ 3,361,779	\$ 1,460,371	\$ 460,625	\$ 6,605,727
Debt Service As A Percentage Of Noncapital Expenditures	2.7%	2.1%	1.8%	1.4%	1.5%	2.1%	2.6%	2.0%	3.8%	3.2%

**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
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
2016	12,523,010	2,189,082	14,712,092
2017	14,652,955	2,383,694	17,036,649
2018	15,266,800	3,085,301	18,352,101
2019	15,226,441	3,087,065	18,313,506
2020	15,742,510	2,612,434	18,354,944
2021	16,338,926	2,983,205	19,322,131
Percent Change 2020-2021	3.8%	14.2%	5.3%

Source: County Auditor's Office

TABLE E-7

**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
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%
2015	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%
2016	1,745,972,624	139,450,407	537,978,000	524,569,656	1,898,831,375	0.656741	2,423,401,031	78.354%
2017	1,763,352,916	122,439,531	467,541,470	515,587,624	1,837,746,293	0.815713	2,353,333,917	78.091%
2018	1,829,092,284	116,970,173	458,118,770	512,267,437	1,891,913,790	0.802202	2,404,181,227	78.693%
2019	1,951,271,056	120,871,721	472,339,570	547,777,979	1,996,704,368	0.787758	2,544,482,347	78.472%
2020	2,006,918,300	123,390,518	484,956,720	568,056,922	2,047,208,616	0.787581	2,615,265,538	78.279%
2021	2,227,822,360	121,891,385	502,622,630	724,499,176	2,127,837,199	0.787581	2,852,336,375	74.600%

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
2012	0.474460	0.011237	0.485697	0.247122	1.228600	0.126404	0.469085	1.294700	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	1.285000	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	0.539763	0.011094	0.550857	0.271826	1.284630	1.400440	0.490000	1.325300	0.712780	1.240000	1.283000	1.040000	0.132857	0.077094
2016	0.643521	0.013220	0.656741	0.530000	1.330260	0.155009	0.490000	1.326600	0.743301	1.240000	1.297400	1.040000	0.132857	0.080410
2017	0.704782	0.110931	0.815713	0.530000	1.330000	0.155009	0.500000	1.665500	0.883301	1.284000	1.470000	1.040000	0.132857	0.080410
2018	0.693249	0.108953	0.802202	0.522537	1.330000	0.152576	0.500000	1.852500	0.645895	1.279000	1.470000	1.040000	0.132857	0.074189
2019	0.640646	0.106935	0.747581	0.531216	1.251300	0.152576	0.500000	1.521420	0.633664	1.218000	1.437500	0.970000	0.132857	0.067400
2020	0.680646	0.106935	0.787581	0.528952	1.257100	0.151894	0.500000	1.464800	0.638910	1.253130	1.371863	0.956400	0.132857	0.666440
2021	0.680646	0.106935	0.787581	0.513734	1.244100	0.145193	0.482154	1.433600	0.661647	1.213485	1.368900	0.963400	0.132857	0.652780

Source: Jim Wells County Appraisal District

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

Taxpayer	2021			2012		
	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value
AEP Texas Central Co	\$ 54,689,110	1	3.40%	\$ 24,811,238	8	2.52%
Houston Pipeline Company, LP	40,789,530	2	2.54%	--		--
Nabors LUX 2	37,000,000	3	2.30%	25,830,613	7	2.62%
Gulf Coast Express	34,643,780	4	2.16%	--		--
Envigo Global Services, Inc	21,912,698	5	1.36%	--		--
Net Mexico Pipeline LP	19,651,430	6	1.22%	--		--
Epic Crude Pipeline LP	17,530,440	7	1.09%	--		--
Kinder Morgan Tejas PL	13,778,140	8	0.86%	--		--
Enterprise Texas Pipeline, LLC	13,331,620	9	0.83%	--		--
DCP South Central Texas LLC	11,276,972	10	0.70%	--		--
<b>Total</b>	<b>\$ 264,603,720</b>		<b>16.47%</b>	<b>\$ 50,641,851</b>		<b>5.14%</b>

Source: Jim Wells County Appraisal District

TABLE E-10

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

Fiscal Year	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections In Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
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%
2016	12,896,204	8,034,632	62.30%	2,062,914	10,097,546	78.30%
2017	15,005,049	7,204,575	48.01%	2,420,928	9,625,503	64.15%
2018	15,193,002	5,877,710	38.69%	3,562,513	9,440,223	62.14%
2019	15,908,577	4,433,551	27.87%	1,692,096	6,125,647	38.51%
2020	15,742,510	5,969,615	37.92%	3,306,226	9,275,841	58.92%
2021	14,562,901	5,439,939	37.35%	2,827,500	8,267,439	56.77%

Sources: Jim Wells County Appraisal District

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Buidling Material & Hardware	\$ 106,281,144	\$ 67,749,008	\$ 77,389,392	\$ 79,832,658	\$ 76,710,785	\$ 82,756,422	\$ 72,623,462	\$ 70,524,563	\$ 74,526,325	\$ 65,485,963
General Merchandise	237,580,732	223,233,718	331,292,064	293,814,626	203,525,345	198,542,266	199,458,576	198,456,963	189,562,356	190,528,636
Food Stores	13,938,627	38,493,492	33,209,800	22,610,857	43,315,498	45,678,924	45,264,328	45,258,147	45,896,523	36,859,241
Auto Dealers & Gas	70,125,472	179,702,255	83,263,788	80,264,576	51,591,144	50,592,478	53,624,422	52,789,456	53,896,745	48,589,632
Apparel & Accessory	8,331,684	249,004,104	241,463,096	193,216,485	73,224,468	82,423,854	95,888,566	96,335,241	100,852,741	95,874,523
Home Furnishing & Appliances	3,753,873	9,017,488	10,834,480	8,583,410	29,872,970	19,277,894	23,562,825	18,457,741	21,632,412	15,428,963
Eating & Drinking Places	41,815,881	61,566,182	58,810,040	60,342,958	56,479,256	57,788,462	59,488,793	60,753,951	62,785,325	58,748,963
Misc Retail Stores	96,746,553	17,485,100	12,087,528	15,872,927	21,363,419	20,224,658	28,382,056	36,524,789	38,749,654	27,412,589
<b>Total</b>	<b>\$ 578,573,966</b>	<b>\$ 846,251,347</b>	<b>\$ 848,350,188</b>	<b>\$ 754,538,497</b>	<b>\$ 556,082,885</b>	<b>\$ 557,284,958</b>	<b>\$ 578,293,028</b>	<b>\$ 579,100,851</b>	<b>\$ 587,902,081</b>	<b>\$ 538,928,510</b>
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>
2012	1.50%	0.50%
2013	1.50%	0.50%
2014	1.50%	0.50%
2015	1.50%	0.50%
2016	1.50%	0.50%
2017	1.50%	0.50%
2018	1.50%	0.50%
2019	1.50%	0.50%
2020	1.50%	0.50%
2021	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
2012	2,265,000	352,855	0.16%	50	2,617,905	1.52%	58
2013	2,095,000	279,199	0.15%	46	2,374,199	1.71%	52
2014	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
2016	1,550,000	987,329	0.16%	34	2,537,329	1.60%	56
2017	1,355,000	821,791	0.12%	34	2,176,791	1.84%	54
2018	1,150,000	876,610	0.11%	28	2,026,610	2.03%	49
2019	940,000	1,895,160	0.14%	23	2,835,160	1.45%	70
2020	720,000	2,075,293	0.14%	18	2,795,293	1.48%	69
2021	490,000	2,757,988	0.15%	13	3,247,988	1.28%	84

**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	Net Bonded Debt Per Capita
	General Obligation Bonds	Total		
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
2016	1,471,164	1,471,164	0.10%	33
2017	1,355,000	1,355,000	0.07%	32
2018	1,150,000	1,150,000	0.06%	26
<b>2019</b>	940,000	940,000	0.05%	21
2020	720,000	720,000	0.04%	16
2021	490,000	490,000	0.02%	10

**TABLE E-15**

**JIM WELLS COUNTY, TEXAS**  
 DIRECT AND OVERLAPPING  
 GOVERNMENTAL ACTIVITIES DEBT

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
<b>Debt Repaid With Property Taxes</b>			
City of Alice	\$ 40,236,966	100.000%	40,236,966
Alice Independent School District	46,342,645	81.180%	37,620,959
Jim Wells County Fresh Water Supply District #1	852,635	100.000%	852,635
Orange Grove Independent School District	12,412,677	100.000%	12,412,677
Alice Water Authority	2,192,178	48.980%	1,073,729
Premont Independent School District	14,855,000	100.000%	14,855,000
<b>Total Overlapping Debt</b>			<u>107,051,966</u>
<b>County Direct Debt</b>			<u>3,247,988</u>
<b>Total Direct and Overlapping Debt</b>			<u>\$ 110,299,954</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**

**TABLE E-16**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt Limit	\$ 419,140,851	\$ 457,541,763	\$ 438,693,426	\$ 422,161,203	\$ 363,510,155	\$ 353,000,088	\$ 360,627,184	\$ 380,952,352	\$ 391,799,831	\$ 427,600,456
Total Net Debt Applicable to Limit	--	--	--	--	--	--	--	--	--	--
Legal Debt Margin	419,140,851	457,541,763	438,693,426	422,161,203	363,510,155	353,000,088	360,627,184	380,952,352	391,799,831	427,600,456
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%

**Legal Debt Margin Calculation for the Current Fiscal Year**

Assessed Value	\$ 2,852,336,375
Debt Limit (15% of Assessed Value)	427,850,456
Debt Applicable to Limit:	
General Obligation Bonds	490,000
Less: Amount Set Aside for Repayment of General Obligation Debt	(240,000)
Total Net Debt Applicable to Limit	250,000
Legal Debt Margin	\$ 427,600,456

**TABLE E-17**

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Population	41,754	41,680	41,353	41,382	41,149	40,871	41,318	40,482	40,482	38,891
Total Personal Income	\$ 39,800	\$ 40,723	\$ 40,585	\$ 42,463	\$ 42,359	\$ 40,056	\$ 41,103	\$ 42,005	\$ 41,505	\$ 41,505
Per Capita Personal Income	\$ 18,268	\$ 19,818	\$ 20,452	\$ 20,977	\$ 21,796	\$ 20,524	\$ 37,906	\$ 21,274	\$ 21,510	\$ 21,510
Median Age	34.6	33.0	34.0	34.2	34.2	34.4	34.5	36.5	38.5	40.2
Education Level in Years of Schooling	12	12	12	12	12	12	12	12	12	12
School Enrollment	5,422	5,547	5,526	5,526	5,545	5,562	5,534	5,436	5,246	5,222
Unemployment	4.9%	4.7%	4.2%	7.9%	9.7%	7.5%	5.4%	4.0%	13.1%	8.20%

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	2021			2012		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Alice ISD	856	1	4.45%	872	1	4.64%
Forbes Energy Services, Ltd.	810	2	4.21%	--		--
Saldivar Primary Home Care	432	3	2.25%	--		--
Dixie Iron Works MSI	330	4	1.72%	199	10	1.06%
Jim Wells County	328	5	1.71%	236	9	1.26%
Fesco, Inc.	282	6	1.47%	513	4	2.73%
Wal-Mart	274	7	1.43%	418	6	2.23%
City of Alice	242	8	1.26%	245	7	1.30%
CACOST	236	9	1.23%	243	8	1.29%
Christus Spohn Hospital-Alice	227	10	1.18%	379	5	2.02%
<b>Total</b>	<b>4,017</b>		<b>20.89%</b>	<b>3,105</b>		<b>16.53%</b>

Source: County Auditor's Office

TABLE E-19

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

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>General Government</b>										
Administration	20	21	22	24	23	24	24	24	24	24
Finance	18	20	23	20	20	21	21	21	21	21
Judicial	35	37	36	37	37	34	34	34	34	34
Legal	20	24	23	27	26	25	25	25	25	25
Other										
<b>Public Safety</b>	142	130	129	119	113	112	112	112	112	112
Public Transportation	117	91	91	96	92	82	82	82	82	82
Public Facilities	2	2	4	4	5	5	5	5	5	5
<b>Health &amp; Welfare</b>										
Conservation & Agriculture	4	5	4	4	4	3	3	3	3	3
Civilians	2	2	2	2	2	2	2	2	2	2
<b>Total</b>	<u>360</u>	<u>332</u>	<u>334</u>	<u>333</u>	<u>322</u>	<u>308</u>	<u>308</u>	<u>308</u>	<u>308</u>	<u>308</u>

Source: County Auditor Office

**TABLE E-20**

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

<b>Function/Program</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
General Government										
Building Permits Issued	208	242	35	29	24	20	20	20	20	20
Public Safety										
Serious Crimes	2,560	2,342	2,422	2,526	2,358	2,242	2,568	2,654	2,654	2,985
Parking/Traffic Violations	5,566	5,687	5,823	6,019	5,823	6,227	6,547	6,235	6,358	6,752
Judicial										
Number of Cases Heard	2,165	2,131	2,122	2,122	2,369	2,462	2,584	2,135	2,052	1,847
Culture & Recreation										
Number of Events	15	15	17	17	17	17	17	17	17	4
Annual Number of Patrons Assisted	155,216	156,233	157,288	158,244	159,632	161,239	162,368	161,789	160,782	150,241
Public Transportation										
Street Miles	1,617	1,617	1,617	1,617	1,617	1,617	1,617	1,617	1,617	1,617

Source: County Auditor's Office



TABLE E-21

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

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government										
Number of Buildings	28	28	28	28	28	28	28	28	28	28
Public Safety										
Number of Buildings	9	9	9	9	9	9	10	10	10	10
Number of Vehicles	48	55	65	68	74	82	86	86	91	91
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)	1,617	1,617	1,617	1,617	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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**RAUL HERNANDEZ & COMPANY, P.C.**  
Certified Public Accountants  
5402 Holly Road, Suite 102  
Corpus Christi, Texas 78411  
Office (361)980-0428 Fax (361)980-1002

Independent Auditor's Report on Internal Control over Financial Reporting and  
On Compliance and Other Matters Based on an Audit of Financial Statements  
Performed In Accordance With Government Auditing Standards

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

Members of the County Commissioners:

We have audited, 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, 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, 2021, 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 25, 2022.

**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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Jim Wells County, Texas's internal control. Accordingly, we do not express an opinion on the effectiveness of Jim Wells County, Texas's internal control.

*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 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 financial statements. 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." in a cursive script.

Raul Hernandez & Company, P.C.

Corpus Christi, Texas  
July 25, 2022

**RAUL HERNANDEZ & COMPANY, P.C.**  
Certified Public Accountants  
5402 Holly Road, Suite 102  
Corpus Christi, Texas 78411  
Office (361)980-0428 Fax (361)980-1002

Independent Auditor's Report on Compliance for Each Major Federal Program and  
Report 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**

**Opinion on Each Major Federal Program**

We have audited Jim Wells County, Texas's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on Jim Wells County, Texas's major federal program for the year ended December 31, 2021. Jim Wells County, Texas's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Jim Wells County, Texas complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2021.

**Basis for Opinion on Each Major Federal Program**

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Jim Wells County, Texas and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a legal determination of Jim Wells County, Texas's compliance with the compliance requirements referred to above.

**Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Jim Wells County, Texas's federal programs.

## **Auditor's Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Jim Wells County, Texas's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Jim Wells County, Texas's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Jim Wells County, Texas's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of Jim Wells County, Texas's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 Jim Wells County, Texas's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## Report on 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 a 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 25, 2022



**JIM WELLS COUNTY, TEXAS**  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 FOR THE YEAR ENDED DECEMBER 31, 2021

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

Version of compliance supplement used in audit: August 2019

Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200?      Yes   X   No

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
14.228	CDBG 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, 2021

<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, 2021

N/A

**JIM WELLS COUNTY, TEXAS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

EXHIBIT D-1

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass- Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
<b>OTHER PROGRAMS:</b>				
U. S. Department of the Treasury				
Direct Programs:				
American Rescue Plan	21.027	—	\$ —	\$ 10,813
CARES Grant	21.019	—	—	164,556
Total Direct Programs			<u>—</u>	<u>175,369</u>
Total U. S. Department of the Treasury			<u>—</u>	<u>175,369</u>
U. S. Department of Justice				
Passed Through Texas Office of the Governor:				
Crime Victim Assistance	16.575	2019-V2GX-0011	—	86,176
Total U. S. Department of Justice			<u>—</u>	<u>86,176</u>
U. S. Department of Housing & Urban Development				
Passed Through Texas Department of Housing and Urban Development:				
CDBG Grant Funds	14.228	7218095, 7218105, 18-425-000B134, 18-396-000B105	—	823,960
Total U. S. Department of Housing & Urban Development			<u>—</u>	<u>823,960</u>
Department of the Treasury				
Passed Through Texas Secretary of State:				
HAVA Election Security Grants	90.404	TX 18101001-01-125	—	105,236
Total Department of the Treasury			<u>—</u>	<u>105,236</u>
Department of Homeland Security				
Direct Program:				
High Intensity Drug Trafficking Areas Program	95.001	—	—	64,700
Passed Through Texas Office of the Governor:				
Operation Stonegarden	97.067	2021-SS-00062	—	221,489
Total Department of Homeland Security			<u>—</u>	<u>286,189</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u>\$ —</u>	<u>\$ 1,476,930</u>

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, 2021**

#### **Basis of Presentation**

The accompanying schedule of expenditures of federal awards ("the Schedule") includes the federal grant activity of Jim Wells County, Texas. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Therefore, some amounts may differ from amounts presented in, or used in the preparation of, the basic financial statements.

#### **Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. These expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Jim Wells County, Texas has elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.