

**VAL VERDE COUNTY, TEXAS**  
**ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED**  
**SEPTEMBER 30, 2014**

**VAL VERDE COUNTY, TEXAS**  
**ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2014**

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## **FINANCIAL SECTION**



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

## INDEPENDENT AUDITORS' REPORT

To the Honorable County Judge  
and County Commissioners  
Val Verde County, Texas

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Val Verde County, Texas (the "County") as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Val Verde County, Texas as of September 30, 2014, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3 through 6, the budgetary comparison information on pages 28 through 41 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## Other Information

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

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

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

*Patricia, Bann & Hill, LLP*

Brownsville, Texas  
April 15, 2015

## VAL VERDE COUNTY, TEXAS

### MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Val Verde County, Texas (the "County") we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of Val Verde County, Texas for the fiscal year ended September 30, 2014.

#### FINANCIAL HIGHLIGHTS

The net position of Val Verde County, Texas as of the close of fiscal year 2014 were \$10,610,591. Of this amount, \$3,239,120 was reported as "unrestricted net position". Unrestricted net position represent the amount available to be used to meet the County's ongoing obligations.

- The County's total net assets increased by \$171,894.

#### OVERVIEW OF THE FINANCIAL STATEMENTS

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

**Government-wide Financial Statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the County's finances.

The *statement of net position* presents information of the County's assets and liabilities, with the difference between the two reported as nets assets. The reported change in financial condition is a change in cash position and not a change in the economic condition of the County.

The statement of activities presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expense are reported in this statement for some items that will not result in cash flows until future fiscal periods. This statement also presents a comparison between direct expenses and program revenues for each function of the County.

The governmental activities on the government-wide financial statements of the County are principally supported by taxes and intergovernmental receipts. The governmental activities of County include general government, legal, health and welfare, judicial, public safety, culture and recreation, roads and bridges and interest on long-term debt.

**Fund Financial Statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Val Verde County, Texas like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the County can be divided into two categories: governmental funds and fiduciary funds.



**Governmental Funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements.

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of receipts, disbursements, and changes in cash basis fund balances for the General Fund, which is considered to be a major fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

Val Verde County, Texas adopts an annual appropriated budget for its General, Road and Bridge, and Interest and Sinking Funds. A budgetary comparison statement has been provided for these funds to demonstrate compliance with this budget.

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

**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 combining fund statements that further support the information in the financial statements. The combining fund statements and schedules for non-major funds are presented immediately following the required supplementary schedule.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

### VAL VERDE COUNTY'S NET POSITION

	Governmental Activities	
	2014	2013
Current and Other Assets	\$ 33,312,090	\$ 36,394,663
Capital Assets	35,351,353	36,686,854
Total assets	<u>\$ 68,663,443</u>	<u>\$ 73,081,517</u>
Long term liabilities	\$ 24,840,174	\$ 35,887,872
Other Liabilities	33,212,678	26,754,948
Total liabilities	<u>58,052,852</u>	<u>62,642,820</u>
Net position:		
Net Investment in Capital Assets	2,138,675	1,990,157
Restricted	5,232,796	6,486,912
Unrestricted	<u>3,239,120</u>	<u>1,961,628</u>
Total Net position	<u>\$ 10,610,591</u>	<u>\$ 10,438,697</u>

An additional portion of the County's net assets represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* may be used to meet the government's ongoing obligations to citizens and creditors.

### VAL VERDE COUNTY'S CHANGES IN NET POSITION

	Governmental Activities	
	2014	2013
Revenues:		
Program revenue:		
Charges for Services	\$ 3,263,423	\$ 2,665,576
Operating Grants and Contributions	31,449,773	27,875,151
General Revenue:		
Property Taxes	9,363,326	8,669,887
Sales Taxes	1,968,955	2,036,156
Other	20,012	35,416
Investment Earnings	21,454	12,130
Miscellaneous	1,195,217	997,068
Total revenues	47,282,160	42,291,384
General Government	32,199,908	30,214,511
Judicial	1,533,477	1,424,295
Legal	514,428	493,827
Public Safety	4,602,634	4,302,576
Public Works	24,176	20,431
Highway and Streets	2,767,175	2,878,894
Health and Welfare	2,279,491	452,048
Culture and Recreation	647,545	723,007
Public Facilities	1,297,788	805,352
Interest on long-term debt	1,256,458	1,270,133
Total expenditures	47,123,081	42,585,074
Change in net position	159,079	( 293,690)
Net Position, beginning	10,438,697	11,644,344
Adjustment to net position	12,815	(911,957)
Net Position, ending	\$ 10,610,591	\$ 10,438,697

## FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, Val Verde County, Texas uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds.** The focus of the County's *governmental funds* is to provide information on cash revenues and expenditures.

At the end of fiscal year 2014, the County's *governmental funds* reported combined ending fund balances of \$6,916,964 a decrease of \$1,313,222 in comparison with the prior year.

The General Fund is the chief operating fund of Val Verde County, Texas. At the end of fiscal year 2014, the General Fund had an ending fund balance of \$1,651,518. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures.

The fund balance of the County's General Fund decreased by \$353,531 during fiscal year 2014. The Road and Bridge Fund had an ending fund balance of \$593,643 a decrease of \$9,389.

### General Fund Budgetary Highlights

Differences between the original budget and the final amended budget were not significant. Additional budgetary information can be found on pages 31 to 41 of this report.

**Capital Assets.** The County's investment in capital assets for its governmental type activities as of September 30, 2014, amounts to \$35,351,353 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, and infrastructure.

Additional information on the County's capital assets can be found in the notes to the financial statements.

**Long-term Debt.** At the end of fiscal year 2014, Val Verde County, Texas had total debt outstanding of \$33,212,678 which includes \$29,910,000 in outstanding bonds.

Additional information on the County's long-term debt can be found in the notes to the financial statements.

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

Commissioners' Court adopted the County's budget for the fiscal year 2014 on September 23, 2013. The budget was adopted based on anticipated resources and estimated uses in fiscal year 2014.

## REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Val Verde County Auditor  
901 Bedell Avenue, Suite A  
Del Rio, Texas 78841  
Telephone: (830) 774-7584  
Fax: (830) 775-9198

# **BASIC FINANCIAL STATEMENTS**

## VAL VERDE COUNTY, TEXAS

## STATEMENT OF NET POSITION

SEPTEMBER 30, 2014

	<u>Primary Government</u>
	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and investments	\$ 7,768,378
Taxes receivable (net of allowances)	1,554,892
Due from other governments	23,551,060
Capital assets:	
Land	140,898
Buildings and improvements	10,341,001
Equipment	8,726,389
Infrastructure	45,886,791
Construction in progress	437,537
Less: accumulated depreciation	( 30,181,263)
Total capital assets	<u>35,351,353</u>
Total assets	<u>68,663,443</u>
<b>LIABILITIES</b>	
Accounts payable	954,696
Unearned revenues	23,179,824
Other liabilities	72,260
Accrued liabilities	195,634
Noncurrent liabilities:	
Due within one year	2,943,197
Due in more than one year	<u>30,269,481</u>
Total liabilities	<u>58,052,852</u>
<b>NET POSITION</b>	
Net Investment in capital assets	2,138,675
Restricted for:	
Federal and state programs	68,710
Debt service	3,274,832
State Loop 79	1,766,021
San Felipe Pastures, Security Fees, and Law Library	232,244
Equipment and improvements	328,749
Capital projects	( 437,760)
Unrestricted	<u>3,239,120</u>
Total net position	<u>\$ 10,610,591</u>

*The accompanying notes are an integral part of these financial statements.*

## VAL VERDE COUNTY, TEXAS

## STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2014

Functions/Programs	Expenses	Program Revenues		Net (Expenses) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental activities:				
General government	\$ 32,199,908	\$ 1,348,626	\$ 28,223,526	\$ (2,627,757)
Judicial	1,533,477	375,609	-	(1,157,868)
Legal	514,428	22,672	-	(491,756)
Public safety	4,602,634	143,137	3,226,247	(1,233,249)
Public works	24,176	-	-	(24,176)
Highway and streets	2,767,175	1,373,379	-	(1,393,796)
Health and welfare	2,279,491	-	-	(2,279,491)
Culture and recreation	647,545	-	-	(647,545)
Public facilities	1,297,788	-	-	(1,297,788)
Interest on long-term debt	1,256,458	-	-	(1,256,458)
Net program (expenses) revenues	<u>\$ 47,123,081</u>	<u>\$ 3,263,423</u>	<u>\$ 31,449,773</u>	<u>(12,409,885)</u>
General revenues:				
Taxes:				
Property				9,363,326
Sales				1,968,955
Other				20,012
Investment earnings				21,454
Miscellaneous				<u>1,195,217</u>
Total general revenue				<u>12,568,964</u>
Change in net position				159,079
Net position, beginning				10,438,697
Adjustment to net position				<u>12,815</u>
Net position, ending				<u>\$ 10,610,591</u>

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

## VAL VERDE COUNTY, TEXAS

## BALANCE SHEET

## GOVERNMENTAL FUNDS

SEPTEMBER 30, 2014

	General	Interest and Sinking	Capital Project SL 79Loop	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash in bank	\$ 1,936,980	\$ 2,370,976	\$ 1,766,021	\$ 866,484	\$ 6,940,461
Investments	2,360	824,755	-	802	827,917
Taxes receivables (net of allowance)	1,345,551	149,512	-	59,829	1,554,892
Due from other funds	525,768	80,000	-	-	605,768
Due from other government	-	-	23,104,824	446,236	23,551,060
Total assets	<u>\$ 3,810,659</u>	<u>\$ 3,425,243</u>	<u>\$ 24,870,845</u>	<u>\$ 1,373,351</u>	<u>\$ 33,480,098</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 490,352	\$ 899	\$ -	\$ 463,445	\$ 954,696
Due to other funds	80,000	-	-	525,768	605,768
Other liabilities	47,544	-	-	24,716	72,260
Accrued liabilities	195,634	-	-	-	195,634
Deferred revenue	1,345,611	149,512	23,104,824	134,829	24,734,776
Total liabilities	<u>2,159,141</u>	<u>150,411</u>	<u>23,104,824</u>	<u>1,148,758</u>	<u>26,563,134</u>
<b>FUND BALANCES</b>					
Restricted:					
Retirement of long-term debt	-	3,274,832	-	-	3,274,832
Federal or state funds	-	-	-	68,710	68,710
State Loop 79	-	-	1,766,021	-	1,766,021
San Felipe Pastures, Security Fees, & Law Library	232,244	-	-	-	232,244
Equipment and improvements	328,749	-	-	-	328,749
Capital Projects	-	-	-	(437,760)	(437,760)
Unassigned	1,090,525	-	-	593,643	1,684,168
Total fund balances	<u>1,651,518</u>	<u>3,274,832</u>	<u>1,766,021</u>	<u>224,593</u>	<u>6,916,964</u>
Total liabilities and fund balances	<u>\$ 3,810,659</u>	<u>\$ 3,425,243</u>	<u>\$ 24,870,845</u>	<u>\$ 1,373,351</u>	<u>33,480,098</u>

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	35,351,353
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.	1,554,952
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(33,212,678)
Net position of governmental activities	<u>\$ 10,610,591</u>

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

## VAL VERDE COUNTY, TEXAS

STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	General	Interest and Sinking	Capital Project SL 79 Loop	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>					
Property taxes	\$ 7,279,890	\$ 1,590,293	\$ -	\$ 347,720	\$ 9,217,903
Sales taxes	1,968,955	-	-	-	1,968,955
Intergovernmental	24,473,526	-	3,750,968	3,206,241	31,430,735
Fees of offices	1,830,681	-	-	1,373,379	3,204,060
Fines and forfeitures	19,976	-	-	-	19,976
Investment earnings	17,140	3,779	-	535	21,454
Hotel tax	20,012	-	-	-	20,012
Miscellaneous	315,081	-	-	880,136	1,195,217
Total revenues	35,925,261	1,594,072	3,750,968	5,808,011	47,078,312
<b>EXPENDITURES</b>					
General government	31,397,040	-	-	-	31,397,040
Judicial	1,460,950	-	-	-	1,460,950
Legal	490,252	-	-	-	490,252
Public safety	3,300,702	-	-	1,011,822	4,312,524
Highway and streets	-	-	931,059	1,715,237	2,646,296
Health and welfare	19,323	-	-	2,187,641	2,206,964
Culture and recreation	564,194	-	-	35,000	599,194
Public facilities	-	-	-	1,297,788	1,297,788
Debt service:				-	
Principal	-	2,800,000	-	-	2,800,000
Interest and other charges	-	1,177,803	-	-	1,177,803
Capital leases	-	115,936	-	-	115,936
Total expenditures	37,232,461	4,093,739	931,059	6,247,488	48,504,747
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	(1,307,200)	(2,499,667)	2,819,909	(439,477)	(1,426,435)
<b>OTHER FINANCING SOURCES (USES)</b>					
Issuance of short-term loan	910,000	-	-	-	910,000
Transfer out (uses)	(9,000,446)	-	(3,750,000)	-	(12,750,446)
Transfer in	9,016,232	3,750,000	-	(15,786)	12,750,446
Short-term loan payment	-	(910,000)	-	-	(910,000)
Total other financing sources (uses)	925,786	2,840,000	(3,750,000)	(15,786)	-
<b>NET CHANGE IN FUND BALANCE</b>	(381,414)	340,333	(930,091)	(455,263)	(1,426,435)
<b>FUND BALANCE, BEGINNING</b>	2,005,049	2,934,499	2,696,112	594,526	8,230,186
<b>ADJUSTMENT TO FUND BALANCE</b>	27,883	-	-	85,330	113,213
<b>FUND BALANCE, ENDING</b>	\$ 1,651,518	\$ 3,274,832	\$ 1,766,021	\$ 224,593	\$ 6,916,964

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



## VAL VERDE COUNTY, TEXAS

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

FOR THE YEAR ENDED SEPTEMBER 30, 2014

Amounts reported for governmental activities in the statement of activities (page 8)  
are different because:

Net change in fund balances --- total governmental funds (page 10) \$( 1,426,435)

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period. (1,235,103)

Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing deferred revenue as revenue, eliminating interfund transactions, reclassifying the bond proceeds and recognizing the liabilities associated with maturing long-term debt and interest. The net effect of these reclassifications and recognitions is to increase net position. 2,502,459

Change in net position of governmental activities (page 8) \$( 159,079)

*The accompanying notes are an integral part of these financial statements.*

**FIDUCIARY FUND  
FINANCIAL STATEMENTS**

**VAL VERDE COUNTY**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**SEPTEMBER 30, 2014**

	<u>Agency Fund</u>
<b>ASSETS</b>	
Cash and investments	\$ <u>2,804,046</u>
Total assets	\$ <u><u>2,804,046</u></u>
<b>LIABILITIES</b>	
Due to others	\$ <u>2,804,046</u>
Total liabilities	\$ <u><u>2,804,046</u></u>

*The accompanying notes are an integral part of these financial statements.*

## **REQUIRED SUPPLEMENTARY INFORMATION**

# VAL VERDE COUNTY, TEXAS

## NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2014

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The authority of the County governments and their specific functions and responsibilities are created by and dependent upon laws and legal regulations of the Texas State Constitution and V.A.C.S.

The financial statements of the County have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to County governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant accounting and reporting policies of the County are described in the following notes to the financial statements.

#### A. Reporting Entity

The County's basic financial statements include the cash accounts of all funds handled by the Office of the County Treasurer/County Auditor. The County has no oversight responsibility for any other governmental entity since no other entities are considered financially accountable to the County. Financial accountability is determined on the basis of budget adoption, taxing authority, funding and appointment of the respective governing body.

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

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues.

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

#### C. Measurement focus, basis of accounting, and financial statement presentation

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

The fund financial statements provide information about the government's funds, including its fiduciary funds. 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. Major individual governmental funds are reported as separate columns in the fund financial statements.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### C. Measurement focus, basis of accounting, and financial statement presentation

The County reports the following major governmental funds:

**General Fund** is the primary operating fund of the County and always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

**Interest and Sinking Fund** is used to account for the accumulation of resources for, and the payment of, General long-term debt principal, interest and related costs.

**Capital Project Fund** – The capital projects fund of the County accounts for the proceeds from debt financing and revenues and expenditures related to authorized construction and related capital acquisitions

Additionally, the County reports the following fund types:

**Road and Bridge** – The Road and Bridge Fund accounts for resources used in the construction and maintenance of County roads and bridges.

**Special Revenue Fund** are used to account for funds that are restricted as to use by Federal or State governments and to account for the proceeds of specific revenue sources that are restricted by county ordinance to expenses for specified purposes.

**Fiduciary Funds** - Agency funds are used to account for the assets that are held for the benefit of others or as an agent for individuals, private organizations, other governmental units, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

During the course of operations the County has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, balances between the funds included in governmental activities are eliminated in the preparation of government-wide financial statements.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. These transfers are reported in fund financial statements but are eliminated in the preparation of government-wide financial statements.

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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

## **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **C. Measurement focus, basis of accounting, and financial statement presentation**

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, licenses, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The agency fund has no measurement focus but utilizes the accrual basis of accounting for reporting its assets and liabilities.

### **D. Cash and Cash Investments**

Cash includes amounts in demand deposits. Investments (invested cash) consist of short-term certificates of deposit and are stated at cost. Interest income pertaining to the certificates of deposit is recorded in the fiscal year end on an accrual basis.

In accordance with the State of Texas Statutes, county funds not immediately required to pay obligations may be invested in direct debt securities of the United States, fully collateralized security repurchase agreements purchased under a master contractual agreement that specifies the rights and obligations for which the principal and interest are guaranteed by the County depository, obligations for which the principal and interest are guaranteed by the United States and direct obligations of or participation certificates guaranteed by the Federal Intermediate Credit Banks, Federal Land Banks, Federal National Mortgage Association, Federal Home Loan Banks, or Banks for Cooperatives.

### **E. Budgets**

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the General Fund, Road and Bridge Fund and Interest and Sinking Fund.

### **F. Interfund Receivables/Payables**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due from other funds” or “due to other funds” on the balance sheet.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### G. Capital Assets

Capital assets, which include land, buildings and improvements and equipment, are reported in the government wide financial statements. Capital assets are defined as assets with an initial, individual cost of \$5,000 or more and an estimate useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

Donated capital assets are recorded at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets lives are not capitalized. Property, plant and equipment of the primary government is depreciated using the straight-line method over the following useful lives:

<u>Assets</u>	<u>Life in Years</u>
Buildings	50
Improvements	20
Furniture & Equipment	10
Automotive	8
Computer Equipment	5

### H. Fund Balance Classification

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

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



## **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **H. Fund Balance Classification**

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

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

### **I. Long-term Obligations**

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund type statement of net assets.

Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the term of the related debt. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges.

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

### **J. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### K. Net Position

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

The County first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

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

### 1. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and government-wide statement of activities.

The governmental fund statement of revenue, expenditures, and change in fund balance includes reconciliation between *net changes in fund balance – total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation indicates, “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense”.

The detail of this (\$1,235,103) is as follows:

Capital outlay-additions	\$ 672,407
Construction in progress	437,537
Depreciation expense	<u>(2,345,047)</u>
Net adjustment to decrease <i>net changes in fund balance -- total governmental funds</i> to arrive at change in <i>net position of governmental activities (Exhibit C-3)</i>	<u><u>\$ (1,235,103)</u></u>

## 3. AUTHORIZED INVESTMENTS

The District is authorized to invest in obligations and instruments as defined in the Public Funds Investment Act (Sec. 2256.001 Texas Government Code). Such investments include (1) obligations of the United States or its agencies, (2) direct obligations of the State of Texas or its agencies, (3) obligations of political subdivisions rated not less than A by a national investment rating firm, (4) certificates of deposit, and (5) other instruments and obligations authorized by statute.

## 4. DEPOSITS AND INVESTMENTS

At September 30, 2014, the carrying amount of the County’s deposits was \$6,940,461 and total bank balances equaled \$7,041,047. Bank balances of \$250,000 and \$500,000 are covered by federal depository insurance and the remaining \$6,291,047 was partially covered by collateral pledged in the County’s name.

#### 4. DEPOSITS AND INVESTMENTS

The fair values of investments at September 30, 2014 are summarized as follows:

	<u>Rate</u>	<u>WAM (Days)</u>	<u>Maturity</u>	<u>Fair Value</u>
<u>General Fund</u>				
Tex Pool	0.04%	55		\$ 2,360
				<u>2,360</u>
<u>Road &amp; Bridge Fund</u>				
Tex Pool	0.04%	55		802
				<u>802</u>
<u>Debt Service</u>				
Tex Pool	0.04%	55		4,135
The Bank & Trust (Certificate of Deposit)	0.45%		11/02/14	204,302
The Bank & Trust (Certificate of Deposit)	0.25%		02/02/15	205,188
The Bank & Trust (Certificate of Deposit)	0.35%		05/02/15	205,065
The Bank & Trust (Certificate of Deposit)	0.45%		08/02/15	206,065
				<u>824,755</u>
Total Investments				<u>\$ 827,917</u>

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. The County has the following risks related to deposits and investments:

***Interest Rate Risk*** – In accordance with state law, the County does not purchase any investments with maturities greater than 10 years.

***Credit Risk*** – In accordance with state law, investments in mutual funds and investment pools must be rated at least AAA, and investments in obligations from other states, municipalities, counties, etc. must be rated at least A. Tex Pool investments of the County are rated AAAM by Standard & Poor's rating services

***Concentration of Credit Risk*** – The County places no limit on the amount the County may invest in any one issuer. The County is currently using the less risky pooled accounts.

#### 5. 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 located in the County in accordance with enabling state legislation. 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.

#### 6. EMPLOYEES' RETIREMENT PLAN

##### A. Plan Description

The County provides retirement, disability, and death benefits for all of its fulltime employees through a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multi-employer public employee retirement system consisting of 575 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 request from the TCDRS Board of Trustees at P. O. Box 2034, Austin, Texas 78768-2034.

## **6. EMPLOYEES' RETIREMENT PLAN**

The plan provisions are adopted by the governing body of the County, within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with 8 or more years of service, with 20 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after 8 years of service, but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by the County.

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

### **B. Funding Policy**

The County 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 County based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the County is actuarially determined annually. The County contributed using the actuarially determined rate of 11.70% for the months of the accounting year in 2014, and 11.07% for months of the accounting year in 2013. The contribution rate payable by the employee members for calendar years 2014 and 2013 is the rate of 7% as adopted by the governing body of the County. The employee deposit rate and the County contribution rate may be changed by the governing body of the County with the options available in the TCDRS Act.

### **C. Annual Pension Cost**

For the County's accounting year ending September 30, 2014, the annual pension cost for the TCDRS plan for its employees was \$537,463 and the actual contributions were \$537,463.

The annual required contributions were actuarially determined as a percent of the covered payroll of the participating employees. These were in compliance with the GASB Statement No. 27 parameters based on the actuarial valuations as of December 31, 2013, the basis for determining the contribution rates for the calendar year 2013. The December 31, 2013, actuarial valuation is the most recent valuation and used for calculating the contribution rates for 2013.

## 6. EMPLOYEES' RETIREMENT PLAN

### D. Actuarial Valuation Information

Actuarial Valuation Date	12/31/12	12/31/13
Actuarial cost method	entry age	entry age
Amortization method	level percentage of payroll, closed	level percentage of payroll, closed
Amortization period	20	20
Asset valuation method	SAF: 10-yr smothed value ESF: Fund value	SAF: 5-yr smothed value ESF: Fund value
Actuarial Assumptions:		
Investment return *	8.0%	8.0%
Projected salary increases *	5.4%	4.9%
Inflation	3.5%	3.0%
Cost-of-living adjustments	0.0%	0.0%

\* Includes inflation at the stated rate

### **Trend Information for the Retirement Plan for the Employees of Val Verde County**

Accounting Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
9/30/2012	\$ 499,747	100%	-
9/30/2013	510,014	100%	-
9/30/2014	537,463	100%	-

As of December 31, 2013, the most recent actuarial valuation date, the funded status of the plan was as follow:

### **Schedule of Funding Progress for the Retirement Plan for the Employees of Val Verde County**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a % of Covered Payroll ( (b-a) /c)
12/31/13	\$ 26,005,504	\$ 29,938,675	\$ 3,933,171	86.86%	\$ 8,335,455	47.19%

The schedule of funding progress presented immediately following the financial statements as required supplementary information, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

### E. Employee Benefits Plan

The County provides group medical benefits to its employees. All fulltime County Employees are eligible for coverage under the Plan. Employees can enroll for personal coverage and dependent coverage. All claim liabilities are due within one year.

## **F. Postemployment Health Care**

### **Program Description**

In addition to the pension benefits described above, the Commissioners' Court established a medical insurance benefit plan for retirees. Eligible retirees will be provided medical insurance benefits at a set premium rate equal to the County employees' rate. Dental insurance benefits for retirees have a set premium rate equal to the County employees' rate. Eligible retirees may also cover their eligible dependents. Retirees are responsible for paying the premiums. A retiree is defined as someone who is receiving lifetime monthly Texas County and District retirement pension benefit payments and who retired directly from active employment with Val Verde County. The County will stop insurance coverage on the retiree and dependent on the last day of the month when one of the following occurs:

1. The retiree reaches age 65; or
2. The retiree fails to submit the required set premium rate.

Current retirees in the health plan and at retirement, active employees that meet the conditions for retirement from TCDRS (age 60 and above with 8 years or more of service, 20 years of service regardless of age, or when the sum of their age and years of service equals 75 or more) are eligible to remain in the health plan at the flat contribution rate for active and retiree participants.

### **Funding Policy**

The County contributions to the Retiree Health Program consist of a pay-as-you-go monthly contribution rate of \$484 per participant. The County contributions to the plan for fiscal year 2014 were \$67,220. Current retirees contribute to the Retiree Health Program without adjustment for age and sex.

### **Annual OPEB Cost and Net OPEB Obligation**

The County's annual other post-employment benefit (OPEB) cost (expense) for the Retiree Health Program is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (of funding excess) over a period not to exceed 30 years. The following table shows the components of the County's annual OPEB cost for the fiscal year ended September 30, 2014, the amount actually contributed to the plan, and changes in the County's net OPEB obligation.

Annual required contribution (ARC)	\$ 412,238
Interest on net OPEB obligation	45,129
Adjustment to annual required contribution	(57,299)
Annual OPEB cost (expense)	<u>400,068</u>
Contributions made	<u>(111,478)</u>
Change in OPEB	288,590
Net OPEB obligation (asset), beginning	<u>902,585</u>
Net OPEB obligation (asset), ending	<u><u>\$ 1,191,175</u></u>

## **F. Postemployment Health Care**

### **Annual OPEB Cost and Net OPEB Obligation**

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the fiscal year ended September 30, 2014, and the two preceding fiscal years were as follows:

<u>Fiscal Year</u>	<u>Annual OPEB Cost</u>	<u>Employer Amount Contributed</u>	<u>Percentage of OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2012	\$ 379,883	\$ 80,993	21.32%	\$ 902,585
2013	400,068	111,478	27.86%	1,191,175

### **Funded Status and Funding Progress**

The funded status of the Retiree Health Program as of the most recent valuations date is as follows:

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) (b)</u>	<u>Unfunded AAL (UAAL) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Annual Covered Payroll (c)</u>	<u>UAAL as a % of Covered Payroll ( (b-a) /c)</u>
10/1/2012	\$ -	\$ 3,398,250	\$ 3,398,250	0.00%	\$ 6,789,291	50.05%

Actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These actuarially determined amounts are subject to continual revisions as actual results are compared to past expectations and new estimates are made about the future. The schedule of funding progress presented immediately following the financial statements as required supplementary information, presents multi-year information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

### **Actuarial Methods and Assumptions**

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the type of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The actuarial calculations of the OPEB plan reflect a long-term perspective. Consistent with this perspective, actuarial valuations use actuarial methods and assumptions that include techniques that are designed to reduce the effects of a short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

The ARC for the current year was determined as part of the December 31, 2014 actuarial valuation using the following methods and assumptions:

## **F. Postemployment Health Care**

### **Actuarial Methods and Assumptions**

#### **Actuarial Methods and Assumptions**

Actuarial valuation date	10/1/2012
Actuarial cost method	Projected Unit Credit Cost Method
Amortization method	Level as a percentage of payroll
Amortization period	Open 30-year period
Inflation rate	3.0% per year
Health care trend	Level 5% for medical and level 1.50% for dental

## **7. VACATION AND SICK LEAVE POLICIES**

All full-time employees are eligible for twelve days vacation upon the completion of their first year of employment and through year four of employment, five to ten years of employment earn fourteen days of vacation, eleven to fifteen years of employment earn eleven days of vacation and employees with fifteen or more years of employment earn twenty-two days of vacation. On the last day of the month following this first anniversary and each month thereafter, the employee shall accrue earned vacation leave at the rate of 8 to 14.66 hours per month depending on years of service.

Sick leave is accrued by full-time employees at the rate of 8 hours per month beginning the last day of the month in which the new employee completes his/her first six months of employment. Upon termination of employment, unused sick leave is cancelled without compensation. Sick leave may be accumulated up to 60 days.

At September 30, 2014, compensated absences amounted to:

Compensation time	\$ 105,417
Sick leave	\$ 544,776

## **8. DEFERRED COMPENSATION PLAN**

The Val Verde County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all County employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to these amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the Val Verde County (without being restricted to the provisions of benefits under the plan), are subject only to the claims of the Val Verde County's general creditors. Participants' rights under the plan are equal to those general creditors of Val Verde County in the amount equal to the fair market value of the deferred account for each participant.

It is the opinion of the Val Verde County Auditor that the County has no liabilities for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. Val Verde County believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.



## 9. LONG-TERM LIABILITIES

Series 2011 Pass Through Toll Revenue and Limited Tax Bonds were issued on September 26, 2011, payable in annual installments with interest at 2% to 4%. The repayment amount beginning August 13, 2013 will include principal and interest for a total payment of \$3,703,413. This bond repayment will come from funding provided by Texas Department of Transportation in the form of a pass-through toll agreement between Val Verde County and TDOT. The payment from TxDOT will range from a minimum of \$3,750,000 a year to a maximum of \$7,500,000 a year to be based upon the number of vehicles miles traveled on the project. Any surplus money received by Val Verde County (reimbursed money from TxDOT in excess of the stated repayment amount of the bonds) will be used to pay down the outstanding bonds issued for the project.

Capital Lease Obligations are secured by leased equipment, payable in various monthly or quarterly installments with interest at 3.70% to 7.35%.

The County has entered into certain long-term lease-purchase agreements for the purpose of financing the purchase of equipment. In as much as the leases are financing arrangements, which transfer the ownership of the assets to the County at the end of the respective lease terms.

Capital Lease Obligations at September 30, 2014 are as follows:

Equipment Description	Balance 9/30/2013	Decrease	Balance 9/30/2014
Vehicles	\$ 103,838	\$ 20,753	\$ 83,085
Software	26,260	26,260	-
Total	<u>\$ 130,098</u>	<u>\$ 47,013</u>	<u>\$ 83,085</u>

### Combined Annual Requirements to Amortize Long-Term Debt Including Interest

Year Ending September 30,	Bond Payable	Capital Leases
2015	\$ 3,643,413	\$ 23,003
2016	3,641,463	23,003
2017	3,642,263	23,003
2018	3,640,663	23,003
2019	3,642,663	-
2020-2024	18,204,950	-
Total Minimum Payments	36,415,415	92,012
Less: Amount Representing Interest	6,505,415	8,927
Present Value of Net Minimum Payments	<u>\$ 29,910,000</u>	<u>\$ 83,085</u>

	Balance 9/30/2013	Increase	Decrease	Balance 9/30/2014	Due Within One Year
2011 Limited Tax Bond	\$32,410,000	\$ -	\$2,500,000	\$29,910,000	\$2,565,000
2013 Tax Note	1,240,000	-	300,000	940,000	310,000
Capital Leases	130,098	-	47,013	83,085	19,505
Premium on Bonds	486,917	-	48,692	438,225	48,692
Net OPEB obligation	1,191,175	-	-	1,191,175	-
Compensated Absences	429,682	220,511	-	650,193	-
Total	<u>\$35,887,872</u>	<u>\$ 220,511</u>	<u>\$2,895,705</u>	<u>\$33,212,678</u>	<u>\$2,943,197</u>

## 9. LONG TERM LIABILITIES

### Notes Payable

The Note payable outstanding at September 30, 2014, was issued for the purpose of obtaining Road and Bridge equipment and improvements. The original principal amount is \$1,240,000 is payable in annual installments with a true interest rate of 1.25%. Final maturity of the note is August 15, 2017.

The annual debt service requirements to maturity for notes payable are as follows:

Year ended September 30,	Principal	Interest	Total
2015	\$ 310,000	\$ 11,750	\$ 321,750
2016	315,000	7,875	322,875
2017	<u>315,000</u>	<u>3,938</u>	<u>318,938</u>
Total	<u>\$ 940,000</u>	<u>\$ 23,563</u>	<u>\$ 963,563</u>

## 10. SHORT-TERM DEBT

Short-term debt provides financing for governmental activities. On May 12, 2014 through August 27, 2014, the County obtained short-term notes in the amount of \$910,000. This debt was issued for interim financing for the library construction. On September 17, 2014, the County repaid the note plus \$4,404 in interest at a rate of 4.25%.

## 11. CAPITAL ASSETS

Capital asset activity for the County for the year ended September 30, 2014, under governmental activities is as follows:

	Balance 9/30/2013	Changes During Year			Balance 9/30/2014
		Additions	Deletions	Adjustments	
Land - nondepreciable	\$ 140,898	\$ -	\$ -	\$ -	\$ 140,898
Buildings and improvements	10,341,001	-	-	-	10,341,001
Furniture and equipment	8,383,422	672,407	(329,440)	-	8,726,389
Infrastructure	45,886,791	-	-	-	45,886,791
Construction in progress	-	437,537	-	-	437,537
Totals depreciable assets, cost	<u>64,611,214</u>	<u>1,109,944</u>	<u>(329,440)</u>	<u>-</u>	<u>65,391,718</u>
Less accumulated depreciation:					
Buildings & improvements	22,725,809	1,383,937	-	-	24,109,746
Furniture and equipment	<u>5,339,449</u>	<u>961,110</u>	<u>(329,440)</u>	<u>100,398</u>	<u>6,071,517</u>
Total accum. depreciation	<u>28,065,258</u>	<u>2,345,047</u>	<u>(329,440)</u>	<u>100,398</u>	<u>30,181,263</u>
Totals depreciable assets, net	<u>36,545,956</u>	<u>(1,235,103)</u>	<u>-</u>	<u>(100,398)</u>	<u>35,210,455</u>
Governmental activities					
Capital assets, net	<u>\$ 36,686,854</u>	<u>\$ (1,235,103)</u>	<u>\$ -</u>	<u>\$ (100,398)</u>	<u>\$ 35,351,353</u>

## 11. CAPITAL ASSETS

Depreciation expense for FY 2014 was charged to functions/programs of the County as follows:

General government	\$ 1,692,301
Judicial	72,527
Legal	24,176
Highways and streets	290,109
Public facilities	24,176
Public safety	120,879
Health and welfare	72,527
Culture and recreation	<u>48,352</u>
Totals	<u>\$ 2,345,047</u>

## 12. EXPENDITURES EXCEED BUDGET

During the year ended September 30, 2014, expenditures exceeded the budget in the following departments:

Fund	Department	Expenditures Over Budget
General Fund	Veteran's Office	\$ 148
General Fund	Tax Collector	1,602

## 13. LITIGATION

The county attorney reports some significant pending or threatened lawsuits, claims or assessments. While the outcome of the above noted proceedings cannot be predicted, the opinion of management of these lawsuits may not have not have a material adverse effect on the accompanying financial statements.

## 14. SUBSEQUENT EVENT

The County issued \$6,000,000 of Limited Tax Bonds, Series 2014 on November 6, 2014. The tax bonds have an interest rate of 2.31% and mature on August 15, 2024.

## 15. ADJUSTMENT TO FUND BALANCE

Adjustments to the fund balance and net position during the 2013-2014 year consisted of the following:

Description	General Fund	Other Nonmajor Funds	Total
To close out balance sheet items that never materialized	<u>\$ 27,883</u>	<u>\$ 85,330</u>	<u>\$ 113,213</u>
Total per Exhibit C-2	<u>27,883</u>	<u>85,330</u>	<u>113,213</u>
Adjustments to capital assets			<u>(100,398)</u>
Total per Exhibit B-1			<u>\$ 12,815</u>

## **SUPPPLEMENTARY INFORMATION**

## VAL VERDE COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Property taxes	\$ 7,640,863	\$ 7,640,863	\$ 7,279,890	\$( 360,973)
Sales tax	1,800,000	1,800,000	1,968,955	168,955
Intergovernmental	23,000,000	23,000,000	24,473,526	1,473,526
Fee of offices	1,357,500	1,357,500	1,830,681	473,181
Fines and forfeiture	20,000	20,000	19,976	( 24)
Investment earnings	3,500	3,500	17,140	13,640
Grant receipts	150,000	150,000	-	( 150,000)
Hotel tax	40,000	40,000	20,012	( 19,988)
Miscellaneous	235,233	235,233	315,081	79,848
Total revenues	34,247,096	34,247,096	35,925,261	1,678,165
<b>EXPENDITURES</b>				
Current:				
General government	31,809,941	31,809,942	31,397,040	412,902
Judicial	1,546,064	1,546,010	1,460,950	85,060
Legal	518,868	518,868	490,252	28,616
Public safety	3,482,110	3,482,110	3,300,702	181,408
Health and welfare	20,200	20,200	19,323	877
Culture and recreation	588,936	588,936	564,194	24,742
Total expenditures	37,966,119	37,966,066	37,232,461	733,604
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(3,719,023)	( 3,718,970)	( 1,307,200)	2,411,770
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of short-term loan	910,000	910,000	910,000	-
Transfers out (uses)	217,154	217,154	(9,000,446)	( 9,217,600)
Transfers in	-	-	9,016,232	9,016,232
Total other financing sources and (uses)	1,127,154	1,127,154	925,786	(201,368)
<b>NET CHANGE IN FUND BALANCE</b>	(2,591,869)	( 2,591,816)	( 381,414)	2,210,402
<b>FUND BALANCE, BEGINNING</b>	2,005,049	2,005,049	2,005,049	-
<b>ADJUSTMENT TO FUND BALANCE</b>	27,883	27,883	27,883	-
<b>FUND BALANCE, ENDING</b>	\$( 558,937)	\$( 558,884)	\$ 1,651,518	\$ 2,210,402

**VAL VERDE COUNTY, TEXAS**  
**NOTES TO BUDGETARY SCHEDULE**

**FOR THE YEAR ENDED SEPTEMBER 30, 2014**

**A. BUDGETARY INFORMATION**

The County Judge is, by state statute, the Budget Officer of the County and has the responsibility of preparing the County's budget. Under the County's budgeting procedures, each department submits a budget request to the County Judge to assist him and the Commissioners' Court on budgetary matters. The County Judge reviews budget requests, holds informal hearings when needed, and fills in columns in budget preparation forms, setting out his budget recommendations to the Commissioners' Court.

The Commissioners' Court holds a public hearing on the budget and department heads may appear. Before determining the final budget, the Commissioners' Court may increase or decrease the amounts requested by the various departments. Expenditure amounts finally budgeted may not exceed the estimate of budgeted revenues and available fund balance.

When the budget has been adopted by the Commissioners' Court, the County Auditor is responsible for monitoring the expenditures of the various departments of the County to prevent expenditures from exceeding budgeted appropriations and for keeping the members of the Commissioners' Court advised of the condition of the various funds and accounts. Level of control is on a line-item basis.

The following individual funds had adopted budgets for the fiscal year ended September 30, 2014:

- (a) General Fund
- (b) Road and Bridge Fund
- (c) Interest and Sinking Fund

## VAL VERDE COUNTY, TEXAS

## REQUIRED SUPPLEMENTARY INFORMATION

## TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM

## SCHEDULE OF FUNDING PROGRESS

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Annual Covered Payroll (c)</b>	<b>UAAL as a Percentage of Covered Payroll (b-a)/c</b>
12/31/2011	22,538,864	26,088,715	3,549,851	86.39%	7,910,361	44.88%
12/31/2012	24,301,737	28,480,005	4,178,268	85.33%	8,210,745	50.89%
12/31/2013	26,005,504	29,938,675	3,933,171	86.86%	8,335,455	47.19%

## REQUIRED SUPPLEMENTARY INFORMATION

## RETIREE HEALTH PROGRAM

## SCHEDULE OF FUNDING PROGRESS

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Annual Covered Payroll (c)</b>	<b>UAAL as a Percentage of Covered Payroll (b-a)/c</b>
12/31/2009	\$ -	\$ 2,924,788	\$ 2,924,788	- %	\$ 7,759,225	37.69%
10/01/2010	-	3,063,637	3,063,637	- %	6,404,748	47.83%
10/01/2012	-	3,398,250	3,398,250	- %	6,789,291	50.05%

GASB Statement 45 was first implemented in fiscal year ended September 30, 2010  
The December 31, 2009 actuarial valuation was the first valuation performed for this plan.

## **SUPPPLEMENTARY INFORMATION**



## VAL VERDE COUNTY, TEXAS

## SCHEDULE OF REVENUES - BUDGET AND ACTUAL

## GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
REVENUES				
Current tax	\$ 7,140,863	\$ 7,140,863	\$ 6,846,332	\$( 294,531)
Delinquent tax	500,000	500,000	433,558	( 66,442)
State comptroller	100,000	100,000	135,033	35,033
Health inspector	23,000	23,000	25,691	2,691
US marshall	23,000,000	23,000,000	24,473,526	1,473,526
County sheriff	65,000	65,000	81,290	16,290
County attorney	15,000	15,000	14,016	( 984)
County clerk	215,000	215,000	199,220	( 15,780)
Tax collector	265,000	265,000	472,096	207,096
District clerk	130,000	130,000	158,684	28,684
Justice of the peace #1	45,000	45,000	53,307	8,307
Justice of the peace #2	75,000	75,000	82,767	7,767
Justice of the peace #3	85,000	85,000	208,291	123,291
Justice of the peace #4	52,000	52,000	32,155	( 19,845)
Court at law	75,000	75,000	96,037	21,037
Interest	3,500	3,500	17,140	13,640
Parks department	95,000	95,000	95,570	570
Sundry	90,000	90,000	176,524	86,524
County and district board	27,500	27,500	-	( 27,500)
Grant receipts	150,000	150,000	-	( 150,000)
Sales tax revenue	1,800,000	1,800,000	1,968,955	168,955
Library fees	20,000	20,000	19,976	( 24)
Hotel tax	40,000	40,000	20,012	( 19,988)
Court at law judge contribution	81,900	81,900	84,000	2,100
County judge supplement	15,000	15,000	20,221	5,221
County prosecutor supplement	23,333	23,333	46,666	23,333
District attorney	115,000	115,000	101,005	( 13,995)
Miscellaneous	-	-	63,189	63,189
Total revenues	\$ 34,247,096	\$ 34,247,096	\$ 35,925,261	\$ 1,678,165

## VAL VERDE COUNTY, TEXAS

## SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

## GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
<b>EXPENDITURES</b>				
General government:				
County Judge:				
Salaries	\$ 339,527	\$ 339,527	\$ 319,890	\$ 19,637
Office supplies	9,000	9,000	8,841	159
Travel and training	9,500	9,500	11,205	(1,705)
Emergency management	15,500	15,500	5,437	10,063
Capital outlay	5,000	5,000	3,053	1,947
Total county judge	378,527	378,527	348,426	30,101
County Clerk:				
Salaries	366,875	366,875	338,823	28,052
Office supplies	20,000	20,000	22,648	(2,648)
Travel and training	7,500	7,500	2,164	5,336
Capital outlay	6,100	6,100	425	5,675
Computer maintenance	41,000	41,000	39,342	1,658
Total county clerk	441,475	441,475	403,402	38,073
Veterans Office:				
Salaries	71,390	71,390	71,532	(142)
Office supplies	4,000	4,000	4,193	(193)
Travel and training	1,500	1,500	1,382	118
Capital outlay	3,500	3,500	3,431	69
Total veterans office	80,390	80,390	80,538	(148)
District Clerk:				
Salaries	327,931	327,931	321,347	6,584
Office supplies	20,000	20,000	17,652	2,348
Travel and training	6,000	6,000	4,447	1,553
Storage	1,060	1,060	900	160
Software maintenance	10,000	10,000	10,000	-
Capital outlay	10,000	10,000	8,910	1,090
Total district clerk	374,991	374,991	363,256	11,735
County Auditor:				
Salaries	283,229	283,229	283,792	(563)
Office supplies	12,500	12,500	8,650	3,850
Travel & training	7,500	7,500	2,162	5,338
Capital outlay	3,000	3,000	2,260	740
Total county auditor	306,229	306,229	296,864	9,365

## VAL VERDE COUNTY, TEXAS

## SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

## GENERAL FUND

(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
<b>EXPENDITURES</b> (continued)				
General government: (continued)				
County Treasurer:				
Salaries	\$ 120,519	\$ 120,519	\$ 119,554	\$ 965
Office supplies	5,500	5,500	3,469	2,031
Travel & training	2,000	2,000	-	2,000
Capital outlay	4,000	4,000	-	4,000
Total county treasurer	132,019	132,019	123,023	8,996
Tax Collector:				
Salaries	439,125	439,125	443,718	(4,593)
Computer maintenance	22,750	22,750	23,075	(325)
Office supplies	22,000	22,000	22,752	(752)
Travel & training	11,000	11,000	11,742	(742)
Postage	36,000	36,000	31,190	4,810
Auto Allowance	-	-	-	-
Capital Outlay	1,200	1,200	1,200	-
Total Tax Collector	532,075	532,075	533,677	(1,602)
Purchasing:				
Salaries	143,011	143,011	143,298	(287)
Office supplies	2,000	2,000	1,316	684
Travel & training	3,000	3,000	1,424	1,576
Capital outlay	2,000	2,000	1,974	26
Total purchasing	150,011	150,011	148,012	1,999
Agriculture: County Agent				
Salaries	131,651	131,651	113,754	17,897
Office supplies	2,500	2,500	1,486	1,014
1/2 Internet	725	725	725	-
Equipment maintenance	2,000	2,000	2,771	(771)
Capital outlay	1,500	1,500	0	1,500
Travel	13,000	13,000	7,666	5,334
Total agriculture	151,376	151,376	126,402	24,974
Parks & Building Maintenance:				
Salaries	270,322	270,322	245,047	25,275
Contract services	45,000	45,000	44,167	833
Broadway repairs	30,000	30,000	14,559	15,441
Fairgrounds improvements	20,000	20,000	13,409	6,591
Justice of the peace building repairs	12,500	12,500	9,332	3,168
Materials	30,000	30,000	27,759	2,241
Capital outlay	116,000	116,000	114,142	1,858
Gasoline	25,000	25,000	21,299	3,701
Office supplies	2,000	2,000	1,836	164
Inventory	5,000	5,000	2,115	2,885
Repairs	70,000	70,000	64,730	5,270
Equipment maintenance	80,000	80,000	32,122	47,878
Utilities	400,000	400,000	444,009	(44,009)
Total parks & building maintenance	1,105,822	1,105,822	1,034,526	71,296

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>EXPENDITURES</b> (continued)				
General Government: (continued)				
Risk Management:				
Salaries	\$ 120,490	\$ 120,490	\$ 120,852	\$ (362)
Travel & training	7,000	7,000	1,355	5,645
Capital outlay	5,500	5,500	5,292	208
Postage	1,500	1,500	210	1,290
Auto expense	7,000	7,000	4,498	2,502
Office supplies	5,000	5,000	3,851	1,149
Total risk management:	<u>146,490</u>	<u>146,490</u>	<u>136,058</u>	<u>10,432</u>
IT Department:				
Salaries	135,462	135,462	128,630	6,832
Travel & training	5,000	5,000	3,601	1,399
Capital outlay	7,500	7,500	8,478	(978)
Office supplies	4,000	4,000	3,661	339
Total IT department :	<u>151,962</u>	<u>151,962</u>	<u>144,370</u>	<u>7,592</u>
Community Center:				
Salaries	23,584	23,584	23,643	(59)
Supplies	2,000	2,000	1,895	105
Fuel	1,000	1,000	516	484
Total community center:	<u>26,584</u>	<u>26,584</u>	<u>26,054</u>	<u>46</u>
Human Resource:				
Salaries	78,364	78,364	78,900	(536)
Travel & training	2,500	2,500	1,096	1,404
Capital outlay	1,500	1,500	2,454	(954)
Office supplies	3,500	3,500	3,092	408
Total human resource department :	<u>85,864</u>	<u>85,864</u>	<u>85,542</u>	<u>322</u>
Non-Departmental:				
Insurance - employee and other	1,650,000	1,650,000	1,487,764	162,236
Section 125 administration fees	6,000	6,000	4,686	1,314
Membership dues	25,000	25,000	38,147	(13,147)
Surveyor	1,200	1,200	1,200	-
Grant funds	150,000	150,000	210,776	(60,776)
Sub-total non-departmental	<u>1,832,200</u>	<u>1,832,200</u>	<u>1,742,573</u>	<u>89,627</u>

## VAL VERDE COUNTY, TEXAS

## SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

## GENERAL FUND

(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
<b>EXPENDITURES</b> (continued)				
General Government: (continued)				
Appraisal offices	\$ 233,399	\$ 233,399	\$ 221,565	\$ 11,834
Advertising	15,000	15,000	6,779	8,221
Election expense	49,000	49,000	72,124	(23,124)
Autopsy- mental	40,000	40,000	90,983	(50,983)
Trapper's salary	25,000	25,000	25,000	-
Attorneys	500,000	500,000	277,214	222,786
Audit	32,500	32,500	31,400	1,100
Juvenile center	250,000	250,000	250,000	-
Contingencies	510,374	510,374	247,869	262,505
Probation	73,000	73,000	73,000	-
Historical commission	3,000	3,000	2,700	300
Museum	65,000	65,000	65,000	-
Casa de la Cultura	2,500	2,500	2,500	-
Animal control	2,000	2,000	1,706	294
Food bank	18,000	18,000	18,000	-
Computer expense	25,000	25,000	8,675	16,325
Subdivision rules & admistad land use	125,000	125,000	-	125,000
Second international bridge study	225,000	225,000	99,072	125,928
Family violence contract	130,000	130,000	128,846	1,154
Rent	45,400	45,400	42,332	3,068
GEO operational fee	20,700,000	20,700,000	22,972,117	(2,272,117)
Local prisoner cost	200,000	200,000	250,310	(50,310)
GASB 34	2,000	2,000	700	1,300
GASB 45	2,000	2,000	4,250	(2,250)
Special events	10,000	10,000	6,300	3,700
Law library books	-	-	37,061	(37,061)
District attorney allocation	369,803	369,803	369,803	(0)
Frontera road match	225,000	225,000	29,482	195,518
2013 tax note	-	-	290,089	(290,089)
Solid waste	5,000	5,000	1,602	3,398
Madision government affairs	40,000	40,000	40,000	-
Ground water study	118,750	118,750	51,500	67,250
Val Verde administration - 25%	10,000	10,000	5,857	4,143
Del Rio chamber of commerce	16,000	16,000	8,005	7,995
Hispanic chamber of commerce	4,000	4,000	2,001	1,999
Shula school - 5%	2,000	2,000	1,001	999
Laughlin historic heritage	800	800	400	400
Del Rio art league	400	400	200	200
Library construction	-	-	0	-
Special events	6,800	6,800	2,100	4,700
Miscellaneous	-	-	66,774	(66,774)
Total Non-departmental	25,913,926	25,913,926	27,546,890	(1,632,965)
Total general government	31,809,941	31,809,942	31,397,040	412,902

## VAL VERDE COUNTY, TEXAS

## SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

## GENERAL FUND

(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
<b>EXPENDITURES (continued)</b>				
Judicial:				
District Courts:				
Salaries	\$ 354,950	\$ 354,950	\$ 337,304	\$ 17,646
Supplies and staff travel	20,000	20,054	17,202	2,852
District attorney	90,348	90,348	90,525	(177)
Judge insurance	4,000	4,000	1,488	2,512
Court reporter	4,400	4,400	900	3,500
Jurors	45,000	45,000	23,145	21,855
Capital outlay	4,000	3,946	1,636	2,310
Total district courts	522,698	522,698	472,200	50,498
Justices of the Peace:				
Salaries	558,467	558,467	559,610	(1,143)
Office supplies	23,500	23,446	21,591	1,855
Computer/software maintenance	15,200	15,200	1,340	13,860
Capital outlay	15,000	15,000	11,257	3,743
Travel & training	25,600	25,600	22,143	3,457
Total justices of the peace	637,767	637,713	615,941	21,772
County Court at Law:				
Salaries	355,335	355,335	351,762	3,573
Office supplies	10,500	10,500	8,367	2,133
Travel & training	6,500	6,500	1,956	4,544
Pitney Bowes	900	900	800	100
Water and coffee	614	614	424	190
Postage	2,250	2,250	-	2,250
Software maintenance	9,500	9,500	9,500	-
Total county court at law	385,599	385,599	372,809	12,790
Total judicial	1,546,064	1,546,010	1,460,950	85,060
Legal:				
County Attorney:				
Salaries	484,368	484,368	470,510	13,858
Office supplies	17,500	17,500	15,710	1,790
Travel & training	5,000	5,000	2,732	2,268
Civil litigation	5,000	5,000	-	5,000
Capital outlay	7,000	7,000	1,300	5,700
Total county attorney	518,868	518,868	490,252	28,616
Total legal	518,868	518,868	490,252	28,616

## VAL VERDE COUNTY, TEXAS

## SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

## GENERAL FUND

(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
<b>EXPENDITURES</b> (continued)				
Public safety:				
Rural Fire and EMS				
Salaries	\$ 56,273	\$ 56,273	\$ 54,373	\$ 1,900
Office supplies	60,000	60,000	39,921	20,079
Travel & training	5,000	5,000	1,733	3,267
Capital outlay	8,000	8,000	2,306	
Uniforms	3,000	3,000	-	3,000
Total Rural Fire and EMS	132,273	132,273	98,333	33,940
Sheriff:				
Salaries	2,529,976	2,529,976	2,443,358	86,618
Communications	35,500	35,500	35,500	-
Auto expense	240,000	240,000	202,734	37,266
Ammunition	20,000	20,000	19,336	664
Uniforms	30,000	30,000	27,211	2,789
Operating supplies	50,000	50,000	45,987	4,013
Doctor and medications	10,000	10,000	3,592	6,408
Travel & training	50,000	50,000	47,736	2,264
Capital outlay	169,695	169,695	169,695	-
Total sheriff	3,135,171	3,135,171	2,995,149	140,022
Constables:				
Salaries	197,666	197,666	197,449	217
Travel & training	7,000	7,000	3,380	3,620
Office supplies	5,000	5,000	2,469	2,531
Capital outlay	5,000	5,000	3,922	1,078
Total constables	214,666	214,666	207,220	7,446
Total public safety	3,482,110	3,482,110	3,300,702	181,408

## VAL VERDE COUNTY, TEXAS

## SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

## GENERAL FUND

(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
<b>EXPENDITURES</b> (continued)				
Health and Welfare: (continued)				
Welfare:				
Burials	\$ 2,500	\$ 2,500	\$ 795	\$ 1,705
Hospital, etc.	15,000	15,000	15,828	(828)
Child welfare	1,500	1,500	1,500	-
County welfare	1,200	1,200	1,200	-
Total welfare	20,200	20,200	19,323	877
Total health and welfare	20,200	20,200	19,323	877
Library:				
Salaries	431,536	431,536	426,126	5,410
Office supplies	20,000	20,000	19,449	551
Capital outlay	8,700	8,700	1,324	7,376
Computer maintenance	24,700	24,700	23,282	1,418
Travel & training	5,000	5,000	643.00	4,357
Copier maintenance	10,000	10,000	4,381	5,619
Books, publication and dues	89,000	89,000	88,989	11
Total library	588,936	588,936	564,194	24,742
Total culture and recreation	588,936	588,936	564,194	24,742
Total expenditures	37,966,119	37,966,066	37,232,461	733,604



## VAL VERDE COUNTY, TEXAS

## SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

## GENERAL FUND

(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
<b>EXCESS OF REVENUE OVER (UNDER)</b>				
<b>EXPENDITURES</b>	\$ (3,719,023)	\$ (3,718,970)	\$ (1,307,200)	\$ 2,411,770
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of short-term loan	910,000	910,000	910,000	-
Transfers out (uses)	217,154	217,154	(9,000,446)	(9,217,600)
Transfer in	-	-	9,016,232	9,016,232
Total other financing sources (uses)	1,127,154	1,127,154	925,786	(201,368)
<b>NET CHANGE IN FUND BALANCE</b>	(2,591,869)	(2,591,816)	(381,414)	2,210,402
<b>FUND BALANCE, BEGINNING</b>	2,005,049	2,005,049	2,005,049	-
<b>ADJUSTMENT TO FUND BALANCE</b>	27,883	27,883	27,883	-
<b>FUND BALANCE, ENDING</b>	\$ (558,937)	\$ (558,884)	\$ 1,651,518	\$ 2,210,402

## VAL VERDE COUNTY, TEXAS

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

## INTEREST AND SINKING

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Original	Final	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
Taxes	\$ 1,466,754	\$ 1,466,754	\$ 1,590,293	\$ 123,539
Investment earnings	10,000	10,000	3,779	( 6,221)
Total revenues	1,476,754	1,476,754	1,594,072	117,318
<b>EXPENDITURES</b>				
Debt service:				
Principal	2,800,000	2,800,000	2,800,000	-
Interest	1,279,936	1,279,936	1,177,661	102,275
Capital leases	216,818	216,818	115,936	100,882
Other fees	20,000	20,000	142	19,858
Total expenditures	4,316,754	4,316,754	4,093,739	223,015
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	( 2,840,000)	( 2,840,000)	( 2,499,667)	340,333
<b>OTHER FINANCING SOURCES</b>				
Transfer in	3,750,000	3,750,000	3,750,000	-
Total other financing sources	3,750,000	3,750,000	3,750,000	-
<b>OTHER FINANCING (USES)</b>				
Short-term loan payment	910,000	910,000	( 910,000)	-
Total other financing sources and (uses)	4,660,000	4,660,000	2,840,000	-
<b>NET CHANGE IN FUND BALANCE</b>	1,820,000	1,820,000	340,333	(1,479,667)
<b>FUND BALANCE, BEGINNING</b>	2,934,499	2,934,499	2,934,499	-
<b>FUND BALANCE, ENDING</b>	\$ 4,754,499	\$ 4,754,499	\$ 3,274,832	\$ ( 1,479,667)

## VAL VERDE COUNTY, TEXAS

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

## ROAD AND BRIDGE

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Original	Final	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
Fee of offices	\$ 1,250,000	\$ 1,250,000	\$ 1,373,379	\$ 123,379
Taxes - Current Farm to Market	348,270	348,270	327,680	( 20,590)
Taxes - Delinquent Farm to Market	20,000	20,000	20,040	40
Investment earnings	700	700	535	( 165)
Total revenues	<u>1,618,970</u>	<u>1,618,970</u>	<u>1,721,634</u>	<u>102,664</u>
<b>EXPENDITURES</b>				
Pct 1:				
Pct 1 out of county travel	8,500	8,500	7,743	757
Pct 1 operating expense	67,500	67,500	45,589	21,911
Pct 1 paving	48,000	48,000	45,842	2,158
Pct 1 capital outlay	20,000	20,000	14,500	5,500
Salaries	<u>251,985</u>	<u>251,985</u>	<u>246,879</u>	<u>5,106</u>
Total Pct 1	<u>395,985</u>	<u>395,985</u>	<u>360,553</u>	<u>35,432</u>
Pct 2:				
Pct 2 out of county travel	8,500	8,500	4,394	4,106
Pct 2 operating expense	101,000	101,000	97,320	3,680
Pct 2 paving	80,000	80,000	57,847	22,153
Pct 2 capital outlay	20,000	20,000	19,807	193
Salaries	<u>264,137</u>	<u>264,137</u>	<u>262,898</u>	<u>1,239</u>
Total Pct 2	<u>473,637</u>	<u>473,637</u>	<u>442,266</u>	<u>31,371</u>
Pct 3:				
Pct 3 out of county travel	8,500	8,500	5,094	3,406
Pct 3 operating expense	106,000	106,000	80,258	25,742
Pct 3 paving	83,000	83,000	81,987	1,013
Pct 3 capital outlay	20,000	20,000	20,000	-
Salaries	<u>247,157</u>	<u>247,157</u>	<u>245,213</u>	<u>1,944</u>
Total Pct 3	<u>464,657</u>	<u>464,657</u>	<u>432,552</u>	<u>32,105</u>
Pct 4:				
Pct 4 out of county travel	8,500	8,500	5,860	2,640
Pct 4 operating expense	106,000	106,000	92,099	13,901
Pct 4 paving	101,000	121,000	118,544	2,456
Pct 4 capital outlay	20,000	-	-	-
Salaries	<u>232,398</u>	<u>232,398</u>	<u>235,445</u>	<u>( 3,047)</u>
Total Pct 4	<u>467,898</u>	<u>467,898</u>	<u>451,948</u>	<u>15,950</u>
Road and Bridge				
Commissioners office expense	6,500	6,500	1,707	4,793
Right of way fencing - R & B	1,500	1,500	-	1,500
Salaries	<u>26,346</u>	<u>26,346</u>	<u>26,211</u>	<u>135</u>
Total Road and Bridge	<u>34,346</u>	<u>34,346</u>	<u>27,918</u>	<u>6,428</u>
Total expenditures	<u>1,836,524</u>	<u>1,836,524</u>	<u>1,715,237</u>	<u>121,287</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>( 217,554)</u>	<u>( 217,554)</u>	<u>6,397</u>	<u>121,287</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out (uses)	-	-	-	-
Transfers in	<u>217,554</u>	<u>217,554</u>	<u>( 15,786)</u>	<u>233,340</u>
Total other financing sources and (uses)	<u>217,554</u>	<u>217,554</u>	<u>( 15,786)</u>	<u>233,340</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	<u>( 9,389)</u>	<u>9,389</u>
<b>FUND BALANCE, BEGINNING</b>	<u>603,032</u>	<u>603,032</u>	<u>603,032</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 603,032</u>	<u>\$ 603,032</u>	<u>\$ 593,643</u>	<u>\$ 9,389</u>

**NON MAJOR  
GOVERNMENTAL FUNDS**

**VAL VERDE COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2014**

	Capital Projects Library	Road & Bridge	Special Revenue	Total Nonmajor Governmental Funds
<b>ASSETS</b>				
Cash in bank	\$ -	\$ 755,474	\$ 111,010	\$ 866,484
Investments	-	802	-	802
Taxes receivables (net of allowance)	-	59,829	-	59,829
Due from other governments	-	-	446,236	446,236
	<u>-</u>	<u>-</u>	<u>446,236</u>	<u>446,236</u>
Total assets	<u>\$ -</u>	<u>\$ 816,105</u>	<u>\$ 557,246</u>	<u>\$ 1,373,351</u>
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ 49,909	\$ 413,536	\$ 463,445
Other liabilities	-	24,716	-	24,716
Due to to other funds	437,760	88,008	-	525,768
Deferred revenue	-	59,829	75,000	134,829
Total liabilities	<u>437,760</u>	<u>222,462</u>	<u>488,536</u>	<u>1,148,758</u>
<b>FUND BALANCES</b>				
Restricted for:				
Federal or state funds	-	-	68,710	68,710
Capital projects	(437,760)	-	-	(437,760)
Unassigned	-	593,643	-	593,643
Total fund balances	<u>(437,760)</u>	<u>593,643</u>	<u>68,710</u>	<u>224,593</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ 816,105</u>	<u>\$ 557,246</u>	<u>\$ 1,373,351</u>

## VAL VERDE COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES

## NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Capital Projects Library	Road & Bridge	Special Revenue	Total Nonmajor Governmental Funds
<b>REVENUES</b>				
Property taxes	\$ -	\$ 347,720	\$ -	\$ 347,720
Intergovernmental	-	-	3,206,241	3,206,241
Fees of offices	-	1,373,379	-	1,373,379
Investment earnings	-	535	-	535
Miscellaneous	-	-	880,136	880,136
Total revenues	-	1,721,634	4,086,377	5,808,011
<b>EXPENDITURES</b>				
General government	-	-	-	-
Legal	-	-	-	-
Public safety	-	-	1,011,822	1,011,822
Culture and recreation	-	-	35,000	35,000
Highways and streets	-	1,715,237	-	1,715,237
Health and welfare	-	-	2,187,641	2,187,641
Public facilities	437,760	-	860,028	1,297,788
Debt service:	-	-	-	-
Principal - tax notes	-	-	-	-
Interest and fiscal charges - tax notes	-	-	-	-
Capital leases	-	-	-	-
Total expenditures	437,760	1,715,237	4,094,491	6,247,488
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	(437,760)	6,397	(8,114)	(1,717)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer in	-	(15,786)	-	(15,786)
Total other financing sources (uses)	-	(15,786)	-	(15,786)
<b>CHANGE IN FUND BALANCE</b>	(437,760)	(9,389)	(8,114)	(455,263)
<b>FUND BALANCE, BEGINNING</b>	-	603,032	(8,506)	594,526
<b>ADJUSTMENT TO FUND BALANCE</b>	-	-	85,330	85,330
<b>FUND BALANCE, (DEFICIT) ENDING</b>	\$ (437,760)	\$ 593,643	\$ 68,710	224,593

## **FIDUCIARY FUNDS**

**VAL VERDE COUNTY, TEXAS**

**COMBINING STATEMENT OF FIDUCIARY ASSETS  
AND LIABILITIES  
(Continued)  
SEPTEMBER 30, 2014**

	County Clerk	County Clerk Records Management	County Clerk Criminal Account	County Clerk Civil Account
<b>ASSETS</b>				
Cash and investments	\$ 25,232	\$ 1	\$ 16,213	\$ 2,719
Total assets	<u>\$ 25,232</u>	<u>\$ 1</u>	<u>\$ 16,213</u>	<u>\$ 2,719</u>
<b>LIABILITIES</b>				
Liabilities:				
Due to others	\$ 25,232	\$ 1	\$ 16,213	\$ 2,719
Total liabilities	<u>\$ 25,232</u>	<u>\$ 1</u>	<u>\$ 16,213</u>	<u>\$ 2,719</u>



County Clerk Probate Account	County Clerk Generosa Ramon Record Management	County Clerk Generosa Ramon Record Archive	County Clerk Miscellaneous Account	Court At Law Escrow Account	Court At Law Civil Cases	Court At Law Criminal Account	Court At Law Justice Technology Fee	District Clerk Child Support Account
\$ 4,658	\$ 273,989	\$ 258,768	\$ 30	\$ 15,144	\$ 34,421	\$ 2,044	\$ 4,419	\$ 996
<u>\$ 4,658</u>	<u>\$ 273,989</u>	<u>\$ 258,768</u>	<u>\$ 30</u>	<u>\$ 15,144</u>	<u>\$ 34,421</u>	<u>\$ 2,044</u>	<u>\$ 4,419</u>	<u>\$ 996</u>
\$ 4,658	\$ 273,989	\$ 258,768	\$ 30	\$ 15,144	\$ 34,421	\$ 2,044	\$ 4,419	\$ 996
<u>\$ 4,658</u>	<u>\$ 273,989</u>	<u>\$ 258,768</u>	<u>\$ 30</u>	<u>\$ 15,144</u>	<u>\$ 34,421</u>	<u>\$ 2,044</u>	<u>\$ 4,419</u>	<u>\$ 996</u>

VAL VERDE COUNTY, TEXAS

COMBINING STATEMENT OF FIDUCIARY ASSETS  
AND LIABILITIES  
(Continued)  
SEPTEMBER 30, 2014

	District Clerk Court Reporter	District Clerk Court Costs	District Clerk Registry Accounts	District Clerk CD Minors	District Clerk MOP 2006 Court Costs
<b>ASSETS</b>					
Cash and investments	\$ 101,002	\$ 90,749	\$ 180,827	\$ 186,842	\$ 71,586
Total assets	<u>\$ 101,002</u>	<u>\$ 90,749</u>	<u>\$ 180,827</u>	<u>\$ 186,842</u>	<u>\$ 71,586</u>
<b>LIABILITIES</b>					
Liabilities:					
Due to others	\$ 101,002	\$ 90,749	\$ 180,827	\$ 186,842	\$ 71,586
Total liabilities	<u>\$ 101,002</u>	<u>\$ 90,749</u>	<u>\$ 180,827</u>	<u>\$ 186,842</u>	<u>\$ 71,586</u>

EXHIBIT H-3

Justice of the Peace 1	Justice of the Peace 2	Justice of the Peace 3	Justice of the Peace 4	County Attorney Special Account
<u>\$ 3,759</u>	<u>\$ 31,548</u>	<u>\$ 38,245</u>	<u>\$ 6,915</u>	<u>\$ 27</u>
<u>\$ 3,759</u>	<u>\$ 31,548</u>	<u>\$ 38,245</u>	<u>\$ 6,915</u>	<u>\$ 27</u>
<u>\$ 3,759</u>	<u>\$ 31,548</u>	<u>\$ 38,245</u>	<u>\$ 6,915</u>	<u>\$ 27</u>
<u>\$ 3,759</u>	<u>\$ 31,548</u>	<u>\$ 38,245</u>	<u>\$ 6,915</u>	<u>\$ 27</u>

**VAL VERDE COUNTY, TEXAS**

COMBINING STATEMENT OF FIDUCIARY ASSETS  
AND LIABILITIES  
(Continued)  
SEPTEMBER 30, 2014

	County Attorney Collection Account	County Attorney Merchant Account	Tax Assessor Property Tax	Tax Assessor Escrow Account #2	Tax Assessor Vit Escrow Account	Tax Assessor Collector of Taxes
<b>ASSETS</b>						
Cash and investments	\$ 24,645	\$ 16,605	\$ 423,384	\$ 306,378	\$ 186,856	\$ 208,755
Total assets	<u>\$ 24,645</u>	<u>\$ 16,605</u>	<u>\$ 423,384</u>	<u>\$ 306,378</u>	<u>\$ 186,856</u>	<u>\$ 208,755</u>
<b>LIABILITIES</b>						
Liabilities:						
Due to others	\$ 24,645	\$ 16,605	\$ 423,384	\$ 306,378	\$ 186,856	\$ 208,755
Total liabilities	<u>\$ 24,645</u>	<u>\$ 16,605</u>	<u>\$ 423,384</u>	<u>\$ 306,378</u>	<u>\$ 186,856</u>	<u>\$ 208,755</u>

EXHIBIT H-3

<u>Library Memorial Account</u>	<u>Sheriff's Account</u>	<u>Sheriff's Account Eight Liners</u>	<u>Sheriff's Account Forfeiture DOJ Account</u>	<u>Sheriff's Account Texas Forfeiture Account</u>
\$ 2,447	\$ 14,310	\$ 63	\$ 25,639	\$ 45
<u>\$ 2,447</u>	<u>\$ 14,310</u>	<u>\$ 63</u>	<u>\$ 25,639</u>	<u>\$ 45</u>
\$ 2,447	\$ 14,310	\$ 63	\$ 25,639	\$ 45
<u>\$ 2,447</u>	<u>\$ 14,310</u>	<u>\$ 63</u>	<u>\$ 25,639</u>	<u>\$ 45</u>

VAL VERDE COUNTY, TEXAS

COMBINING STATEMENT OF FIDUCIARY ASSETS  
AND LIABILITIES  
(Continued)  
SEPTEMBER 30, 2013

	Sheriff's Account TUSC Account	Sheriff's Reserve Deputy Unit	County Welfare	District Clerk Record Preservation
<b>ASSETS</b>				
Cash and investments	\$ 23,894	\$ 10,034	\$ 29,386	\$ 13,341
Total assets	<u>\$ 23,894</u>	<u>\$ 10,034</u>	<u>\$ 29,386</u>	<u>\$ 13,341</u>
<b>LIABILITIES</b>				
Liabilities:				
Due to others	\$ 23,894	\$ 10,034	\$ 29,386	\$ 13,341
Total liabilities	<u>\$ 23,894</u>	<u>\$ 10,034</u>	<u>\$ 29,386</u>	<u>\$ 13,341</u>

EXHIBIT H-3

<u>Justice of Peace 1 Tech Fund</u>	<u>Justice of Peace 2 Tech Fund</u>	<u>Justice of Peace 3 Tech Fund</u>	<u>Justice of Peace 4 Tech Fund</u>	<u>County Clerk Trust Fund</u>	<u>Election Service Contract</u>
<u>\$ 4,240</u>	<u>\$ 10,105</u>	<u>\$ 11,818</u>	<u>\$ 8,060</u>	<u>\$ 83,841</u>	<u>\$ 9,602</u>
<u>\$ 4,240</u>	<u>\$ 10,105</u>	<u>\$ 11,818</u>	<u>\$ 8,060</u>	<u>\$ 83,841</u>	<u>\$ 9,602</u>
<u>\$ 4,240</u>	<u>\$ 10,105</u>	<u>\$ 11,818</u>	<u>\$ 8,060</u>	<u>\$ 83,841</u>	<u>\$ 9,602</u>
<u>\$ 4,240</u>	<u>\$ 10,105</u>	<u>\$ 11,818</u>	<u>\$ 8,060</u>	<u>\$ 83,841</u>	<u>\$ 9,602</u>

## VAL VERDE COUNTY, TEXAS

COMBINING STATEMENT OF FIDUCIARY ASSETS  
AND LIABILITIES  
(Continued)  
SEPTEMBER 30, 2014

	County Library Special Account	District Clerk Record Archive	District Clerk On Minors	Total Agency Funds
<b>ASSETS</b>				
Cash and investments	\$ 20,284	\$ 12,589	\$ 7,589	\$ 2,804,046
Total assets	<u>\$ 20,284</u>	<u>\$ 12,589</u>	<u>\$ 7,589</u>	<u>\$ 2,804,046</u>
<b>LIABILITIES</b>				
Liabilities:				
Due to others	\$ 20,284	\$ 12,589	\$ 7,589	\$ 2,804,046
Total liabilities	<u>\$ 20,284</u>	<u>\$ 12,589</u>	<u>\$ 7,589</u>	<u>\$ 2,804,046</u>



## VAL VERDE COUNTY, TEXAS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND  
LIABILITIES - ALL FIDUCIARY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	10/1/2013	Additions	Deductions	9/30/2014
<b><u>COUNTY CLERK</u></b>				
Assets:				
Cash and investments	\$ 23,452	\$ 308,592	\$ 306,812	\$ 25,232
Due from others	-	-	-	-
Total Assets	\$ 23,452	\$ 308,592	\$ 306,812	\$ 25,232
Liabilities:				
Due to others	\$ 23,452	\$ 308,592	\$ 306,812	\$ 25,232
Bank overdraft	-	-	-	-
Total Liabilities	\$ 23,452	\$ 308,592	\$ 306,812	\$ 25,232
<b><u>COUNTY CLERK RECORDS MANAGEMENT</u></b>				
Assets:				
Cash and investments	\$ 1	\$ -	\$ -	\$ 1
Total Assets	\$ 1	\$ -	\$ -	\$ 1
Liabilities:				
Due to others	\$ 1	\$ -	\$ -	\$ 1
Total Liabilities	\$ 1	\$ -	\$ -	\$ 1
<b><u>COUNTY CLERK CRIMINAL ACCOUNT</u></b>				
Assets:				
Cash and investments	\$ 19,333	\$ 155,203	\$ 158,323	\$ 16,213
Total Assets	\$ 19,333	\$ 155,203	\$ 158,323	\$ 16,213
Liabilities:				
Due to others	\$ 19,333	\$ 155,203	\$ 158,323	\$ 16,213
Total Liabilities	\$ 19,333	\$ 155,203	\$ 158,323	\$ 16,213
<b><u>COUNTY CLERK CIVIL ACCOUNT</u></b>				
Assets:				
Cash and investments	\$ 4,590	\$ 31,840	\$ 33,711	\$ 2,719
Due from others	-	-	-	-
Total Assets	\$ 4,590	\$ 31,840	\$ 33,711	\$ 2,719
Liabilities:				
Due to others	\$ 4,590	31,840	33,711	\$ 2,719
Bank overdraft	-	-	-	-
Total Liabilities	\$ 4,590	\$ 31,840	\$ 33,711	\$ 2,719
<b><u>COUNTY CLERK PROBATE ACCOUNT</u></b>				
Assets:				
Cash and investments	\$ 5,275	\$ 26,859	\$ 27,476	\$ 4,658
Total Assets	\$ 5,275	\$ 26,859	\$ 27,476	\$ 4,658
Liabilities:				
Due to others	\$ 5,275	\$ 26,859	\$ 27,476	\$ 4,658
Total Liabilities	\$ 5,275	\$ 26,859	\$ 27,476	\$ 4,658
<b><u>COUNTY CLERK -GENEROSA RAMON - RECORD MANAGEMENT FUND</u></b>				
Assets:				
Cash and investments	\$ 239,621	\$ 59,394	\$ 25,026	\$ 273,989
Total Assets	\$ 239,621	\$ 59,394	\$ 25,026	\$ 273,989
Liabilities:				
Due to others	\$ 239,621	\$ 59,394	\$ 25,026	\$ 273,989
Total Liabilities	\$ 239,621	\$ 59,394	\$ 25,026	\$ 273,989
<b><u>COUNTY CLERK -GENEROSA RAMON - RECORD ARCHIVE FUND</u></b>				
Assets:				
Cash and investments	\$ 211,485	\$ 55,023	\$ 7,740	\$ 258,768
Total Assets	\$ 211,485	\$ 55,023	\$ 7,740	\$ 258,768
Liabilities:				
Due to others	\$ 211,485	\$ 55,023	\$ 7,740	\$ 258,768
Total Liabilities	\$ 211,485	\$ 55,023	\$ 7,740	\$ 258,768

## VAL VERDE COUNTY, TEXAS

COMBINING STATEMENT OF CHANGES IN ASSETS AND  
LIABILITIES - ALL FIDUCIARY FUNDS  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	10/1/2013	Additions	Deductions	9/30/2014
<b><u>COUNTY CLERK MISCELLANEOUS ACCOUNT</u></b>				
Assets:				
Cash and investments	\$ 15	\$ 404	\$ 389	\$ 30
Due from others	-	-	-	-
Total Assets	\$ 15	\$ 404	\$ 389	\$ 30
Liabilities:				
Due to others	\$ 15	\$ 404	\$ 389	\$ 30
Bank overdraft	-	-	-	-
Total Liabilities	\$ 15	\$ 404	\$ 389	\$ 30
<b><u>COURT AT LAW ESCROW ACCOUNT</u></b>				
Assets:				
Cash and investments	\$ 15,144	\$ 15,144	\$ 15,144	\$ 15,144
Total Assets	\$ 15,144	\$ 15,144	\$ 15,144	\$ 15,144
Liabilities:				
Due to others	\$ 15,144	\$ 15,144	\$ 15,144	\$ 15,144
Total Liabilities	\$ 15,144	\$ 15,144	\$ 15,144	\$ 15,144
<b><u>COURT AT LAW CIVIL CASES</u></b>				
Assets:				
Cash and investments	\$ 34,421	\$ 34,421	\$ 34,421	\$ 34,421
Total Assets	\$ 34,421	\$ 34,421	\$ 34,421	\$ 34,421
Liabilities:				
Due to others	\$ 34,421	\$ 34,421	\$ 34,421	\$ 34,421
Total Liabilities	\$ 34,421	\$ 34,421	\$ 34,421	\$ 34,421
<b><u>COURT AT LAW CRIMINAL ACCOUNT</u></b>				
Assets:				
Cash and investments	\$ 2,084	\$ 2,044	\$ 2,084	\$ 2,044
Due from others	-	-	-	-
Total Assets	\$ 2,084	\$ 2,044	\$ 2,084	\$ 2,044
Liabilities:				
Due to others	\$ 2,084	\$ 2,044	\$ 2,084	\$ 2,044
Bank overdraft	-	-	-	-
Total Liabilities	\$ 2,084	\$ 2,044	\$ 2,084	\$ 2,044
<b><u>COURT AT LAW JUSTICE TECHNOLOGY FEE</u></b>				
Assets:				
Cash and investments	\$ 7,731	\$ 794	\$ 4,106	\$ 4,419
Total Assets	\$ 7,731	\$ 794	\$ 4,106	\$ 4,419
Liabilities:				
Due to others	\$ 7,731	\$ 794	\$ 4,106	\$ 4,419
Total Liabilities	\$ 7,731	\$ 794	\$ 4,106	\$ 4,419
<b><u>DISTRICT CLERK CHILD SUPPORT ACCOUNT</u></b>				
Assets:				
Cash and investments	\$ 996	-	-	\$ 996
Total Assets	\$ 996	-	-	\$ 996
Liabilities:				
Due to others	\$ 996	-	-	\$ 996
Total Liabilities	\$ 996	-	-	\$ 996

## VAL VERDE COUNTY, TEXAS

COMBINING STATEMENT OF CHANGES IN ASSETS AND  
LIABILITIES - ALL FIDUCIARY FUNDS  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	10/1/2013	Additions	Deductions	9/30/2014
<b><u>DISTRICT CLERK COURT REPORTER</u></b>				
Assets:				
Cash and investments	\$ 101,002	\$ -	\$ -	\$ 101,002
Total Assets	<u>\$ 101,002</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 101,002</u>
Liabilities:				
Due to others	\$ 101,002	\$ -	\$ -	\$ 101,002
Total Liabilities	<u>\$ 101,002</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 101,002</u>
<b><u>DISTRICT CLERK COURT COSTS</u></b>				
Assets:				
Cash and investments	\$ 90,749	\$ -	\$ -	\$ 90,749
Total Assets	<u>\$ 90,749</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 90,749</u>
Liabilities:				
Due to others	\$ 90,749	\$ -	\$ -	\$ 90,749
Total Liabilities	<u>\$ 90,749</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 90,749</u>
<b><u>DISTRICT CLERK REGISTRY ACCOUNTS</u></b>				
Assets:				
Cash and investments	\$ 180,827	\$ -	\$ -	\$ 180,827
Total Assets	<u>\$ 180,827</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 180,827</u>
Liabilities:				
Due to others	\$ 180,827	\$ -	\$ -	\$ 180,827
Total Liabilities	<u>\$ 180,827</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 180,827</u>
<b><u>DISTRICT CLERK CD MINORS</u></b>				
Assets:				
Cash and investments	\$ 186,842	\$ -	\$ -	\$ 186,842
Total Assets	<u>\$ 186,842</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 186,842</u>
Liabilities:				
Due to others	\$ 186,842	\$ -	\$ -	\$ 186,842
Total Liabilities	<u>\$ 186,842</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 186,842</u>
<b><u>DISTRICT CLERK - MOP 2006 COURT COSTS</u></b>				
Assets:				
Cash and investments	\$ 71,586	\$ -	\$ -	\$ 71,586
Total Assets	<u>\$ 71,586</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 71,586</u>
Liabilities:				
Due to others	\$ 71,586	\$ -	\$ -	\$ 71,586
Total Liabilities	<u>\$ 71,586</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 71,586</u>

## VAL VERDE COUNTY, TEXAS

COMBINING STATEMENT OF CHANGES IN ASSETS AND  
LIABILITIES - ALL FIDUCIARY FUNDS  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	10/1/2013	Additions	Deductions	9/30/2014
<b><u>JUSTICE OF THE PEACE 1</u></b>				
Assets:				
Cash and investments	\$ 7,479	\$ 101,475	\$ 105,196	\$ 3,759
Total Assets	\$ 7,479	\$ 101,475	\$ 105,196	\$ 3,759
Liabilities:				
Due to others	\$ 7,479	\$ 101,475	\$ 105,196	\$ 3,759
Total Liabilities	\$ 7,479	\$ 101,475	\$ 105,196	\$ 3,759
<b><u>JUSTICE OF THE PEACE 2</u></b>				
Assets:				
Cash and investments	\$ 16,100	\$ 219,533	\$ 204,085	\$ 31,548
Total Assets	\$ 16,100	\$ 219,533	\$ 204,085	\$ 31,548
Liabilities:				
Due to others	\$ 16,100	\$ 219,533	\$ 204,085	\$ 31,548
Total Liabilities	\$ 16,100	\$ 219,533	\$ 204,085	\$ 31,548
<b><u>JUSTICE OF THE PEACE 3</u></b>				
Assets:				
Cash and investments	\$ 47,727	\$ 362,971	\$ 372,452	\$ 38,245
Total Assets	\$ 47,727	\$ 362,971	\$ 372,452	\$ 38,245
Liabilities:				
Due to others	\$ 47,727	\$ 362,971	\$ 372,452	\$ 38,245
Total Liabilities	\$ 47,727	\$ 362,971	\$ 372,452	\$ 38,245
<b><u>JUSTICE OF THE PEACE 4</u></b>				
Assets:				
Cash and investments	\$ 6,915	\$ -	\$ -	\$ 6,915
Total Assets	\$ 6,915	\$ -	\$ -	\$ 6,915
Liabilities:				
Due to others	\$ 6,915	\$ -	\$ -	\$ 6,915
Total Liabilities	\$ 6,915	\$ -	\$ -	\$ 6,915
<b><u>COUNTY ATTORNEY SPECIAL ACCOUNT</u></b>				
Assets:				
Cash and investments	\$ 27	\$ -	\$ -	\$ 27
Total Assets	\$ 27	\$ -	\$ -	\$ 27
Liabilities:				
Due to others	\$ 27	\$ -	\$ -	\$ 27
Total Liabilities	\$ 27	\$ -	\$ -	\$ 27

## VAL VERDE COUNTY, TEXAS

COMBINING STATEMENT OF CHANGES IN ASSETS AND  
LIABILITIES - ALL FIDUCIARY FUNDS  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	10/1/2013	Additions	Deductions	9/30/2014
<b><u>COUNTY ATTORNEY COLLECTION ACCOUNT</u></b>				
Assets:				
Cash and investments	\$ 22,959	\$ 4,057	\$ 2,370	\$ 24,645
Total Assets	<u>\$ 22,959</u>	<u>\$ 4,057</u>	<u>\$ 2,370</u>	<u>\$ 24,645</u>
Liabilities:				
Due to others	\$ 22,959	\$ 4,057	\$ 2,370	\$ 24,645
Total Liabilities	<u>\$ 22,959</u>	<u>\$ 4,057</u>	<u>\$ 2,370</u>	<u>\$ 24,645</u>
<b><u>COUNTY ATTORNEY MERCHANT ACCOUNT</u></b>				
Assets:				
Cash and investments	\$ 16,785	\$ 33,790	\$ 33,970	\$ 16,605
Total Assets	<u>\$ 16,785</u>	<u>\$ 33,790</u>	<u>\$ 33,970</u>	<u>\$ 16,605</u>
Liabilities:				
Due to others	\$ 16,785	\$ 33,790	\$ 33,970	\$ 16,605
Total Liabilities	<u>\$ 16,785</u>	<u>\$ 33,790</u>	<u>\$ 33,970</u>	<u>\$ 16,605</u>
<b><u>TAX ASSESSOR PROPERTY TAX</u></b>				
Assets:				
Cash and investments	\$ 380,952	\$ 32,188,179	\$ 32,145,747	\$ 423,384
Total Assets	<u>\$ 380,952</u>	<u>\$ 32,188,179</u>	<u>\$ 32,145,747</u>	<u>\$ 423,384</u>
Liabilities:				
Due to others	\$ 380,952	\$ 32,188,179	\$ 32,145,747	\$ 423,384
Total Liabilities	<u>\$ 380,952</u>	<u>\$ 32,188,179</u>	<u>\$ 32,145,747</u>	<u>\$ 423,384</u>
<b><u>TAX ASSESSOR ESCROW ACCOUNT #2</u></b>				
Assets:				
Cash and investments	\$ 306,378	\$ -	\$ -	\$ 306,378
Total Assets	<u>\$ 306,378</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 306,378</u>
Liabilities:				
Due to others	\$ 306,378	\$ -	\$ -	\$ 306,378
Total Liabilities	<u>\$ 306,378</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 306,378</u>
<b><u>TAX ASSESSOR VIT ESCROW ACCOUNT</u></b>				
Assets:				
Cash and investments	\$ 272,294	\$ 244,369	\$ 329,808	\$ 186,856
Total Assets	<u>\$ 272,294</u>	<u>\$ 244,369</u>	<u>\$ 329,808</u>	<u>\$ 186,856</u>
Liabilities:				
Due to others	\$ 272,294	\$ 244,369	\$ 329,808	\$ 186,856
Total Liabilities	<u>\$ 272,294</u>	<u>\$ 244,369</u>	<u>\$ 329,808</u>	<u>\$ 186,856</u>
<b><u>TAX ASSESSOR COLLECTOR OF TAXES</u></b>				
Assets:				
Cash and investments	\$ 440,681	\$ 10,876,808	\$ 11,108,734	\$ 208,755
Total Assets	<u>\$ 440,681</u>	<u>\$ 10,876,808</u>	<u>\$ 11,108,734</u>	<u>\$ 208,755</u>
Liabilities:				
Due to others	\$ 440,681	\$ 10,876,808	\$ 11,108,734	\$ 208,755
Total Liabilities	<u>\$ 440,681</u>	<u>\$ 10,876,808</u>	<u>\$ 11,108,734</u>	<u>\$ 208,755</u>

## VAL VERDE COUNTY, TEXAS

COMBINING STATEMENT OF CHANGES IN ASSETS AND  
LIABILITIES - ALL FIDUCIARY FUNDS  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	10/1/2013	Additions	Deductions	9/30/2014
<b><u>LIBRARY MEMORIAL ACCOUNT</u></b>				
Assets:				
Cash and investments	\$ 2,398	\$ 2,711	\$ 2,662	\$ 2,447
Total Assets	<u>\$ 2,398</u>	<u>\$ 2,711</u>	<u>\$ 2,662</u>	<u>\$ 2,447</u>
Liabilities:				
Due to others	\$ 2,398	\$ 2,711	\$ 2,662	\$ 2,447
Total Liabilities	<u>\$ 2,398</u>	<u>\$ 2,711</u>	<u>\$ 2,662</u>	<u>\$ 2,447</u>
<b><u>SHERIFF'S ACCOUNT</u></b>				
Assets:				
Cash and investments	\$ 11,644	\$ 85,607	\$ 82,941	\$ 14,310
Total Assets	<u>\$ 11,644</u>	<u>\$ 85,607</u>	<u>\$ 82,941</u>	<u>\$ 14,310</u>
Liabilities:				
Due to others	\$ 11,644	\$ 85,607	\$ 82,941	\$ 14,310
Total Liabilities	<u>\$ 11,644</u>	<u>\$ 85,607</u>	<u>\$ 82,941</u>	<u>\$ 14,310</u>
<b><u>SHERIFF'S ACCOUNT EIGHT LINERS</u></b>				
Assets:				
Cash and investments	\$ 2,694	\$ 45	\$ 2,677	\$ 63
Total Assets	<u>\$ 2,694</u>	<u>\$ 45</u>	<u>\$ 2,677</u>	<u>\$ 63</u>
Liabilities:				
Due to others	\$ 2,694	\$ 45	\$ 2,677	\$ 63
Total Liabilities	<u>\$ 2,694</u>	<u>\$ 45</u>	<u>\$ 2,677</u>	<u>\$ 63</u>
<b><u>SHERIFF'S ACCOUNT FORFEITURE DOJ ACCOUNT</u></b>				
Assets:				
Cash and investments	\$ 27,626	\$ 163	\$ 2,150	\$ 25,639
Total Assets	<u>\$ 27,626</u>	<u>\$ 163</u>	<u>\$ 2,150</u>	<u>\$ 25,639</u>
Liabilities:				
Due to others	\$ 27,626	\$ 163	\$ 2,150	\$ 25,639
Total Liabilities	<u>\$ 27,626</u>	<u>\$ 163</u>	<u>\$ 2,150</u>	<u>\$ 25,639</u>
<b><u>SHERIFF'S ACCOUNT TEXAS FORFEITURE ACCOUNT</u></b>				
Assets:				
Cash and investments	1,750	\$ -	\$ 1,705	45
Total Assets	<u>\$ 1,750</u>	<u>\$ -</u>	<u>\$ 1,705</u>	<u>\$ 45</u>
Liabilities:				
Due to others	1,750	\$ -	\$ 1,705	45
Total Liabilities	<u>\$ 1,750</u>	<u>\$ -</u>	<u>\$ 1,705</u>	<u>\$ 45</u>

## VAL VERDE COUNTY, TEXAS

COMBINING STATEMENT OF CHANGES IN ASSETS AND  
LIABILITIES - ALL FIDUCIARY FUNDS  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	10/1/2013	Additions	Deductions	9/30/2014
<b><u>SHERIFF'S ACCOUNT TUSC ACCOUNT</u></b>				
Assets:				
Cash and investments	\$ 26,330	\$ 13	\$ 2,449	\$ 23,894
Total Assets	<u>\$ 26,330</u>	<u>\$ 13</u>	<u>\$ 2,449</u>	<u>\$ 23,894</u>
Liabilities:				
Due to others	\$ 26,330	\$ 13	\$ 2,449	\$ 23,894
Total Liabilities	<u>\$ 26,330</u>	<u>\$ 13</u>	<u>\$ 2,449</u>	<u>\$ 23,894</u>
<b><u>SHERIFF'S RESERVE DEPUTY UNIT</u></b>				
Cash and investments	\$ 9,984	\$ 100	\$ 50	\$ 10,034
Total Assets	<u>\$ 9,984</u>	<u>\$ 100</u>	<u>\$ 50</u>	<u>\$ 10,034</u>
Liabilities:				
Due to others	\$ 9,984	\$ 100	\$ 50	\$ 10,034
Total Liabilities	<u>\$ 9,984</u>	<u>\$ 100</u>	<u>\$ 50</u>	<u>\$ 10,034</u>
<b><u>COUNTY WELFARE</u></b>				
Assets:				
Cash and investments	\$ 30,818	\$ 30,226	\$ 31,658	\$ 29,386
Total Assets	<u>\$ 30,818</u>	<u>\$ 30,226</u>	<u>\$ 31,658</u>	<u>\$ 29,386</u>
Liabilities:				
Due to others	\$ 30,818	\$ 30,226	\$ 31,658	\$ 29,386
Total Liabilities	<u>\$ 30,818</u>	<u>\$ 30,226</u>	<u>\$ 31,658</u>	<u>\$ 29,386</u>
<b><u>DISTRICT CLERK RECORD PRESERVATION</u></b>				
Assets:				
Cash and investments	\$ 13,341	\$ -	\$ -	\$ 13,341
Total Assets	<u>\$ 13,341</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,341</u>
Liabilities:				
Due to others	\$ 13,341	\$ -	\$ -	\$ 13,341
Total Liabilities	<u>\$ 13,341</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,341</u>
<b><u>JUSTICE OF PEACE 1 TECHNOLOGY FUND</u></b>				
Assets:				
Cash and investments	\$ 2,622	\$ 4,568	\$ 2,950	\$ 4,240
Total Assets	<u>\$ 2,622</u>	<u>\$ 4,568</u>	<u>\$ 2,950</u>	<u>\$ 4,240</u>
Liabilities:				
Due to others	\$ 2,622	\$ 4,568	\$ 2,950	\$ 4,240
Total Liabilities	<u>\$ 2,622</u>	<u>\$ 4,568</u>	<u>\$ 2,950</u>	<u>\$ 4,240</u>
<b><u>JUSTICE OF PEACE 2 TECHNOLOGY FUND</u></b>				
Assets:				
Cash and investments	\$ 11,897	\$ 3,440	\$ 5,232	\$ 10,105
Total Assets	<u>\$ 11,897</u>	<u>\$ 3,440</u>	<u>\$ 5,232</u>	<u>\$ 10,105</u>
Liabilities:				
Due to others	\$ 11,897	\$ 3,440	\$ 5,232	\$ 10,105
Total Liabilities	<u>\$ 11,897</u>	<u>\$ 3,440</u>	<u>\$ 5,232</u>	<u>\$ 10,105</u>

## VAL VERDE COUNTY, TEXAS

COMBINING STATEMENT OF CHANGES IN ASSETS AND  
LIABILITIES - ALL FIDUCIARY FUNDS  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

**JUSTICE OF PEACE 3 TECHNOLOGY FUND**

Assets:				
Cash and investments	\$ 6,002	\$ 5,816	\$ -	\$ 11,818
Total Assets	<u>\$ 6,002</u>	<u>\$ 5,816</u>	<u>\$ -</u>	<u>\$ 11,818</u>
Liabilities:				
Due to others	\$ 6,002	\$ 5,816	\$ -	\$ 11,818
Total Liabilities	<u>\$ 6,002</u>	<u>\$ 5,816</u>	<u>\$ -</u>	<u>\$ 11,818</u>

**JUSTICE OF PEACE 4 TECHNOLOGY FUND**

Assets:				
Cash and investments	\$ 7,816	\$ 847	\$ 603	\$ 8,060
Total Assets	<u>\$ 7,816</u>	<u>\$ 847</u>	<u>\$ 603</u>	<u>\$ 8,060</u>
Liabilities:				
Due to others	\$ 7,816	\$ 847	\$ 603	\$ 8,060
Total Liabilities	<u>\$ 7,816</u>	<u>\$ 847</u>	<u>\$ 603</u>	<u>\$ 8,060</u>

**COUNTY CLERK TRUST FUND**

Assets:				
Cash and investments	\$ 84,730	\$ 129,377	\$ 130,266	\$ 83,841
Total Assets	<u>\$ 84,730</u>	<u>\$ 129,377</u>	<u>\$ 130,266</u>	<u>\$ 83,841</u>
Liabilities:				
Due to others	\$ 84,730	\$ 129,377	\$ 130,266	\$ 83,841
Total Liabilities	<u>\$ 84,730</u>	<u>\$ 129,377</u>	<u>\$ 130,266</u>	<u>\$ 83,841</u>

**ELECTION SERVICE CONTRACT**

Assets:				
Cash and investments	\$ 8,566	\$ 13,001	\$ 11,966	\$ 9,602
Total Assets	<u>\$ 8,566</u>	<u>\$ 13,001</u>	<u>\$ 11,966</u>	<u>\$ 9,602</u>
Liabilities:				
Due to others	\$ 8,566	\$ 13,001	\$ 11,966	\$ 9,602
Total Liabilities	<u>\$ 8,566</u>	<u>\$ 13,001</u>	<u>\$ 11,966</u>	<u>\$ 9,602</u>

**VAL VERDE COUNTY LIBRARY SPECIAL ACCOUNT**

Assets:				
Cash and investments	\$ 10,374	\$ 31,951	\$ 22,041	\$ 20,284
Total Assets	<u>\$ 10,374</u>	<u>\$ 31,951</u>	<u>\$ 22,041</u>	<u>\$ 20,284</u>
Liabilities:				
Due to others	\$ 10,374	\$ 31,951	\$ 22,041	\$ 20,284
Total Liabilities	<u>\$ 10,374</u>	<u>\$ 31,951</u>	<u>\$ 22,041</u>	<u>\$ 20,284</u>



## VAL VERDE COUNTY, TEXAS

COMBINING STATEMENT OF CHANGES IN ASSETS AND  
LIABILITIES - ALL FIDUCIARY FUNDS  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2014

**DISTRICT CLERK RECORD ARCHIVE**

Assets:				
Cash and investments	\$ 8,998	\$ 3,591	\$ -	\$ 12,589
Total Assets	<u>\$ 8,998</u>	<u>\$ 3,591</u>	<u>\$ -</u>	<u>\$ 12,589</u>
Liabilities:				
Due to others	\$ 8,998	\$ 3,591	\$ -	\$ 12,589
Total Liabilities	<u>\$ 8,998</u>	<u>\$ 3,591</u>	<u>\$ -</u>	<u>\$ 12,589</u>

**DISTRICT CLERK SAVINGS ON MINORS**

Assets:				
Cash and investments	\$ 7,589	\$ -	\$ -	\$ 7,589
Total Assets	<u>\$ 7,589</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,589</u>
Liabilities:				
	\$ 7,589	\$ -	\$ -	\$ 7,589
Total Liabilities	<u>\$ 7,589</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,589</u>

**TOTAL-AGENCY FUNDS**

Assets:				
Cash and investments	\$ 2,988,631	\$ 45,032,354	\$ 45,216,941	\$ 2,804,046
Total assets	<u>\$ 2,988,631</u>	<u>\$ 45,032,354</u>	<u>\$ 45,216,941</u>	<u>\$ 2,804,046</u>
Liabilities:				
Due to others	\$ 2,988,631	\$ 45,032,353	\$ 45,216,940	\$ 2,804,046
Total liabilities	<u>\$ 2,988,631</u>	<u>\$ 45,032,353</u>	<u>\$ 45,216,940</u>	<u>\$ 2,804,046</u>

## **STATISTICAL SECTION**

**VAL VERDE COUNTY, TEXAS**

**GOVERNMENT-WIDE EXPENSES BY FUNCTION**

**LAST SIX FISCAL YEARS**

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
General government	\$ 32,199,908	\$ 30,716,829	\$ 32,388,331	\$ 29,129,708	\$ 28,464,724	\$ 29,525,712
Public safety	4,602,634	3,794,558	4,275,125	5,814,134	3,944,982	5,013,805
Judicial	1,533,477	1,424,295	1,563,253	1,496,456	1,311,948	1,331,200
Public works	24,176	20,431	19,925	18,615	603,647	1,525,405
Public facilities	1,297,788	805,352	1,169,173	736,170	57,492	49,381
Legal	514,428	493,827	495,575	495,479	426,053	366,633
Highways and streets	2,767,175	2,878,894	13,310,130	1,945,640	1,519,546	1,627,446
Health and welfare	2,279,491	452,048	468,568	611,067	628,319	1,368,179
Culture and recreation	647,545	728,707	799,923	773,470	679,250	750,975
Debt service - interest on debt	<u>1,256,458</u>	<u>1,230,133</u>	<u>1,103,435</u>	<u>62,328</u>	<u>67,447</u>	<u>67,013</u>
 TOTAL	 <u>\$ 47,123,081</u>	 <u>\$ 42,545,074</u>	 <u>\$ 55,593,438</u>	 <u>\$ 41,083,067</u>	 <u>\$ 37,703,408</u>	 <u>\$ 41,625,749</u>

Note: \* GASB 34 was not in effect. No data available.

**VAL VERDE COUNTY**

**GOVERNMENT-WIDE REVENUES**

**LAST SIX FISCAL YEARS**

PROGRAM REVENUES			GENERAL REVENUES		
Fiscal Year	Charges for Services	Operating Grants and Contributions	Taxes	Interest	Miscellaneous
2014	\$ 3,263,423	\$ 31,449,773	\$ 11,352,293	\$ 21,454	\$ 1,195,217
2013	2,665,576	27,875,151	10,706,043	12,130	997,068
2012	2,870,191	38,353,529	10,488,345	14,372	151,533
2011	3,214,399	27,955,547	9,968,683	100	310,352
2010	3,096,100	23,958,527	9,559,667	13,975	66,169
2009	8,703,473	23,291,666	9,758,138	21,255	474,814

Note: \* GASB 34 was not in effect. No data available

**VAL VERDE COUNTY, TEXAS**

**EXPENDITURES BY FUNCTION  
ALL GOVERNMENTAL FUND TYPES**

**LAST TEN FISCAL YEARS  
(Unaudited)**

<b>FUNCTION</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
General government	\$ 31,397,040	\$ 29,201,513	\$ 31,074,205	\$ 28,536,710	\$ 26,871,092
Judicial	1,460,950	1,363,005	1,503,480	1,440,612	1,311,948
Legal	490,252	473,396	475,650	476,864	426,053
Public safety	4,312,524	4,557,005	4,323,502	6,367,742	4,179,771
Health and welfare	2,206,964	390,758	408,795	147,825	628,319
Highway and streets	2,646,296	2,776,743	13,210,508	2,204,121	2,192,061
Culture and recreation	599,194	687,848	760,074	736,241	679,250
Public facilities	1,297,788	805,352	1,169,173	736,170	57,492
Redemption of principal	2,800,000	2,500,000	910,000	185,000	345,000
Debt service interest	1,177,803	1,204,440	1,087,160	3,904	67,447
Capital leases	<u>115,936</u>	<u>125,105</u>	<u>153,209</u>	<u>209,129</u>	<u>173,340</u>
Totals	<u>\$ 48,504,747</u>	<u>\$ 44,085,165</u>	<u>\$ 55,075,756</u>	<u>\$ 41,044,318</u>	<u>\$ 36,931,773</u>

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
\$	28,377,690	\$ 25,778,151	\$ 25,277,697	\$ 21,459,526	\$ 20,451,385
	1,274,281	1,306,886	1,321,520	1,253,944	1,115,217
	350,957	364,137	388,541	350,848	205,503
	5,015,161	3,059,597	3,125,504	2,569,834	2,669,976
	1,309,679	66,195	64,276	143,396	142,028
	3,581,693	1,435,452	1,376,125	2,026,244	1,352,509
	718,865	690,455	869,718	670,488	616,681
	47,270	-	-	-	-
	335,000	615,000	615,000	484,489	188,438
	67,013	53,545	65,883	109,442	35,830
	<u>132,759</u>	<u>95,032</u>	<u>71,738</u>	<u>36,808</u>	<u>103,293</u>
\$	<u>41,210,368</u>	<u>\$ 33,464,450</u>	<u>\$ 33,176,002</u>	<u>\$ 29,105,019</u>	<u>\$ 26,880,860</u>

**VAL VERDE COUNTY, TEXAS**

**REVENUES BY SOURCES  
ALL GOVERNMENTAL FUND TYPES**

**LAST TEN FISCAL YEARS  
(Unaudited)**

<u>Fiscal Year Ended</u>	<u>Taxes</u>	<u>Intergovernmental</u>	<u>Fee of Offices</u>	<u>Fines and Forfeitures</u>	<u>Interest</u>	<u>Miscellaneous</u>	<u>Total</u>
2014	\$ 11,186,858	\$ 31,430,735	\$ 3,204,060	\$ 19,976	\$ 21,454	\$ 1,215,229	\$ 47,078,312
2013	10,780,903	27,875,151	2,645,057	20,518	12,130	1,032,484	42,366,243
2012	10,488,345	38,802,568	2,850,104	20,086	14,372	151,533	52,327,008
2011	10,102,502	27,955,547	2,945,371	-	20,706	579,379	41,603,505
2010	9,559,667	23,958,527	2,668,936	-	13,975	493,333	36,694,438
2009	9,758,138	23,291,666	1,947,225	422,628	21,255	6,658,711	42,099,623
2008	8,636,346	19,712,321	2,331,272	585,396	103,101	2,385,253	33,753,689
2007	8,615,564	22,068,990	2,236,879	506,513	110,603	278,978	33,817,527
2006	7,764,971	17,303,822	2,120,460	484,054	57,787	534,713	28,265,807
2005	7,493,634	14,867,982	1,943,773	605,659	15,657	466,412	25,393,117

**VAL VERDE COUNTY, TEXAS**

**PROPERTY TAX RATES**

**LAST TEN FISCAL YEARS**  
(Unaudited)

<u>Fiscal Year</u>	<u>General Fund</u>	<u>Interest &amp; Sinking Fund</u>	<u>Farm to Market Fund</u>	<u>Hospital</u>	<u>Total Tax Rate</u>
2014	\$ 0.3657	\$ 0.0800	\$ 0.0180	\$ -	\$ 0.4637
2013	0.3657	0.0800	0.0180	-	0.4637
2012	0.3657	0.0800	0.0180	-	0.4637
2011	0.3657	0.0800	0.0180	-	0.4637
2010	0.3657	0.0800	0.0180	-	0.4637
2009	0.3657	0.0800	0.0180	-	0.4637
2008	0.3680	0.0800	0.0180	-	0.4660
2007	0.3680	0.0800	0.0180	-	0.4660
2006	0.3680	0.0800	0.0180	-	0.4660
2005	0.3680	0.0800	0.0180	-	0.4660



**VAL VERDE COUNTY, TEXAS**

**ASSESSED VALUE OF TAXABLE PROPERTY**

**LAST TEN FISCAL YEARS**  
(Unaudited)

<u>Fiscal Year Ended September 30,</u>	<u>Real Property</u>	<u>Total</u>
2014	\$ 2,042,432,896	\$ 2,042,432,896
2013	1,921,668,780	1,921,668,780
2012	1,904,886,027	1,904,886,027
2011	1,842,766,566	1,842,766,566
2010	1,710,477,503	1,710,477,503
2009	1,574,948,215	1,574,948,215
2008	1,630,746,974	1,630,746,974
2007	1,411,261,756	1,411,261,756
2006	1,338,658,598	1,338,658,598
2005	1,346,365,855	1,346,365,855

## **FEDERAL AWARDS SECTION**



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

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

To the Honorable County Judge  
and County Commissioners  
Val Verde County, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Val Verde County as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated April 15, 2015.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of Val Verde County'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 County'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies. See 2013-01.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether County's financial state are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2013-01.

## **Val Verde County, Texas's Response to Findings**

Val Verde County, Texas's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

## **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 County'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.



Brownsville, Texas  
April 15, 2015



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

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY  
OMB CIRCULAR A-133**

To the Honorable County Judge  
and County Commissioners  
Val Verde County, Texas

**Compliance**

We have audited Val Verde County, Texas's (the "County") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended September 30, 2014. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

**Opinion on Each Major Federal Program**

In our opinion, Val Verde County, Texas complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2014.



## Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

*Pattillo, Ben & Hill, C.P.*

April 15, 2015  
Brownsville, Texas

**VAL VERDE COUNTY, TEXAS**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

YEAR ENDED SEPTEMBER 30, 2014

<b><u>Federal Grantor/Pass-Through Grant/ Program Title</u></b>	<b><u>Federal CFDA Number</u></b>	<b><u>Grant Number</u></b>	<b><u>Federal Expenditures</u></b>
<b><u>U.S. Department of Housing &amp; Urban Development</u></b>			
<i>Pass Through Texas Department of Agriculture:</i>			
Community Development Block Grant - Comstock	14.228	712085	\$ 438,580
Community Development Block Grant - Comstock	14.228	711385	23,250
Community Development Block Grant - Comstock	14.228	713125	24,000
Community Development Block Grant - Comstock	14.228	713076	15,375
Community Development Block Grant - Comstock	14.228	710003	445,592
Community Development Block Grant - Comstock	14.228	713157	64,232
Community Development Block Grant - Comstock	14.228	712379	23,250
Community Development Block Grant - Comstock	14.228	713479	20,672
<i>Total Pass through Texas Department of Agriculture</i>			<u>1,054,951</u>
U. S. Department of Housing & Urban Development Grant	14.XXX	B-09-SP-TX-0216	<u>76,000</u>
Total U.S. Department of Housing & Urban Development			<u>1,130,951</u>
<b><u>U.S. Elections Assistance Commission</u></b>			
<i>Pass through State of Texas, Office of the Secretary of State :</i>			
Helping America Vote Act (HAVA)	39.011	78078	<u>48,806</u>
Total U.S. Election Assistance Commission			<u>48,806</u>
<b><u>U.S. Department of Homeland Security</u></b>			
<i>Pass Through Office of the Governor - Emergency Management Division:</i>			
Homeland Security Grants (Operation Stonegarden 2011)	97.067	EMW-2011-SS-0019	392,996
Homeland Security Grants (Operation Stonegarden 2012)	97.067	EMW-2012-SS-0019	770,894
Homeland Security Grants (Operation Stonegarden 2013)	97.067	EMW-2013-SS-0019	<u>268,526</u>
Total U.S. Department of Homeland Security			<u>1,432,416</u>
<b><u>Executive Office of the President</u></b>			
<i>Pass Through Office of the National Drug Control Policy &amp; through the South Texas HIDTA Assistance Center:</i>			
HIDTA-13 Del Rio Task Force	95.001	G13SS0008A	31,375
HIDTA-13 Eagle Pass Task Force	95.001	G13SS0008A	43,200
HIDTA Intel '13 Amistad Intelligence Center	95.001	G13SS0008A	104,682
HIDTA Intel '14 Amistad Intelligence Center	95.001	G14SS0008A	8,783
HIDTA 11 Amistad Intelligence Center	95.001	G11SS0008A	7,454
HIDTA - 14 Del Rio Task Force	95.001	G14SS0008A	26,733
HIDTA - 2014 Eagle Pass Task Force	95.001	G14SS0008A	23,977
Total Executive Office of the President			<u>246,204</u>
Total Federal Awards			<u>\$ 2,858,377</u>

# VAL VERDE COUNTY, TEXAS

## SCHEDULE OF EXPENDITURES OF STATE AWARDS

YEAR ENDED SEPTEMBER 30, 2014

<b>State Grantor/Pass-Through Grant/ Program Title</b>	<b>Grant Number</b>	<b>State Expenditures</b>
<b><u>STATE OF TEXAS</u></b>		
<i>Texas Department of Transportation:</i>		
Coordinated Border Infrastructure-Frontera Road	CSJ: 0922-11-032	\$ 77,432
Grant Amistad Acres	16/22 - 8BCF5051	<u>80,203</u>
Total Texas Department of Transportation		<u>157,635</u>
<i>Texas Department of State Health Services:</i>		
Discretionary Indigent Defense Fund	FY 2013	<u>32,541</u>
Total Texas Department of State Health Services		<u>32,541</u>
<i>National Park Service:</i>		
National Park Service	H710006001	
Grant	(FBMC No. P10AC00145)	<u>35,000</u>
Total National Park Service		<u>35,000</u>
<i>Office of the Governor - Division of Emergency Management:</i>		
Local Border Security (LBSP 13)	13-SR -48465-01	<u>9,201</u>
Administered by Texas Border Sherriff's Coalition		
Total Office of the Governor Division of Emergency Management		<u>9,201</u>
<i>Bureau of Justice Assistance (BJA):</i>		
Bullet Proof Vest Grant (BVP)	FY -2013 Bullet Proof Vest	<u>3,701</u>
Total Bureau of Justice Assistance (BJA)		<u>3,701</u>
<i>Office of the Governor - Criminal Justice Division</i>		
<i>Passed through El Paso County :</i>		
Border Prosecution Unit	2537704	15,491
Border Prosecution Unit	2537703	<u>94,295</u>
Total Bureau of Justice Assistance (BJA)		<u>109,786</u>
Total State Awards		<u>\$ 347,864</u>



## **VAL VERDE COUNTY, TEXAS**

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

**FOR THE YEAR ENDED SEPTEMBER 30, 2014**

#### **1. GENERAL**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of Val Verde County, Texas for the year ended September 30, 2014. The County's reporting entity is defined in Note 1 of the basis financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the Schedule of Expenditures of Federal Awards.

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

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

The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Therefore, some of the amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

VAL VERDE COUNTY, TEXAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED SEPTEMBER 30, 2014

**I. Summary of Auditors' Results**

a. Type of auditors' report on financial statements:	Unmodified
b. Internal control over financial reporting:	
Material weakness(es) identified:	No
Significant deficiency(ies) identified that are not considered to be material weaknesses:	2013-01
c. Noncompliance, which is material to the financial statements:	No
d. Internal control over major programs	
Material weakness(es) identified:	No
Significant deficiency(ies) identified that are not considered to be material weaknesses:	None reported
e. Type of auditors' report on compliance for major programs:	Unmodified
f. Findings, which are required to be reported in accordance with OMB Circular A-133, Sec. 510(a), OMB Circular A-133:	None
g. Dollar threshold used to distinguish between Type A and Type B programs for federal	\$300,000
h. Low risk auditee:	Yes
i. Major federal programs include:	Community Development Block Grants (TxCDBG) CFDA 14.228

**VAL VERDE COUNTY, TEXAS**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**(Continued)**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2014**

**II. Findings Relating to the Financial Statements Which are Required to be Reported in Accordance With Generally Accepted Government Auditing Standards**

None.

**III. Findings and Questioned Costs for Federal Awards**

None.

**VAL VERDE COUNTY, TEXAS**

**SUMMARY OF PRIOR YEAR AUDIT FINDINGS**

**FOR THE YEAR ENDED SEPTEMBER 30, 2014**

*Item 2013-01*

*Bank Depository Signatures*

Condition:	As we performed internal control work on cash procedures, we noted the State Loop 79 depository does not require dual signatures for payment.
Criteria:	Dual signature requirement on this bank depository is a necessary control.
Effect:	The purpose of dual signatures on checks is to document two individuals' agreement of the propriety of the disbursement being made.
Recommendation:	We recommend the County enforce the dual signature requirement on this bank depository.
Management's Response:	The County does require dual signatures on all accounts. An exception on was made by Commissioners' Court for the State Loop 79 depository to facilitate the payment of expenses during construction. This is no longer an issue and dual signatures will be required May 1, 2014.
Current Status:	The County continued with a sole signer from October 1, 2013 through May 1, 2014. The County enforced dual signatures after May 1, 2014.

**(Last page.)**