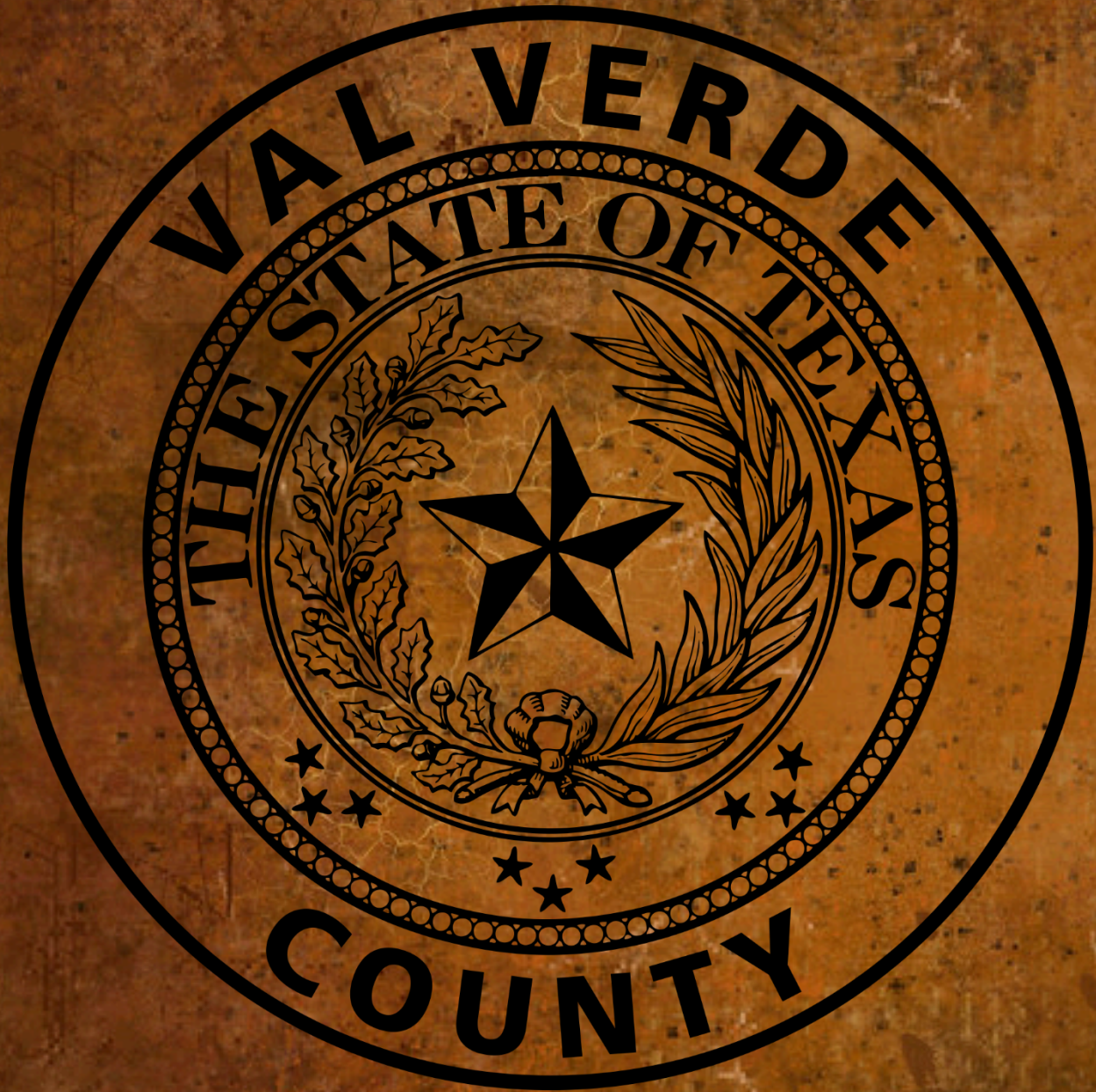


# VAL VERDE COUNTY, TEXAS

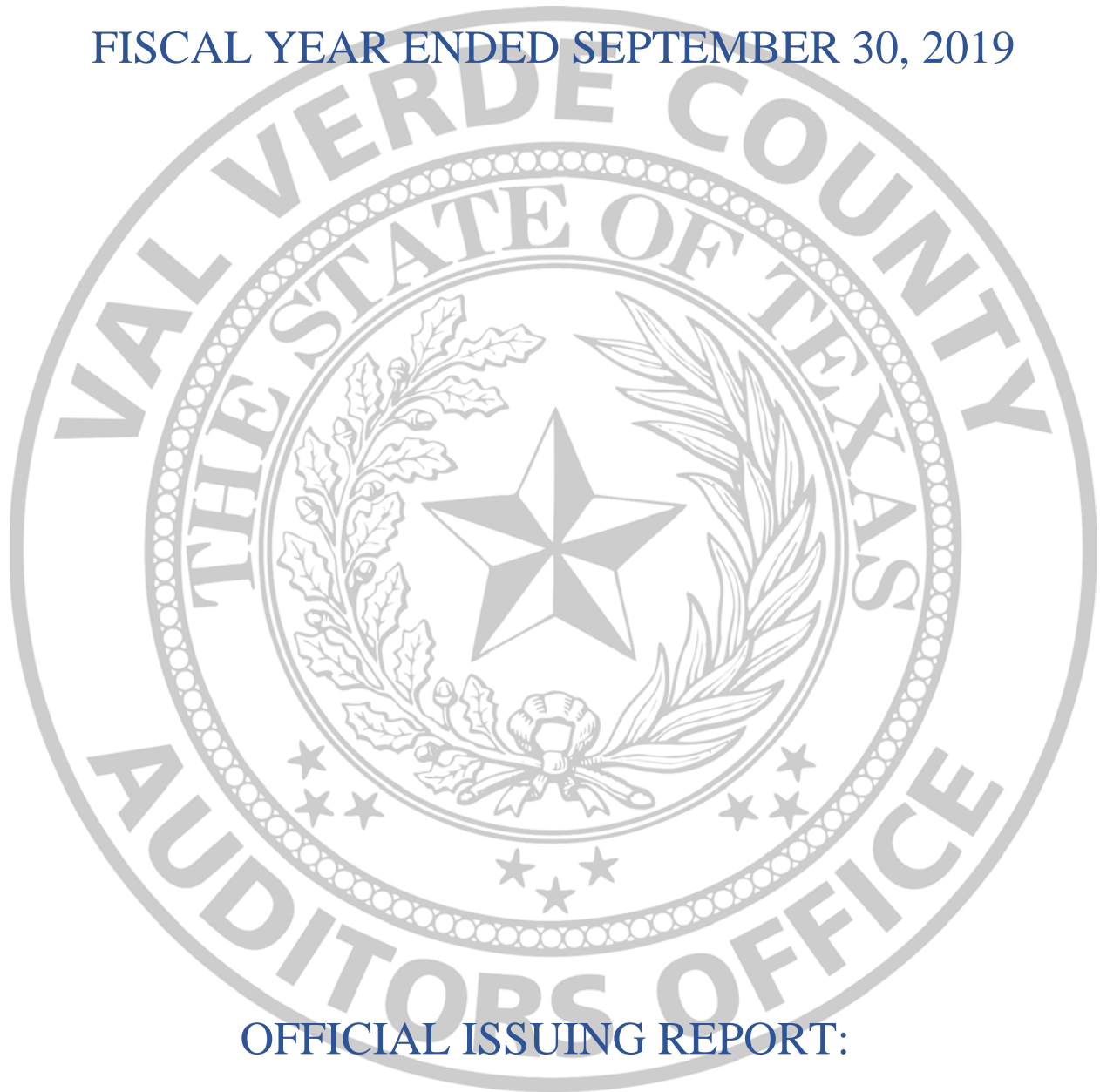
## COMPREHENSIVE ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019



VAL VERDE COUNTY, TEXAS  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR  
FISCAL YEAR ENDED SEPTEMBER 30, 2019



OFFICIAL ISSUING REPORT:  
Val Verde County Auditor's Office  
Matthew S. Weingardt, CPA

**VAL VERDE COUNTY, TEXAS**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

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**VAL VERDE COUNTY, TEXAS**  
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## **INTRODUCTORY SECTION**

## Val Verde County



901 Bedell Ave. Ste. A  
Del Rio, TX 78840

**Matthew S. Weingardt, CPA**  
*County Auditor*

Phone: (830) 774-7584  
Fax: (830) 775-9198

April 29<sup>th</sup> 2020

Honorable District Judges of Val Verde County, Honorable Members of the Val Verde County Commissioners Court and the Citizens of Val Verde County (County):

The County Auditor's Office proudly submits the Comprehensive Annual Financial Report (CAFR) of Val Verde County, Texas for the fiscal year ended September 30, 2019. This report is submitted in compliance with Texas Local Government Code §114.025

### Responsibility for Financial Statements

This report was prepared by the County Auditor's Office. Responsibility for both accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rest with the county. We believe the data, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and the results of operations of the county as measured by the financial activity of its various funds and that all disclosures necessary to enable the reader to gain a reasonable understanding of the County's financial affairs.

The County Auditor serves as the Chief Financial Officer of Val Verde County. By statute the County Auditor reports to the State District Judges who appoint the auditor every two years. This provides for an independent review of county financial operations separate from Commissioners Court, the legislative and executive branch of county government. The County Auditor is responsible for the accounting system design, audit functions required by law, general control of finances, revenue certification and ensuring that the county meets its fiduciary responsibilities to taxpayers with regard to county finances by strictly enforcing the statutes governing county finances as provided by Local Government Code. As an appointed official the County Auditor takes an oath to uphold the Constitution and the laws of the State of Texas.

### Reporting Standards

The accompanying financial statements have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted primary standard-setting body for the establishing governmental accounting and financial reporting standards.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). The letter of transmittal is designed to complement the MD&A and it should be read in conjunction with it. The MD&A can be found in the Financial Section of this report.

### Accounting System and Internal Controls

In developing and evaluating the accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the reliability of the financial reporting (2) the effectiveness and efficiency of operations and (3) compliance with applicable laws and regulations. The concept of reasonable assurance recognizes that (1) costs of a control should not exceed the benefits likely derived and (2) the evaluation of costs and benefits requires estimates and judgement by management.

All internal control evaluations occur within the above framework. We believe the County's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

### Independent Audit of Financials

Cascos & Associates, PC Certified Public Accountants, has audited the County's financial statements. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the County, for the fiscal year ended September 30, 2019, are free of material misstatement. The examination was conducted in accordance with Generally Accepted Governmental Auditing Standards (GAAS). The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used; and evaluating the overall financial statement presentation. The independent auditor concluded, based on the audit, that there was a reasonable basis for rendering an unmodified ("clean") opinion that the County's financial statement for the fiscal year ended September 30, 2019 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

This firm was also engaged to perform an audit of the County's Federal and State Awards that was designed to meet the audit requirements of: Title 2 U.S. Code of Federal Requirements (CFR) Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards; the State of Texas Uniform Grant Management Standards; and the State of Texas Single Audit Circular. The audit reports on Federal and State Awards are issued separately in the back of this report, see table of contents for location.



## Profile of Val Verde County

### Geographic Information

Val Verde County is located along the Texas/Mexico border in the Southwestern Region of the state and sits above the Edwards Plateau. Val Verde County covers approximately 3,200 square miles of land and approximately 62 square miles of water. The County is conveniently located approximately 150 miles south of San Angelo, 150 miles west of San Antonio and 150 miles north of Laredo.



### History

The formation of Val Verde County is directly linked to the arrival of the railroad line in Southwest Texas. Before the railroad, Del Rio was a small farming community on the western fringe of Kinney County. By coming to Del Rio in 1882, the railroad gave the town a huge boost in economic activity and population growth. Secondly, the railroad bypassed the Kinney County seat of Brackettville. The population growth of that town did not keep pace, and Del Rio quickly outgrew the county seat. As a result, from 1882 to 1885, there was a growing popular demand for the creation of a new county with Del Rio as its seat county.

There is a tradition in Texas (and in the rest of the South) of dedicating and naming things for Confederate Civil War figures. Many West Texas counties were named for Confederate leaders. Tom Green County was named for Confederate General Thomas Green who was one of the heroes at the Civil War Battle of Val Verde. It is easy to believe that the Civil War battle gave the County its name.

It is just as easy to believe that the Val Verde name is an environmental observation. Val Verde County has a wealth of water resources absent from so much of West Texas. With the Rio Grande, Devil's River, Pecos River, San Felipe Springs, California Springs, and others, a name reflecting the fertility of Del Rio's canal system and the valleys (or canyons) is perfectly reasonable.

Neither argument is supported by contemporary documentation. And so the mystery of the naming of Val Verde County remains.

*~Val Verde County Historical Commission*

## County Structure

Val Verde County is a political subdivision of the State of Texas. The county seat is the city of Del Rio. The general governing body of the County is an elected five-member Commissioners' Court (Court) in accordance with Article 5, Paragraph 18 of the Texas Constitution. The Court is comprised of the County Judge, who is the presiding officer, and four Commissioners. The County Judge is elected at large to serve a four-year term. Commissioners serve four-year staggered terms, two members elected every two years. The Court, which generally meets two times per month, sets the calendar for regularly scheduled commissioners' court dates on an annual basis. This calendar is available from the County Judge's or the County Clerk's office.

The Court sets the tax rate, approves financial commitments, and adopts the County budget. The Court is also responsible for development of policies, approves contracts for the County, and makes appointments of various department heads. The management and leadership provided by members of the Court, and elected and appointed officials of other departments, are crucial to the success of the County's financial management and growth.

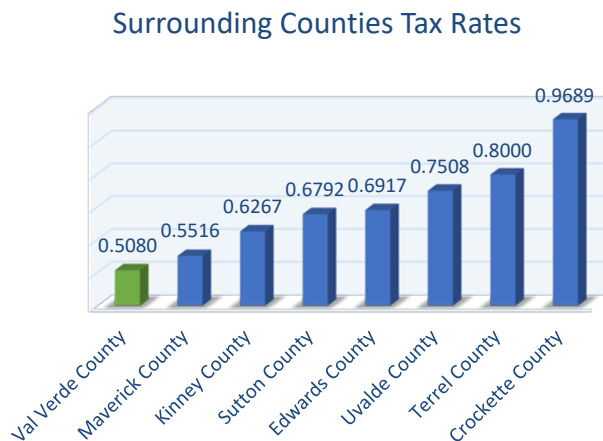
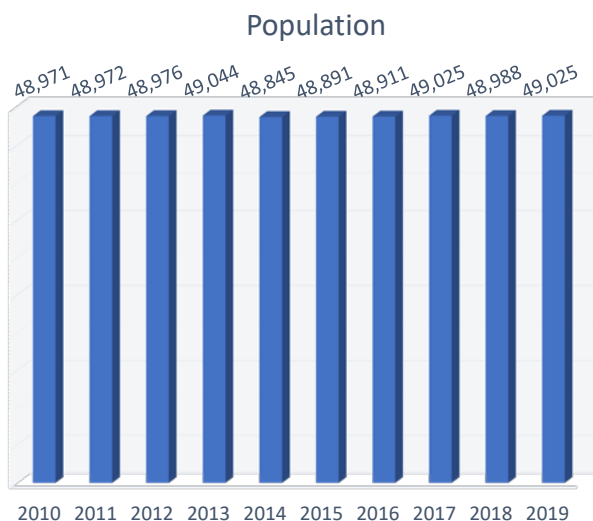
## Budget Process

The annual budget serves as the foundation for the County's financial planning and control. All departments of the County are required to submit requests for appropriations to the County Judge during the month of May of each year. The County Judge, whom is the budget officer for the County, then uses these requests as the starting point for developing the County Judge's proposed budget. This budget is presented to the County Commissioners for their review. From the County Judge's proposed budget, which is filed with the County Clerk, County Commissioners work with the County Judge to prepare the Courts proposed budget. The Court then holds the public hearing on the Courts proposed budget which includes only the governmental funds of the county, as the county has no enterprise funds, internal service funds or component units. The County is required to adopt a final budget by the first day of the new fiscal year. The adopted budget is appropriated by fund, department and line item. The Court approves the budget on a departmental basis with any changes required to be approved by Commissioners' Court. Budget-to-actual comparisons are provided in this report for each major governmental fund for which an appropriated annual budget has been adopted.

The County follows an encumbrance accounting system along with purchasing laws and approved policies as a method to accomplish budgetary control. The County Auditor monitors expenditures of the various departments to prevent expenditures from exceeding budgeted appropriations and sends a monthly budget report to Commissioners Court for their review. Year-end encumbrances are added to the following years adopted budget. For budgeted funds, appropriations that are not encumbered lapse at the end of the year. The Court has the power to amend the budget by transferring an amount from one item to another with authorizing an emergency expenditure, as long as total adopted appropriations per fund do not exceed the adopted budget. Additionally, the County Auditor may certify revenue that was unanticipated and not included in the adopted budget to increase appropriations, in accordance with Texas Local Government Code.

## Population and Area County Tax Rates

The County's population has grown roughly 3% to 49,025 since the last recession and per capita income has risen 32% to \$36,554 according to U.S. Census and U.S. Bureau of Economic Analysis. It is anticipated that population will see a sharp increase after the new Census data in 2020. The County maintains the lowest tax rate of all the surrounding counties.

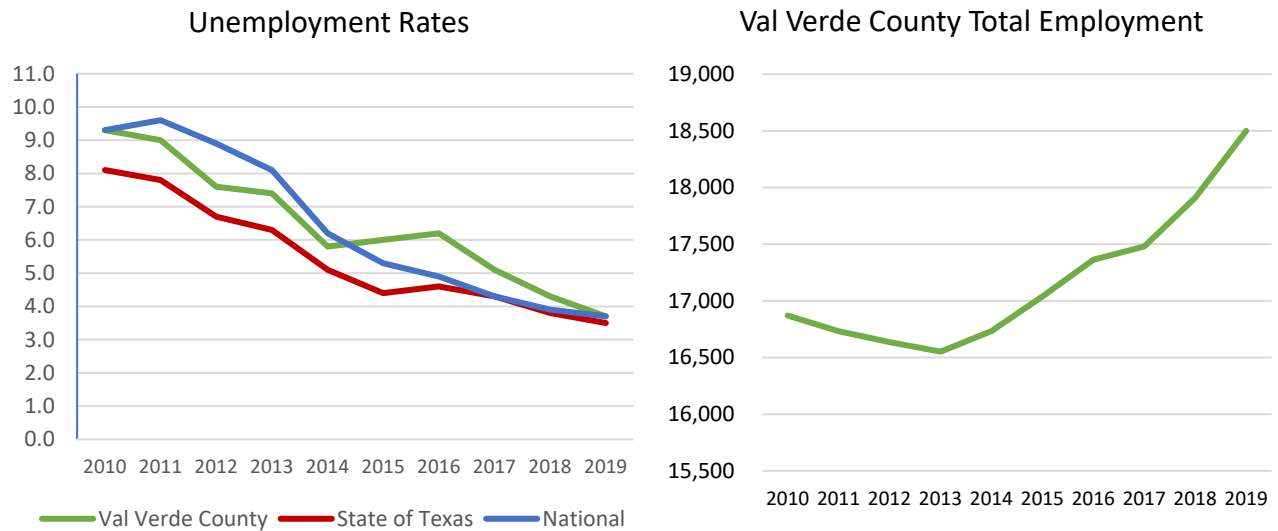


*Includes 3% discount on early payments for eligible taxing jurisdictions.*

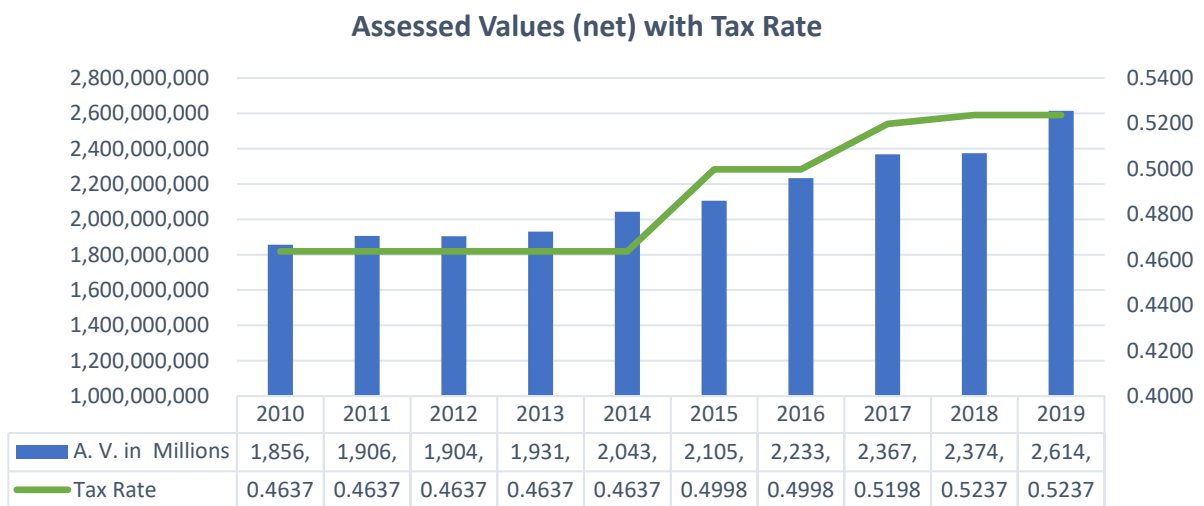
## **Economic Condition**

### Local Economy

The County of Val Verde is experiencing the same economic conditions as other Southwestern Texas Counties with the exception of having the benefit of an International bridge serving as a Port of Entry for goods flowing through the borders of the North American Free Trade Agreement (NAFTA). NAFTA which concluded its 24<sup>th</sup> year and some have credited this to bringing down the local unemployment rate from double digits. The County is also home to Laughlin Air Force Base, training the world's best pilots. This combination does add significantly to the local economy. The Del Rio Chamber of Commerce estimates Laughlin Air Force Base economic impact of \$243 million and 4,725 direct and indirect jobs. During the last few years Val Verde County's unemployment rate has declined at a faster rate than the state or national rates. Total employment of 18,502 (*BLS estimate*) in the county is at the highest level ever and surpassed 2008 pre-recession high of 17,407 in 2017.



Assessed property valuations (net) grew on a year over year basis at 10% and has grown 41% for the past 10 years. Average homestead values have grown 1.3% year over year and 24% during the last past 10 years.



Residing in the county seat of Del Rio, Texas the total property tax and percentages of those taxes are below (before discounts). Every effort is made to try to keep property taxes steady and raised only for capital projects.



## Financial Polices and Long-Term Financial Planning

### Long-Term Financing

For major capital expenditures and projects, the County remains utilizing a tier system of first trying to secure funding for projects with federal and state grants, program or user revenues, special assessments then finally General Fund revenues. The Court believes raising property taxes should be the last revenue stream to fund a capital project. The County maintains an A rating with stable outlook from S&P Global Ratings agency.

### Relevant Financial Policies

As sound financial management practice, members of the Court emphasize maintaining a sufficient unassigned fund balance to assist in maintaining financial stability, funding for emergencies and major capital projects, and retaining and enhancing the County's bond rating. The County includes a separate "Contingency" line item of approximately 3% of expenditures in the budget, which ensures that unexpected situations do not diminish our projected fund balances, keeping them at a safe and healthy level.

The county deposits idle cash into temporary investment vehicles in accordance with its formal investment policy. Temporary investments may include, among others, certificates of deposit, United States government agency securities, money market investment accounts, and local government investment pool facilities.

The County's goal in the subsequent year is to pass a formal; fund balance, structurally balanced budget, capital improvement and debt policies.

### Major initiative

The long-term consolidated vision of the Court is to secure funding for a new Judicial Center which will house all the departments related to judicial duties. In bringing this project to realization the Court is following a multi-directional plan of increasing its bond rating and exploring financing alternatives and opportunities. Many factors are weighed when rating agencies rate any entity including population growth, economic climate, financial stability, tax base expansion and diversification, coupled with sound management practices, policies, and the balance of unreserved funds in the General Fund. The Court believes by adopting this campaign it will have a synergistic effect and save the county citizens millions of dollars in interest cost and reduce the amount of time to get the Judicial Center Project started.

### **Awards and Acknowledgements**

#### Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Distinguish Budget Presentation for its FY 2018-2019 Budget. This is the first time the county has received this award and is also submitting for the Certificate of Achievement for Excellence in Financial Reporting of Comprehensive Annual Financial Report (CAFR). Both awards are from GFOA whose mission is to advance excellence in state and local government financial reporting. To be honored with these awards an entity must publish an easily readable and efficiently organized comprehensive annual financial data whose content conforms to program standards. The certificates are valid for one year only and must be re submitted every year. In addition, the county has applied for the Transparency Stars Award from the State of Texas. This award is given to local government who open their books in five areas: traditional finances, areas of contracts and procurement, economic development, public pensions and debt obligations. They must also provide clear and meaningful financial information through summaries, visualizations and downloadable data posted to the entity's website.

#### Acknowledgements

Clearly, preparing a report of this dimension is not an easy task. The successful completion could not have been possible without the hard work, dedication and long hours willingly given by the County Auditors staff and the professional services provided by our Independent Auditors, Cascos and Associates, PC. I also wish to commend the county officials, department heads, and all members of the departments who assisted and contributed to the preparation of this report. It is important to recognize the members of the Commissioners Court for their vision and involvement in planning and conducting the financial operations of the County as a whole.

In addition, a sincere and grateful appreciation is extended to the District Judges of Val Verde County for their leadership role, unwavering support and enabling this office to perform its duties in a responsible and progressive manner. I am truly honored to work with the outstanding officials and employees that aid to make Val Verde County one of the best in Texas.

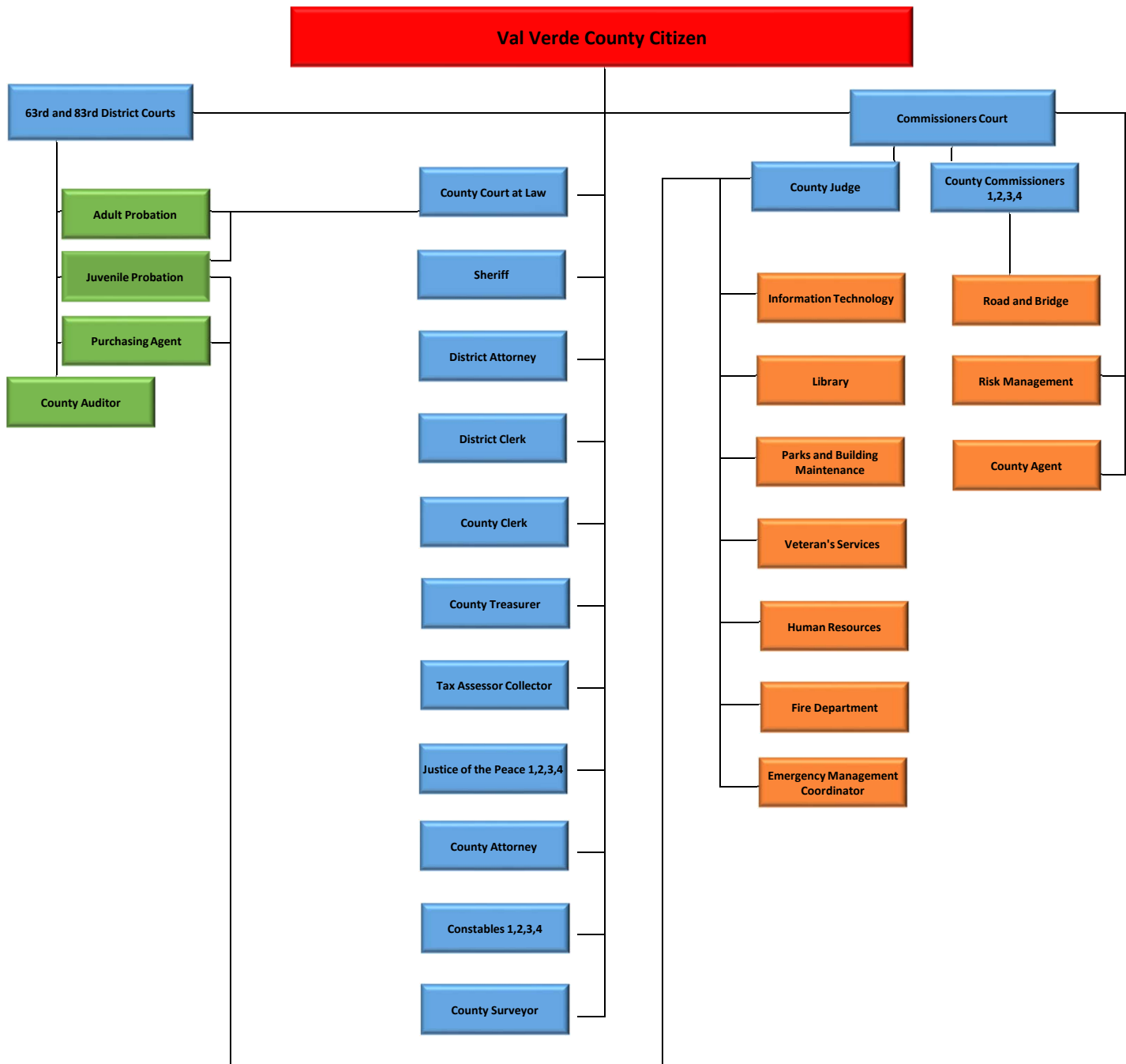
Respectfully submitted,



Matthew S. Weingardt, CPA  
Val Verde County Auditor



# Val Verde County Organizational Chart



Val Verde County, Texas  
List of Elected and Appointed Officials  
September 30, 2019

**Val Verde County Elected Officials**

County Judge	Lewis G. Owens
Commissioner Precinct 1	Martin Wardlaw
Commissioner Precinct 2	Juan C. Vazquez
Commissioner Precinct 3	Robert Nettleton
Commissioner Precinct 4	Gustavo Flores
County Clerk	Generosa G. Ramon
63rd District Judge	Enrique Fernandez
83rd District Judge	Robert Cadena
District Clerk	Jo Ann Cervantes
Justice of the Peace Precinct 1	Robert Castillo
Justice of the Peace Precinct 2	Antonio Faz, III
Justice of the Peace Precinct 3	Pat Cole
Justice of the Peace Precinct 4	Hilda C. Lopez
County Court At Law Judge	Sergio Gonzalez
County Attorney	Ana M. Smith
County Treasurer	Aaron D. Rodriguez
Tax Assessor-Collector	Beatriz I. Munoz
County Sheriff	Joe F. Martinez
Constable Precinct 1	Jesse J. Trevino
Constable Precinct 2	Barry West
Constable Precinct 3	Stephen Berg
Constable Precinct 4	Gerardo Hernandez
63rd/83rd District Attorney	Michael J. Bagley

**Val Verde County Appointed Officials**

County Auditor	Matthew S. Weingardt
Purchasing Agent	Rogelio Musquiz, Jr.
Adult Chief Probation Officer	Reginaldo Rangel
Juvenile Chief Probation Officer	Christopher Noyola

**Val Verde County Department Heads**

County Agent	Emily Grant
Librarian	David Bond
Fire	Jerry Rust
Human Resources	Juanita Barrera
Risk Management	Joanna M. Montemayor
Veterans Officer	Adrian Vitela
Information Technology	Ramiro G. Barrera

## **FINANCIAL SECTION**



# Cascos & Associates, PC

Certified Public Accountants

Audit/Accounting/Tax/Consulting

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## INDEPENDENT AUDITORS' REPORT

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

### Report of the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Val Verde County (the "County") as of and for the year ended September 30, 2019, 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*

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

### *Auditors' Responsibility*

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

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

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

### *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the County, as of September 30, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary information, pension and other post-employment benefits (OPEB) information 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 introductory section, combining and individual nonmajor fund financial statements and schedules, 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 Title 2 U.S. *Code of Federal Regulations (CFR)*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and is also not a required part of the basic financial statements.

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated April 29, 2020, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



Cascos & Associates, PC  
Brownsville, Texas  
April 29, 2020

**VAL VERDE COUNTY, TEXAS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019**

The following is a narrative overview and analysis of the financial activities of Val Verde County (County) for the fiscal year ended September 30, 2019. Please consider the information resented here in conjunction with the transmittal letter, financial statements, and related footnotes.

**FINANCIAL HIGHLIGHTS**

**Government-wide:**

- The County's assets and deferred outflow of resources exceeded its liabilities and deferred inflows of resources at the close of the fiscal year 2019 by \$17,725,785 (total net position). Of the total amount \$1,835,764 (unrestricted net position) may be used to meet the County's ongoing obligations to citizens and creditors.
- The County's total net position increased by \$3,220,809 or 22% from prior year.
- The robust increase was due primarily an increase in Charges for Services, Property Taxes, Sales Tax and a decrease in General Government expenditures.

**Fund Financial Statements:**

- At the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$8,965,636 an increase of \$1,160,088 or 10% from prior year.
- The County's General Fund which is the main operating fund of the County ended at \$7,225,233 an increase of \$1,821,338 or 34% from prior year. The unassigned fund balance for the general fund was \$3,599,473 or 19.6% of reoccurring revenues, slightly above the minimal recommend level by Government Finance Officer Association (GFOA) of 16.4%.

**Long-Term Debt:**

- Total bonds (including self-supporting bonds), tax notes and capital lease liabilities decreased by a net amount of \$3,982,431. At the close of the fiscal year the County has outstanding \$5,061,277 in tax supported debt.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the County's overall financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the government, reporting the County's operations in more detail than the government-wide statements.
- *The governmental funds statements* tell how *general government* services were financed in the *short term* as well as what remains for future spending.



*Fiduciary fund* statements provide information about the financial relationships in which the County acts solely as a *trustee or agent* for the benefit of others, to whom the resources in question belong.

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

**Government-wide Financial Statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information of the County's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating. The 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 occurred, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will not result in cash flows until future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). 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.

The government-wide financials statements can be found on pages 25-26 of this report.

**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. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

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.

The County 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.

The basic governmental fund financial statements can be found on pages 27-30 of this report.

**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.

The fiduciary fund financial statements can be found on pages 31 and 108-119 of this report.

**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.

The notes to the financial statements can be found on pages 32-54 of this report.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the County's progress in funding its obligation to provide pension and OPEB benefits to its employees. Required supplementary information can be found starting on page 55 of this report. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on pensions and OPEB. Combining and individual fund statements and schedules can be found on pages 72-107 of this report.

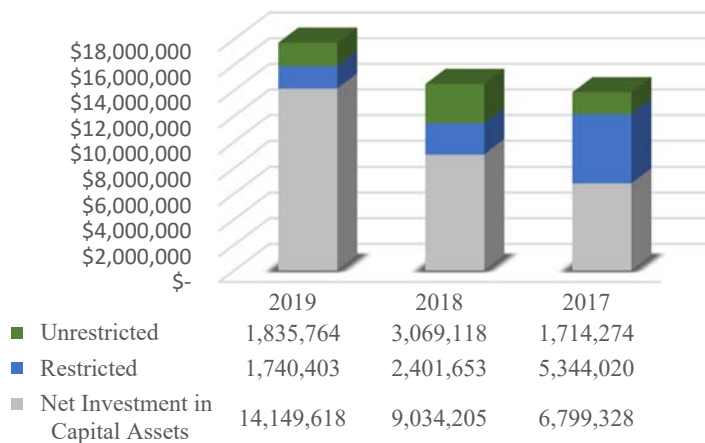
## GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position over time, may serve as a useful indicator of a government's financial position. In the case of the County's, assets and deferred outflows of resources exceeded liabilities by \$17,733,286 at the close of the most recent fiscal year.

### VAL VERDE COUNTY CONDENSED STATEMENT OF NET POSITION

	Governmental Activities		
	2019	2018	2017
Current and Other Assets	\$ 29,802,840	\$ 30,957,938	\$ 29,687,714
Capital Assets	35,690,647	36,927,696	38,278,204
Total assets	<u>65,493,487</u>	<u>67,885,634</u>	<u>67,965,918</u>
Deferred Outflows Related to Pensions	4,155,858	1,415,489	3,631,471
Total Deferred Outflows of Resources	<u>4,155,858</u>	<u>1,415,489</u>	<u>3,631,471</u>
Long Term Liabilities	28,479,842	32,717,605	36,372,002
Other Liabilities	22,929,998	21,330,465	20,887,859
Total Liabilities	<u>51,409,840</u>	<u>54,048,070</u>	<u>57,259,861</u>
Deferred Inflow of Resources	513,720	748,077	479,906
Total Deferred Inflows of Resources	<u>513,720</u>	<u>748,077</u>	<u>479,906</u>
Net position:			
Net Investment in Capital Assets	14,149,618	9,034,205	6,799,328
Restricted	1,740,403	2,401,653	5,344,020
Unrestricted	1,835,764	3,069,118	1,714,274
Total Net position	<u>\$ 17,725,785</u>	<u>\$ 14,504,976</u>	<u>\$ 13,857,622</u>

### Composition of Net Position



The largest portion of the County's net position (80%) reflects its investment in capital assets e.g., land, buildings, machinery, equipment, vehicles, and infrastructure, less any related outstanding debt that was used to acquire those assets. The County uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the majority of capital assets themselves cannot be used to liquidate these liabilities. An additional portion of

the County's net position (10%) represents resources that are subject to external restrictions, constitutional provisions or enabling legislation regarding how they may be used. The remaining balance of (10%) is unrestricted and may be used to meet the government's ongoing obligations to its citizens and creditors.

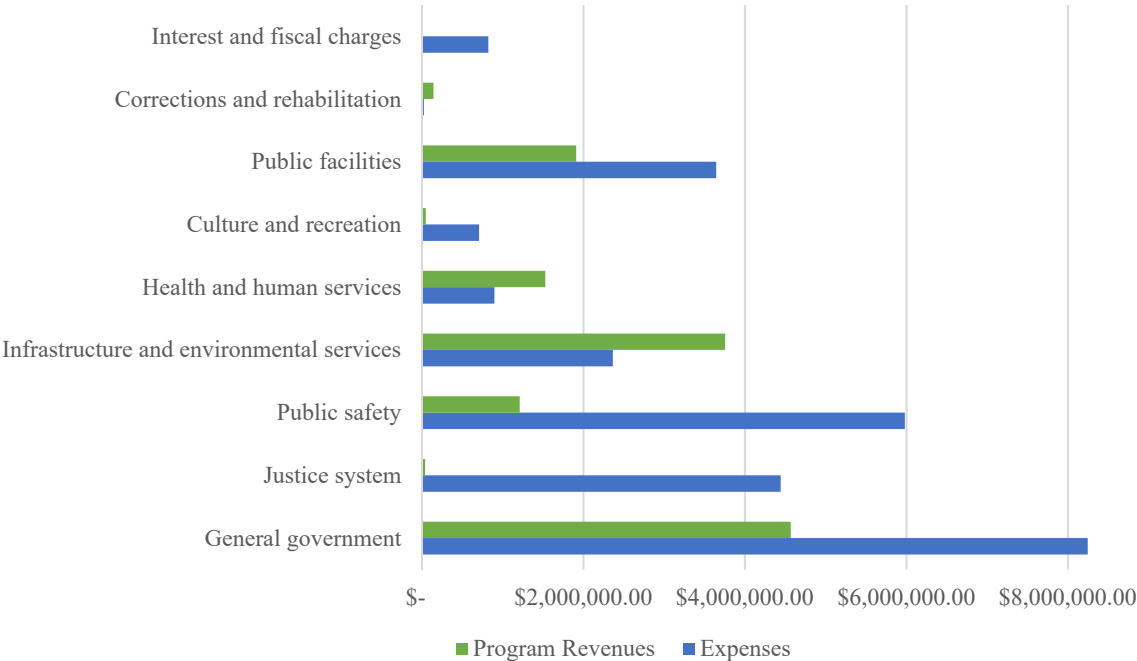
**VAL VERDE COUNTY  
STATEMENT OF ACTIVITIES  
CHANGES IN NET POSITION**

	Governmental Activities		
		2019	2018
Revenues:			
Program revenue:			
Charges for Services		\$ 4,178,267	\$ 5,113,905
Operating Grants and Contributions		9,028,277	6,334,905
General Revenue:			
Property Taxes		12,972,225	11,891,803
Sales Taxes		3,408,064	2,223,062
Non-recurring		466,380	668,807
Investment Earnings		157,571	43,966
Transfer out			
Transfer in			
Miscellaneous		52,066	14,267
Total revenues		<u>30,262,850</u>	<u>26,290,717</u>
General Government		8,245,580	9,285,414
Justice System		4,443,500	3,717,822
Public Safety		5,979,989	5,300,916
Infrastructure and environmental Services		2,364,622	1,131,304
Health and Human Services		898,332	795,423
Culture and Recreation		709,194	666,162
Public Facilities		3,643,854	1,888,038
Corrections and rehabilitation		25,518	504,825
Interest on long-term debt		823,520	944,969
Bond issuance costs		-	19,642
Total expenditures		<u>27,134,109</u>	<u>24,254,514</u>
Change in net position		3,128,741	2,036,203
Net Position, beginning		14,504,976	13,857,622
Prior period adjustment		92,068	(1,388,989)
Net Position, ending		<u>\$ 17,725,785</u>	<u>\$ 14,504,836</u>

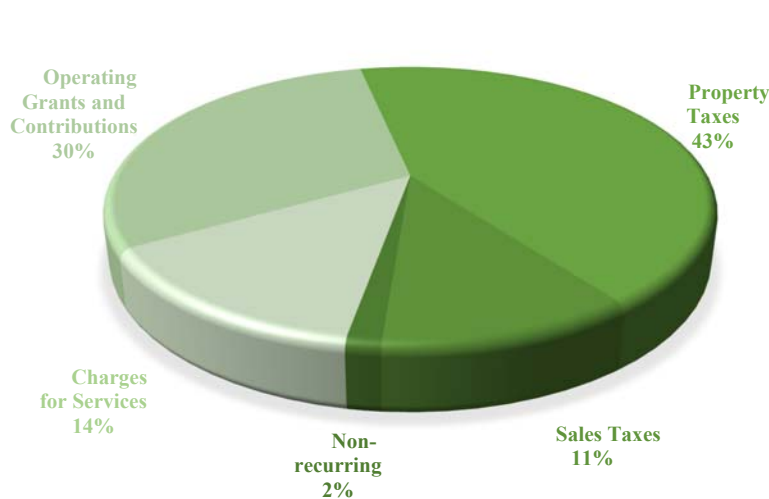
Governmental Activities. During the current fiscal year, net position for governmental activities increased by the aggregate of \$3,220,809 from the prior fiscal year for an ending balance of \$17,725,785 a 22% increase. The

increase was approximated by property taxes (\$1 mil), sales tax (\$1.1 mil), investment earnings (\$100k) and savings from unused appropriations in general government of (\$1 mil). The following charts below depicts total revenues of governmental activities (government-wide) for fiscal year 2019 from above financial statements.

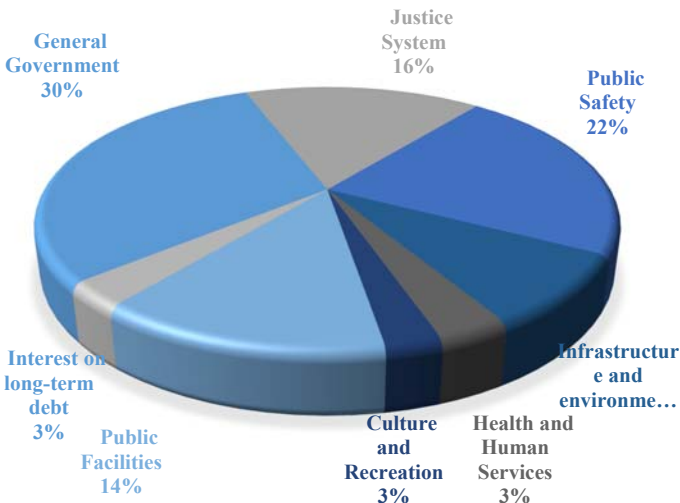
Expenses and Program Revenues - Governmental Activities



REVENUES BY SOURCE



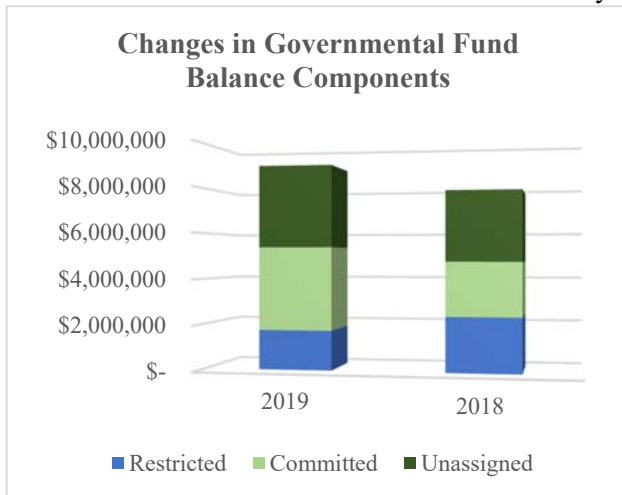
EXPENDITURES BY SOURCE



## THE COUNTY'S FUNDS

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 near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by the County.



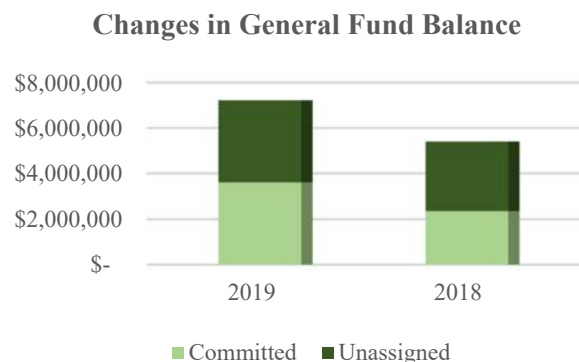
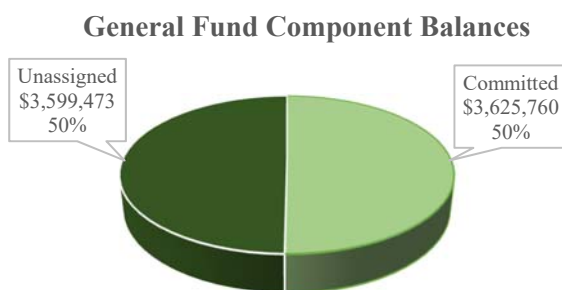
At the end of fiscal year 2019, the County's *governmental funds* reported combined ending fund balances of \$8,965,636 an increase of \$1,160,088 in comparison with the prior year. Approximately 40% of this amount \$3,599,473 constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of the fund balance is either non-spendable, restricted, committed, or assigned for particular purposes.

assigned to indicate that it is 1) not in spendable form, 2) legally required to be maintained intact, 3) restricted for particular purposes, 4) committed for particular purposes, or 5) assigned for particular purposes.

## General Fund

The General Fund is the chief operating fund of the County. At the end of fiscal year 2019, the General Fund had an ending fund balance of \$7,225,233. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund reoccurring revenues or expenditures.

The fund balance of the County's General Fund increased by \$1,821,339 during fiscal year 2019.



## General Fund Budgetary Highlights

Budgetary constraints and monitoring have played a key role in financial management. A combination of increased service requests along with state and federal mandates all add up to the necessity of cutting costs where possible. It has been these efforts that have enabled Val Verde County to maintain sufficient fund balances in the County's operating funds while trying to keep the tax rates stable. The County is very dependent upon the actions of the state and federal governments to finance special capital projects and some operating and capital expenditure programs.



The position of the County continued to be sound over the past year with actual operating results generally better than originally estimated. Some of the factors which enabled the County to maintain this improved level were:

- Most departments and agencies operated well within their appropriated budgets.
- Sales Tax had a dramatic non-reoccurring increase due to construction of a pipeline in the County.
- Charges for Services had a significant increase due to collection of commission on auto sales.
- Collection of unanticipated non-reoccurring revenue.
- Investment earnings had increased due to transferring idle cash to higher yielding cash equivalents.
- The Interest and Sinking Fund assessed a lower tax rate and it was absorbed into the General Fund.

Looking ahead, Val Verde County must continue to monitor all financial resources and carefully plan for future years. While increased growth in some areas of the County offers hope for the future, some areas of the County are not experiencing sustaining economic growth. The Court will continue to work with a spirit of cooperation and fortitude to meet the future needs of governmental operations.

VAL VERDE COUNTY, TEXAS

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

FOR THE YEAR ENDED SEPTEMBER 30, 2019

Budgeted Amounts

	Original	Final	Actual Amounts
REVENUES			
Property taxes	\$ 11,874,449	\$ 11,874,449	\$ 11,552,154
Sales tax	2,262,665	2,262,665	3,408,064
Intergovernmental	293,090	366,842	380,882
Charges for services	1,341,286	1,341,286	1,548,616
License and permits	25,508	25,508	34,149
Fees and fines	1,576,087	1,576,087	1,246,295
Investment earnings	30,000	30,000	131,893
Miscellaneous	63,500	63,500	52,066
Total revenues	17,466,585	17,540,337	18,354,119
EXPENDITURES			
General government	5,862,042	7,806,048	7,477,208
Justice System	3,731,270	3,788,223	3,596,986
Public facilities	1,184,223	1,588,509	1,312,888
Public safety	4,345,809	4,776,508	4,350,612
Health and human services	171,565	301,984	279,395
Culture and recreation	596,631	607,707	597,476
Conservation and development	-	-	-
Total expenditures	\$ 15,891,540	\$ 18,868,979	\$ 17,614,565

Additional budgetary information can be found on page 55 and 62-71 of this report.

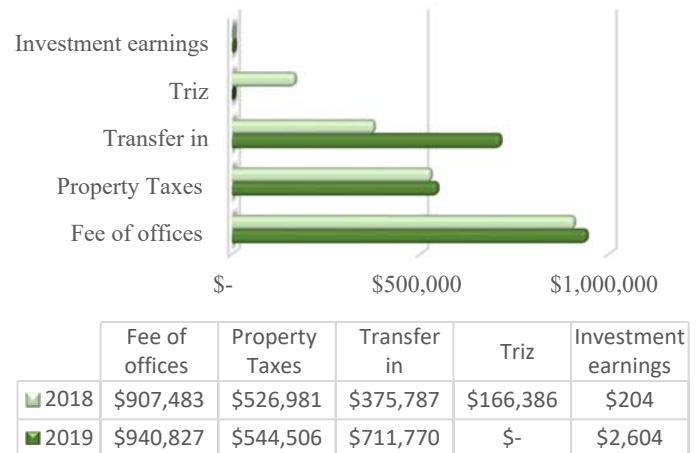
## Road and Bridge Fund

The Road and Bridge Fund accounts for the maintenance costs of highway and roads. Revenues are a combination using Property Taxes, Fees of Office, Interest and Transfers from the General Fund. The Road and Bridge Fund had a beginning fund balance of zero and ended the fiscal year at \$172,000.

**Road and Bridge Fund Expenditures  
Year over Year**



**Road and Bridge Revenues  
Year over Year**



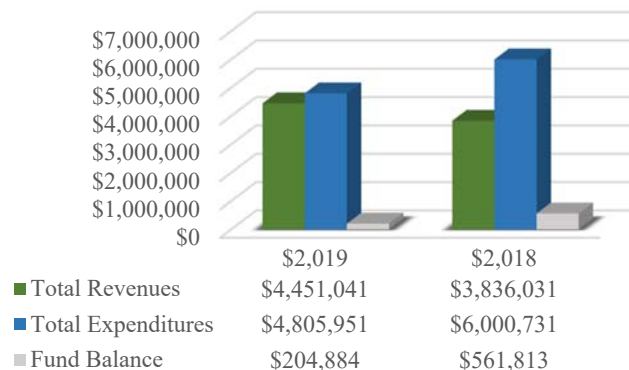
- Does not include salaries or related expenditures.

Additional budgetary information can be found on page 55 and 62-71 of this report.

## Interest and Sinking Fund

Interest and Sinking fund is used to facilitate the County's debt. The fund balance was drawdown to required levels for the subsequent year's debt obligations. The County assessed a lower amount than needed for current payments this fiscal this year due to fund balance.

**Interest and Sinking  
Year over Year Changes**



Additional budgetary information can be found on page 55 and 62-71 of this report.

**Capital Assets.** The County's investment in capital assets for its governmental type activities as of September 30, 2019, amounts to \$35,690,647 (net of accumulated depreciation). This investment in capital assets includes land,

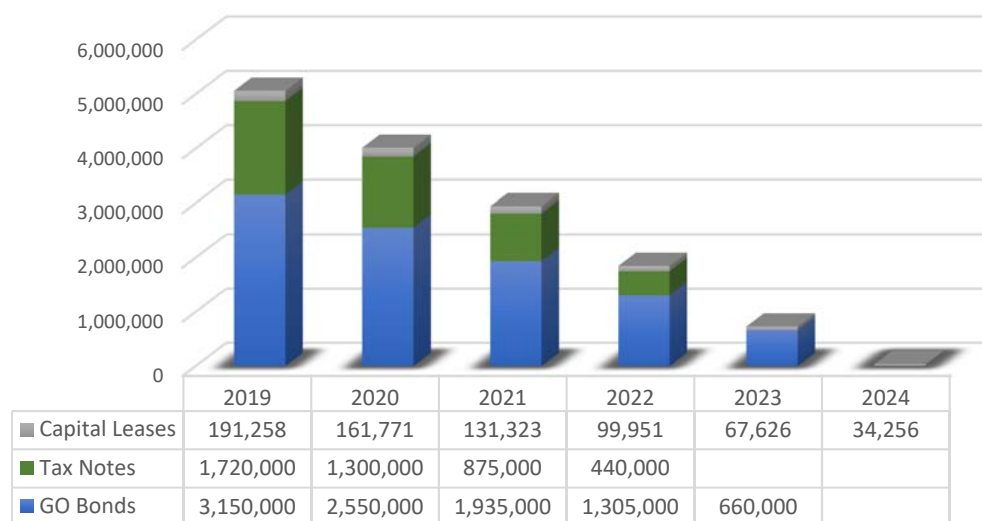
buildings and improvements, machinery and equipment, and infrastructure. Additional information on the County's capital assets can be found in the notes to the financial statements on page 43.

**Long-term Debt Obligations.** At the end of the 2019 fiscal year, the County had total long term debt outstanding of \$28,950,943. Of this amount, \$5,061,258 is debt backed by ad valorem taxes or property taxes of the County, \$16,285,000 is self-supporting debt for which the County receives payment from TxDOT to extinguish the liability and Capital Lease for \$191,258. The remainder of the debt is long-term obligations comprised of net pension-related liabilities \$2,914,518, OPEB obligation \$3,985,304, compensated absences \$510,092 and premium on bond \$194,771. The county maintains a credit rating of A and an outlook of stable from rating agency S&P Global.

The County is authorized under Article III, Section 52 of the State Constitution to issue bonds payable from ad valorem taxes. There is no constitutional or statutory limit as to the number of bonds issued pursuant to such constitutional provision. However, the amount of bonds which may be issued is limited to 25% of the assessed valuation of real property in the County.

The Attorney General of Texas has administratively by rule limited the amount of bonds the office will approve to an amount which produces debt service requirements not to exceed .40 cents of the foregoing .80 cents maximum tax rate, calculated at 90% of collections. Counties that have adopted the .30 cents per \$100 Farm-to-Market/Flood Control Tax may also pledge this tax for debt service for related projects.

### Tax Supported Debt



Ad valorem tax supported debt decreased by \$1,033,742 to \$5,061,277. This amount is well below the state statutory limit of \$653 million. The annual payment amount is also well below the Texas Attorney Generals limit of approximately \$9 million at \$1,158,360

Additional information on the County's long-term debt can be found in the notes to the financial statements on pages 42-43.

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

Commissioners Court passed its budget on September 18, 2019. The annual budget is developed to provide efficient, effective, and economic uses of the County's resources, as well as a means to accomplish the highest priority objectives. Through the budget, the Commissioners Court sets the direction of the County by establishing its priorities, setting the tax rate and allocating its resources.

In calculating the taxes for the fiscal year ending 2020 budget, The County had a net taxable appraised value of \$2.741 billion, which was \$127 million more than the previous year, an 4.8% increase. The increase is a combined effect of increased property values in residential property and new property added to the tax roll.

These indicators were taken into account when adopting the budget for 2020. The tax rate adopted by the Commissioners Court for the 2020 budget was set at \$.5237 per hundred-dollar valuation, which is the same as the prior year.

Commissioners Court is going to draw down its unassigned fund balance by approximately \$2.8 million dollars for funding of Capital Expenditures and Capital Projects which include upgrades on judicial software, continuation of the Frontera road project, purchase of 2,900 acres for the expansion of precincts yards, protecting Laughlin Air Force Base from encroachment and expanding recreational areas for the citizens. The remaining budgeted fund balance is still within the recommended minimum level by the Government Finance Officers Association (GFOA) of 16% or 60 days. The Auditor's Office has complied with the GFOA risk assessment to determine that no unusual or infrequent conditions exist at this time, to warrant holding a higher balance.

The County's employer retirement contribution rate increased from 12.02% to 12.53% effective January 2020. The County is not mandated to pay this rate.

Substantial non-reoccurring Sales Tax revenue estimated at \$1 million may be captured by the County due to various pipeline companies using various locations to stage a place of business for the material and record the transaction in the County.

In late 2019 County passed a Hotel Occupancy Tax for the hotels inside the municipality of two percent. Full year estimated revenues should be \$200k.

## **REQUEST FOR INFORMATION**

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

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, 2019**

	Primary Government Governmental Activities
<b>ASSETS</b>	
Cash and investments	\$ 11,084,541
Taxes receivable (net of allowances)	2,020,446
Accounts receivable	112,637
Due from other governments	16,585,216
Capital assets:	
Land	119,819
Buildings and improvements	15,656,525
Furniture and equipment	12,508,161
Infrastructure	47,583,368
Construction in progress	270,498
Less: accumulated depreciation	<u>(40,447,724)</u>
Total capital assets	<u>35,690,647</u>
Total assets	<u>65,493,487</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred outflows related to TCDRS Pension	<u>4,155,858</u>
Total deferred outflows of resources	<u>4,155,858</u>
<b>LIABILITIES</b>	
Accounts payable	1,541,932
Unearned revenues	17,274,826
Noncurrent liabilities:	
Due within one year	4,113,239
Due in more than one year	17,937,882
Net pension liability	6,556,657
Net OPEB liability	<u>3,985,304</u>
Total liabilities	<u>51,409,840</u>
<b>DEFERRED INFLOW OF RESOURCES</b>	
Deferred inflows related to TCDRS Pension	<u>513,720</u>
Total deferred inflows of resources	<u>513,720</u>
<b>NET POSITION</b>	
Net investment in capital assets	14,149,618
Restricted:	
Interest and sinking	204,884
Federal and state programs	880,897
Capital projects	654,622
Unrestricted	<u>1,835,764</u>
Total net position	<u>\$ 17,725,785</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, 2019

Functions/Programs	Expenses	Program Revenues		Net (Expenses) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental activities:				
General government	\$ 8,245,580	\$ 4,178,267	\$ 389,476	\$ (3,677,837)
Justice system	4,443,500	-	40,629	(4,402,871)
Public safety	5,979,989	-	1,211,403	(4,768,586)
Infrastructure and environmental services	2,364,622	-	3,755,109	1,390,487
Health and human services	898,332	-	1,528,024	629,692
Culture and recreation	709,194	-	48,187	(661,007)
Public facilities	3,643,854	-	1,911,183	(1,732,671)
Corrections and rehabilitation	25,518	-	144,266	118,748
Interest and fiscal charges	823,520	-	-	(823,520)
Bond issuance cost	-	-	-	-
Net program (expenses) revenues	<u>\$ 27,134,109</u>	<u>\$ 4,178,267</u>	<u>\$ 9,028,277</u>	<u>\$ (13,927,565)</u>
General revenues:				
Taxes:				
Property				12,972,225
Sales				3,408,064
Investment earnings				157,571
Miscellaneous				52,066
Non-recurring				<u>466,380</u>
Total general revenue				<u>17,056,306</u>
Change in net position				3,128,741
Net position, beginning				14,504,976
Prior period adjustment				<u>92,068</u>
Net position, ending				<u>\$ 17,725,785</u>

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

## VAL VERDE COUNTY, TEXAS

## BALANCE SHEET

## GOVERNMENTAL FUNDS

SEPTEMBER 30, 2019

	General	Interest & Sinking	Capital Project SL 79 Loop	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash in bank	\$ 1,224,592	\$ 24,723	\$ 155,314	\$ 3,154,154	\$ 4,558,783
Investments	6,342,036	180,561	-	3,161	6,525,758
Taxes receivables (net of allowance)	1,743,040	193,671	-	83,735	2,020,446
Accounts receivable	112,637	-	-	-	112,637
Due from other funds	1,300,533	-	-	990,061	2,290,594
Due from other government	-	-	16,285,000	300,216	16,585,216
Total assets	<u>\$ 10,722,838</u>	<u>\$ 398,955</u>	<u>\$ 16,440,314</u>	<u>\$ 4,531,327</u>	<u>\$ 32,093,434</u>
<b>LIABILITIES</b>					
Accounts payable	1,287,343	400	-	254,189	1,541,932
Accrued liabilities	-	-	-	-	-
Due to other funds	459,722	-	-	1,830,872	2,290,594
Due to other governments	-	-	-	-	-
Unearned revenue	7,500	-	16,285,000	982,326	17,274,826
Total liabilities	<u>1,754,565</u>	<u>400</u>	<u>16,285,000</u>	<u>3,067,387</u>	<u>21,107,352</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue - property taxes	<u>1,743,040</u>	<u>193,671</u>	<u>-</u>	<u>83,735</u>	<u>2,020,446</u>
Total deferred inflows of resources	<u>1,743,040</u>	<u>193,671</u>	<u>-</u>	<u>83,735</u>	<u>2,020,446</u>
<b>FUND BALANCES</b>					
Restricted:					
Retirement of long-term debt	-	204,884	-	-	204,884
Federal or state funds	-	-	-	880,897	880,897
Capital projects	-	-	155,314	499,308	654,622
Committed:					
Other purposes	3,625,760	-	-	-	3,625,760
Unassigned	<u>3,599,473</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,599,473</u>
Total fund balances	<u>7,225,233</u>	<u>204,884</u>	<u>155,314</u>	<u>1,380,205</u>	<u>8,965,636</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 10,722,838</u>	<u>\$ 398,955</u>	<u>\$ 16,440,314</u>	<u>\$ 4,531,327</u>	<u>\$ 32,093,434</u>

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

## VAL VERDE COUNTY, TEXAS

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE  
STATEMENT OF NET POSITION

SEPTEMBER 30, 2019

Amounts reported for governmental activities in the statement of net position (A-1) are different because:

Fund Balances - Governmental Funds --- total governmental funds (C-1)		\$ 8,965,636
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		35,690,647
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.		2,020,446
Long-term liabilities applicable to governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities.		
Bonds payable	\$ (19,435,000)	
Tax note payable	(1,720,000)	
Capital leases	(191,258)	
Premium on bonds	(194,771)	
Net OPEB obligation	(3,985,304)	
Net pension liability	(6,556,657)	
Deferred outflow related to pensions	4,155,858	
Deferred inflow related to pensions	(513,720)	
Compensated absences	<u>(510,092)</u>	
Total long-term liabilities		<u>(28,950,944)</u>
Net position of governmental activities		<u>\$ 17,725,785</u>

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

## VAL VERDE COUNTY, TEXAS

STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	General	Interest & Sinking	Capital Project SL 79 Loop	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>					
Property taxes	\$ 11,552,154	\$ 677,044	\$ -	\$ 544,506	\$ 12,773,704
Sales taxes	3,408,064	-	-	-	3,408,064
Intergovernmental	380,882	-	3,750,000	4,897,395	9,028,277
Charges for services	1,548,616	-	-	990,781	2,539,397
License and permits	34,149	-	-	-	34,149
Fees and fines	1,246,295	-	-	358,426	1,604,721
Investment earnings	131,893	21,978	233	3,467	157,571
Miscellaneous	52,066	-	-	-	52,066
Total revenues	<u>18,354,119</u>	<u>699,022</u>	<u>3,750,233</u>	<u>6,794,575</u>	<u>29,597,949</u>
<b>EXPENDITURES</b>					
General government	7,477,208	-	-	263,786	7,740,994
Justice System	3,596,986	-	-	449,109	4,046,095
Public facilities	1,312,888	-	-	2,005,078	3,317,966
Public safety	4,350,612	-	-	1,094,556	5,445,168
Health and human services	279,395	-	-	538,595	817,990
Infrastructure and environmental services	-	-	-	2,153,142	2,153,142
Culture and recreation	597,476	-	-	48,291	645,767
Corrections and rehabilitation	-	-	-	23,236	23,236
Debt service:					
Principal	-	3,905,000	-	-	3,905,000
Interest and other charges	-	872,209	-	-	872,209
Issuance cost	-	-	-	-	-
Capital leases	-	28,742	-	-	28,742
Total expenditures	<u>17,614,565</u>	<u>4,805,951</u>	<u>-</u>	<u>6,575,793</u>	<u>28,996,309</u>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	<u>739,554</u>	<u>(4,106,929)</u>	<u>3,750,233</u>	<u>218,782</u>	<u>601,640</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Settlements and insurance claims	465,759	-	-	621	466,380
Lease financing	-	-	-	-	-
Tax note proceeds	-	-	-	-	-
Transfer in	1,310,826	3,750,000	-	711,770	5,772,596
Transfer out (uses)	(711,770)	-	(3,750,000)	(1,310,826)	(5,772,596)
Total other financing sources (uses)	<u>1,064,815</u>	<u>3,750,000</u>	<u>(3,750,000)</u>	<u>(598,435)</u>	<u>466,380</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>1,804,369</u>	<u>(356,929)</u>	<u>233</u>	<u>(379,653)</u>	<u>1,068,020</u>
<b>FUND BALANCE, BEGINNING</b>	<u>5,403,894</u>	<u>561,813</u>	<u>155,081</u>	<u>1,684,760</u>	<u>7,805,548</u>
<b>PRIOR PERIOD ADJUSTMENT</b>	<u>16,970</u>	<u>-</u>	<u>-</u>	<u>75,098</u>	<u>92,068</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 7,225,233</u>	<u>\$ 204,884</u>	<u>\$ 155,314</u>	<u>\$ 1,380,205</u>	<u>\$ 8,965,636</u>

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

## 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, 2019

Amounts reported for governmental activities in the statement of activities (B-1)  
are different because:

Net change in fund balances --- total governmental funds (C-3) \$ 1,068,020

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.

Capital outlay	\$ 1,138,910	
Depreciation expense	(2,375,960)	
Net adjustment		(1,237,050)

Governmental funds report long term debt principal payments as expenditures. However, in the statement of activities these payments are reductions in the long term liabilities in the statement of net position.

Bond payments	3,490,000	
Tax notes	415,000	
Capital lease	28,742	
Net adjustment		3,933,742

Under the modified accrual basis of accounting used in the governmental funds, expenditures are recognized for transactions that are normally paid with expendable, available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest, interest on long-term debt is not recognized as an expenditure under the modified accrual basis of accounting until due, rather than as it accrues.

Compensated absences	28,441	
OPEB cost	-	
Pension cost	(911,622)	
Amortization of deferred loss on refunding bonds	48,689	
Net adjustment		(834,492)

Revenues in the statement of activities that do not provide current financial resources:

are not reported as revenues in the funds.	198,521	
Net adjustment		198,521

Change in net position of governmental activities (B-1) \$ 3,128,741

*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, 2019

	<u>Agency Fund</u>
<b>ASSETS</b>	
Cash and investments	\$ 3,175,265
Total assets	<u>\$ 3,175,265</u>
<b>LIABILITIES</b>	
Due to others	<u>\$ 3,175,265</u>
Total liabilities	<u>\$ 3,175,265</u>

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

**VAL VERDE COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of Val Verde County, Texas ("County") have been prepared in conformity with generally accepted accounting principles ("GAAP") in the United States of America for local governmental units. 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 is a public corporation and a political subdivision of the State of Texas. The Commissioners' Court, comprised of the County Judge and four County Commissioners, all of whom are elected officials, is the governing body of the County. 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 County provides a vast array of services which include public safety, correctional facility, administration of justice, health and welfare services, construction and maintenance of roads, bridges and facilities, culture and recreation via libraries, and other various administrative services such as tax collection, recording records, etc.

As required by GAAP, the financial statements of the reporting entity consists of (a) the primary government (b) organizations for which the primary government is not accountable and (c) the organizations for which the primary government is not accountable, but for which the nature and significance of the relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. It has been determined, based on the above, that the County, effective for the year ended September 30, 2019, includes all funds of the County with no component units. Additionally, the County is not a component unit of any other report.

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. Implementation of New Standards**

In the current fiscal year the County implemented the following new standards:

GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans* ("GASB 74"), replaces GASB Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. GASB 74 addresses the financial reports of defined benefit OPEB plans that are administered through trusts that meet specified criteria. Implementation of GASB 74 did not have an impact on the County's financial disclosures.

Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2018. The County implemented the new accounting and reporting pronouncement in the 2018 fiscal year.

GASB Statement No. 82, Pension Issues (“GASB 82”), addresses certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68*, and *Amendments to Certain Provisions of GASB Statements 67 and 68*. Specifically, this Statement addresses issues regarding the presentation of payroll-related measures in required supplementary information, deviations from the guidance of the Actuarial Standards Board, and the classification of payments made by employers to satisfy employee (plan member) contribution requirements. Implementation GASB 82 did not have an impact on the County’s financial disclosures.

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

### Government-wide Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Inter-fund services provided and used are not eliminated in the process of consolidation. Governmental activities’ primary support is derived from taxes, fees and intergovernmental revenues.

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.

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) operational grants and contributions and 3) capital 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. Miscellaneous general revenues contain non-program specific contributions.

Fiduciary funds are excluded from the government-wide presentation of financial statements.

### Fund Statements

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 county 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 or when amounts have been accumulated in the debt service fund for payments to be made early in the following year. 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.

All fiduciary funds are accounted for using the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized when they are incurred. Claims incurred but not reported are included in payables and expenses. These funds are accounted for using an economic resources measurement focus. This means that all assets and liabilities (whether current or non-current) associated with their activity are included in the funds statement of net position. The agency funds are custodial in nature and involve no measurement of results of operations.

The accounts of the County are organized and operated on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures/expenses. Government resources are allocated to and accounted for in individual funds based on the purpose for which they are to be spent and the means by which spending activities are controlled.

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.

Funds are classified into three categories: Governmental, Proprietary, and Fiduciary. The major funds of the County are noted within each category. The County currently has no proprietary funds.

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, long-term debt principal, interest and related costs.

**Capital Projects Fund** is a special fund established by the County that are assigned to be used to account for capital asset expenditures, including construction of major facilities and other capital assets.

SL 79 Loop

Additionally, the County reports the following fund types:

**Road and Bridge Fund** is used to account for resources used in the construction and maintenance of County roads and bridges.

**Special Revenue Funds** 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.

**Capital Projects Fund** is a special fund established by the County that are assigned to be used to account for capital asset expenditures, including construction of major facilities and other capital assets.

Tax Note 2013  
Tax Note 2016  
Library Project

**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.

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

#### **D. 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.

#### **E. 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.

#### **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.

#### **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 acquisition cost, which is the price that would be paid to acquire an asset with equivalent service potential at the acquisition date.

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.
- **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 County 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.

Fund Balances by classification as of September 30, 2019, pursuant to GASB 54 are as follows:

	Major Funds			Nonmajor Funds		Total
	General Fund	Intest & Sinking	Capital Project SL 79 Loop	Special Revenue Funds	Capital Projects Funds	Governmental Funds
Restricted for :						
Interest & Sinking	\$ -	\$ 204,884	\$ -	\$ -	\$ -	\$ 204,884
Capital Project	-	-	155,314	-	499,308	654,622
Road and Bridge	-	-	-	172,000	-	172,000
County Clerk Management & Preservation	-	-	-	7,004	-	7,004
County Management & Preservation	-	-	-	47,030	-	47,030
County Court Records Preservation	-	-	-	6,873	-	6,873
District Clerk Management & Preservation	-	-	-	26,400	-	26,400
District Clerk Records Archive	-	-	-	31,383	-	31,383
County Clerk Record Archive	-	-	-	70,622	-	70,622
Court Reporter	-	-	-	28,053	-	28,053
Courthouse & Justice Courts Security Fees	-	-	-	37,076	-	37,076
Sheriff LEOSE	-	-	-	8,164	-	8,164
District Attorney Pre-Trial Diversion	-	-	-	37,647	-	37,647
County Court at Law DWI Program	-	-	-	17,387	-	17,387
Constable #3	-	-	-	3,904	-	3,904
Justice of the Peace Technology Funds	-	-	-	36,237	-	36,237
County Attorney Pre-Trial Diversion	-	-	-	97,325	-	97,325
County & District Clerk - Tech Fund	-	-	-	967	-	967
District Attorney Settlements	-	-	-	94,735	-	94,735
HOT Fund	-	-	-	62,722	-	62,722
HOT Fund (City)	-	-	-	49,954	-	49,954
Hot Check - County Attorney	-	-	-	24,837	-	24,837
Jury Fund	-	-	-	8,398	-	8,398
Chapter 19 - Tax Assessor	-	-	-	3,144	-	3,144
HIDTA Amistad Intell 2018	-	-	-	4	-	4
Southwest Border Initiative	-	-	-	12,104	-	12,104
DWI Specialty Court	-	-	-	(2,305)	-	(2,305)
Other Special Revenue Funds	-	-	-	374	-	374
Family Protection	-	-	-	4,963	-	4,963
Law Library	-	-	-	(6,105)	-	(6,105)
Committed:						
Financial Integrity Fund	50,000	-	-	-	-	50,000
Encumbrances	702,425	-	-	-	-	702,425
Fire Reserves Fund	2,728	-	-	-	-	2,728
San Felipe Pastures	31,288	-	-	-	-	31,288
Sheriff Reserves	1,342	-	-	-	-	1,342
Sheriff Settlement	42,743	-	-	-	-	42,743
Sheriff Tower	5,100	-	-	-	-	5,100
Subsequent Budget Year	2,790,134	-	-	-	-	2,790,134
Unassigned	3,599,473	-	-	-	-	3,599,473
Total Fund Balances	<u>\$ 7,225,233</u>	<u>\$ 204,884</u>	<u>\$ 155,314</u>	<u>\$ 880,897</u>	<u>\$ 499,308</u>	<u>\$ 8,965,636</u>

## **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. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows consist of, when applicable, deferred charges on refundings, the changes in fair value of the hedging derivative instruments that are applicable to future reporting periods, pension contributions after measurement date, the differences in projected and actual earnings on pension assets, and changes in pension assumptions. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. Pension contributions after measurement date are deferred and recognized in the following fiscal year. The difference in projected and actual earnings on pension assets are amortized over a closed five-year period. Pension assumption changes are recognized over the average remaining service life for all members.

Deferred outflows for other postemployment benefits (“OPEB”) other than Pensions include changes in the net OPEB liability that have not been included in OPEB expense are required to be reported as deferred outflows of resources or deferred inflows of resources related to OPEB.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows consist of, when applicable, the changes in fair value of the hedging derivative instruments that are applicable to future reporting periods, differences in expected and actual pension experience, and unavailable revenue. Unavailable revenue is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Difference in expected and actual pension experience is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.

## **K. Federal and State Grants**

Revenue from federal and state grants is recognized on the basis of actual expenditures incurred, limited to the amount of the total grant award. During the year ended September 30, 2019, the County applied for and received federal and state grants related to various activities. The operations of these grants are reported in the general fund and various special revenue funds. Most of these grants are reimbursement type grants, therefore, revenues equal expenditures. Grant revenues are classified as intergovernmental revenues. Federal grants are covered by the requirements of the Single Audit Act and Title 2 U.S. Code of Federal Regulations (CFR) Part 200 (Uniform Guidance) while state grants are covered by the State of Texas Uniform Grant Management Standards (“UGMS”).



## **L. Property Taxes**

Property subject to taxation is real property and certain personal property situated in the County. The County's property tax is levied by October 1 on the assessed value listed as of the preceding 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. Interest and penalties of 7% plus 2% a month are added for payments received in February, March, April, May, and June. The assessed valuation (not including freeze) of taxable property for the year 2018 was \$2,975,724,657 for the general and interest & sinking funds and \$2,973,483,119 for the road and bridge fund which represent 100% of appraised value. Tax rate per \$100 of taxable value is \$.4993 for the general and debt service funds and \$.0244 for the road and bridge fund. Taxes receivable are reduced by an allowance of 4% for estimated uncollectible taxes. Revenues from property taxes are recognized in the current year to the extent they are available to finance current year expenditures. The County is permitted to levy a tax rate up to \$.80 per \$100 valuation and the and the Court may levy the tax rate needed for its governmental services as long as the Court does not impair any outstanding bonds or other obligations or exceed the \$.80 per \$100 valuation for the year. The legislature may authorize an additional \$.15 ad valorem tax for maintenance of public roads and bridges or a \$.30 ad valorem tax to be levied for road and flood control provide the majority of the qualified voters of the County approve the additional taxes. Because of limitations imposed by state law, cases in which accumulated taxes exceed property value and other problems in tax collection, allowances have been provided for uncollectible accounts.

## **M. Compensated Absences**

All full-time employees are eligible for twelve days of 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 seventeen 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 is hired. Upon termination of employment, unused sick leave is cancelled without compensation. Sick leave may be accumulated up to 60 days.

## **N. Pensions**

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

## **O. 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.

## P. 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.

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

### A. 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 \$(1,237,050) is as follows:

Capital outlay-additions	\$ 1,037,093
Construction in progress	101,817
Depreciation expense	<u>(2,375,960)</u>
<i>Net adjustment to decrease net changes in fund balance- total government funds to arrive at change in net position of governmental activities (Exhibit C-4)</i>	<u>\$ (1,237,050)</u>

## III. DETAILED NOTES ON ALL FUNDS

### A. Deposits and Investments

The County 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.

In fiscal year 2017, the County adopted GASB Statement No. 72 (“GASB 72”), *Fair Value Measurement and Application*. GASB 72 was issued to address accounting and financial reporting issues related to fair value measurements.

At September 30, 2019, the carrying amount of the County’s deposits was \$4,558,783 and total bank balances equaled \$5,198,329.

The fair values of investments at September 30, 2019 are summarized as follows:

**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. TexPool and Texas Class investments of the County are rated AAA 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.

	<u>Rate</u>	<u>WAM (Days)</u>	<u>Fair Value</u>
<u>General Fund</u>			
TexPool	1.92%	35	\$ 2,297,601
Texas Class		47	<u>4,044,435</u>
			<u>6,342,036</u>
<u>Road &amp; Bridge Fund</u>			
TexPool	1.92%	35	841
Texas Class		47	<u>2,320</u>
			<u>3,161</u>
<u>Interest &amp; Sinking Fund</u>			
TexPool	1.92%	35	<u>180,561</u>
			<u>180,561</u>
Total Investments			<u>\$ 6,525,758</u>

## B. Receivables and Allowance for Uncollectible Accounts

Receivables as of year-end for the governmental activities, individual major governmental funds and other governmental funds, including the applicable allowances for uncollectible accounts are as follows:

	<u>General</u>	<u>Interest and Sinking</u>	<u>Road and Bridge</u>	<u>Total</u>
Taxes receivable:				
Property tax	\$ 1,815,666	\$ 201,741	\$ 87,224	\$ 2,104,631
Less: allowance for uncollectibles	<u>( 72,626)</u>	<u>( 8,070)</u>	<u>( 3,489)</u>	<u>( 84,185)</u>
Net accounts receivable	<u>\$ 1,743,040</u>	<u>\$ 193,671</u>	<u>\$ 83,735</u>	<u>\$ 2,020,446</u>

## C. Inter Fund Balances and Transfers

In the fund financial statements, interfund balances are the result of normal transactions between funds that will be liquidated in the subsequent fiscal year. The following is a summary of amounts due from and due to other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Payroll	\$ 125
General	Road & Bridge	2,097
General	Grants	15,190
General	Grant Account	910,000
General	General	261,296
Payroll	General	16,529
Payroll	Special Revenue	34,612
Payroll	Grants	60,684
Non-major	Non-major	808,291
Non-major	General	<u>181,770</u>
		<u>\$ 2,290,594</u>

Interfund transfers for the fiscal year ended September 30, 2019, are summarized below:

Transfer from	Amount	Transfer to	Purpose
Capital project SL 79 fund	\$ 3,750,000	Interest and sinking fund	Debt payment
Road and Bridge fund	1,310,826	General fund	Payroll
General fund	711,770	Nonmajor funds	Continuing operations
Total transfers	<u>\$ 5,772,596</u>		

#### D. Long-term Debt

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 TxDOT. 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.

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.

The County issued \$2,545,000 of Limited Tax Notes, Series 2016, on September 28, 2016. The tax notes have an interest rate of 1.97% and mature on August 15, 2023.

The County issued \$1,200,000 of Tax and Revenue Anticipation Note, Series 2017, on October 4, 2018. This note was fully paid by September 30, 2018.

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.

#### General Obligations Annual Requirements to Amortize Long-Term Debt Including Interest

Year Ending September 30,	General Obligations		Total
	Principal	Interest	Requirements
2020	\$ 4,064,550	\$ 735,473	\$ 4,800,023
2021	4,205,448	593,605	4,799,053
2022	4,356,372	445,935	4,802,307
2023	4,492,325	308,412	4,800,737
2024	4,193,307	157,300	4,350,607
2025-2029	34,256	1,042	35,298
Totals	<u>\$ 21,346,258</u>	<u>\$ 2,241,767</u>	<u>\$ 23,588,025</u>

## Changes in Long-term liabilities

	Balance 9/30/2018	Increase	Decrease	Adjustment	Balance 9/30/2019	Due Within One Year
2011 Limited Tax Bond	\$ 19,185,000	\$ -	\$ 2,900,000	\$ -	\$ 16,285,000	\$ 3,015,000
2014 Limited Tax Bond	3,740,000	-	590,000	-	3,150,000	600,000
2016 Tax Note	2,135,000	-	415,000	-	1,720,000	420,000
Government Capital Corporation	220,000	-	28,742	-	191,258	29,550
Premium on Bonds	243,460	-	48,689	-	194,771	48,689
Net OPEB Obligation	3,985,304	-	-	-	3,985,304	-
Net Pension Liability	2,670,308	6,385,716	2,499,368	-	6,556,656	-
Compensated Absences	538,533	-	10,835	(17,606)	510,092	-
Total	<u>\$ 32,717,605</u>	<u>\$ 6,385,716</u>	<u>\$ 6,492,634</u>	<u>\$ (17,606)</u>	<u>\$ 32,593,081</u>	<u>\$ 4,113,239</u>

## E. Capital Assets

Capital asset activity for the year ended September 30, 2019, under governmental activities is as follows:

	Balance 9/30/2018	Additions	Deletions	Adjustments	Balance 9/30/2019
Governmental activities					
Capital assets not depreciated:					
Land	\$ 119,819	\$ -	\$ -	\$ -	\$ 119,819
Construction in progress	<u>168,681</u>	<u>101,817</u>	<u>-</u>	<u>-</u>	<u>270,498</u>
Total capital assets not being depreciated	<u>288,500</u>	<u>101,817</u>	<u>-</u>	<u>-</u>	<u>390,317</u>
Capital assets being depreciated:					
Buildings & improvements	15,546,510	110,015	-	-	15,656,525
Furniture & equipment	11,953,759	885,752	( 360,200)	28,850	12,508,161
Infrastructure	<u>47,586,392</u>	<u>41,326</u>	<u>-</u>	<u>( 44,350)</u>	<u>47,583,368</u>
Total capital assets being depreciated	75,086,661	1,037,093	( 360,200)	( 15,500)	75,748,054
Less: accumulated depreciation:					
Buildings & improvements	29,567,381	1,479,058	-	261,544	31,307,983
Furniture & equipment	<u>8,864,583</u>	<u>896,902</u>	<u>( 360,200)</u>	<u>( 261,544)</u>	<u>9,139,741</u>
Total capital assets being depreciated	<u>38,431,964</u>	<u>2,375,960</u>	<u>( 360,200)</u>	<u>-</u>	<u>40,447,724</u>
Total depreciable assets, net	<u>36,654,697</u>	<u>( 1,338,867)</u>	<u>-</u>	<u>( 15,500)</u>	<u>35,300,330</u>
Total capital assets	<u>\$ 36,943,197</u>	<u>\$( 1,237,050)</u>	<u>\$ -</u>	<u>\$( 15,500)</u>	<u>\$ 35,690,647</u>

Depreciation expense for FY 2019 was charged to functions/programs of the County as follows:

Gen Gov	\$ 35,261
Justice	32,547
Public Safety	503,516
Infrastructure	1,620,392
Public Facilities	164,759
Highway Street	19,485
Total	<u>\$ 2,375,960</u>

#### **F. 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.

#### **G. Contingent Liabilities and Commitments**

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under the terms of the grant. A contingent liability was not established because potential reimbursements are considered immaterial.

#### **H. Prior Period Adjustment**

Adjustments to the fund balance and net position during the 2018-2019 year consisted of the following:

Description	General Fund	Other Nonmajor Funds	Total
To close out balance sheet items that never materialized	\$ 16,970	\$ -	\$ 16,970
Equity transfer	-	75,098	75,098
Total per Exhibit B-1 and C-3	<u>\$ 16,970</u>	<u>\$ 75,098</u>	<u>\$ 92,068</u>

#### IV. OTHER INFORMATION

##### A. Employees' Retirement Plan

###### 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 or on their website at [www.tcdrs.org](http://www.tcdrs.org).

The plan provisions are adopted by the governing body of the County, and can be amended, 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.

###### *Employees covered by benefit terms*

At the December 31, 2018 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit	141
Inactive employees entitled to but not yet receiving benefits	208
Active employees	270
Total	<u>619</u>

###### **Contributions**

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

Employees for the County were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the County were 11.93% and 12.02% in calendar years 2018 and 2019, respectively. The County's contributions to TCDRS for the year ended September 30, 2019 were \$1,298,475 and were equal to the required contributions.

## Net Pension Liability

The County's Net Pension Liability (NPL) was measured as of December 31, 2018, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

### *Actuarial Assumptions*

The Total Pension Liability in the December 31, 2018, actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.75% per year
Overall payroll growth	3.25% per year
Investment rate of return	8.10%, (Gross of administrative expenses)

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

Depositing members	90% of the RP-2014 Active Employee Mortality Table for males and 90% of the RP-2014 Active Employee Mortality Table for females, projected with 110% of the MP-2014 Ultimate scale after 2014.
Service retirees, beneficiaries and non-depositing members	130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.
Disabled retirees	130% of the RP-2014 Disabled Annuitant Mortality Table for males and 115% of the RP-2014 Disabled Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.

The actuarial assumptions that determined the total pension liability as of December 31, 2018, were based on the results of an actuarial experience study for the period January 1, 2009 through December 31, 2012, except where required to be different by GASB 68.

The long-term expected rate of return on pension plan investments is 8.1%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TCDRS Board of Trustees.



The long-term expected rate of return on TCDRS is determined by adding inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information below are based on January 2019 information for a 7 to 10 year time horizon. The valuation assumption for long-term expected return is re-assessed at a minimum of every four years, and is set based on a 30-year time horizon; the most recent analysis was performed in 2013. The target allocation and best estimates of geometric real rates return for each major assets class are summarized in the following table:

<b>Asset Class</b>	<b>Benchmark</b>	<b>Target Allocation <sup>(1)</sup></b>	<b>Geometric Real Rate of Return (Expected minus Inflation) <sup>(2)</sup></b>
US Equities	Dow Jones U.S. Total Stock Market Index	10.50%	5.40%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index <sup>(3)</sup>	18.00%	8.40%
Global Equities	MSCI World (net) Index	2.50%	5.70%
Int'l Equities - Developed Markets	MSCI World Ex USA (net)	10.00%	5.40%
Int'l Equities - Emerging Markets	MSCI Emerging Markets (net) Index	7.00%	5.90%
Investment-Grade Bonds	Bloomberg Barclays U.S. Aggregate Bond Index	3.00%	1.60%
Strategic Credit	FTSE High-Yield Cash-Pay Caped Index	12.00%	4.39%
Direct Lending	S&P/LSTA Leveraged Loan Index	11.00%	7.95%
Distressed Debt	Cambridge Associates Distressed Securities Index <sup>(4)</sup>	2.00%	7.20%
REIT Equities	67% FTSE NAREIT All Equity REITs Index + 33% S&P Global REIT (net) Index	2.00%	4.15%
Master Limited Partnerships (MLPs)	Alerian MLP Index	3.00%	5.35%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index <sup>(5)</sup>	6.00%	6.30%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	13.00%	3.90%

<sup>(1)</sup> Target asset allocation adopted at the April 2018 TCDRS Board meeting.

<sup>(2)</sup> Geometric real rates of return equal the expected return minus the assumed inflation rate of 1.70%, per Cliffwater's 2019 capital market assumptions.

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

<sup>(4)</sup> Includes vintage years 2005-present of Quarter Pooled Horizon IRRs.

<sup>(5)</sup> Includes vintage years 2007-present of Quarter Pooled Horizon IRRs.

### ***Discount Rate***

In order to determine the discount rate to be used by the employer, TCDRS has used an alternative method to determine the sufficiency of the fiduciary net position in all future years. The alternative method reflects the funding requirements under the employer's funding policy and the legal requirements under the TCDRS Act: 1) TCDRS has a funding policy where the Unfunded Actuarial Accrued Liability (UAAL) shall be amortized as a level percent of pay over 20-year closed layered periods, 2) Under the TCDRS Act, the employer is legally required to make the contribution specified in the funding policy, 3) The employer's assets are projected to exceed its accrued liabilities in 20 years or less, when this point is reached the employer is still required to contribute at least the normal cost, 4) Any increased cost due to the adoption of a COLA is required to be funded over a period of 15 years, if applicable. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability. The long term assumed rate of return should be net of investment expenses, but gross of administrative expenses for GASB 68 purposes. This rate reflects the long-term assumed rate of return on assets for funding purposes of 8.00%, net of all expenses, increased by 0.10% to be gross of administrative expenses. The discount rate used to measure the Total Pension Liability was 8.10%.

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

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balance as of 12/31/2017	\$ 49,625,000	\$ 46,954,691	\$ 2,670,309
Changes for the year:			
Service cost	1,422,375	-	1,422,375
Interest on total pension liability <sup>(1)</sup>	4,033,011	-	4,033,011
Effect of plan changes <sup>(2)</sup>	-	-	-
Effect of economic/demographic gains or losses	( 515,975)	-	( 515,975)
Effect of assumptions changes or inputs	-	-	-
Refund of contributions	( 94,596)	( 94,596)	-
Benefit payments	( 2,469,556)	( 2,469,556)	-
Administrative expenses	-	( 36,501)	36,501
Member contributions	-	739,119	( 739,119)
Net investment income	-	( 881,243)	881,243
Employer contributions	-	1,244,274	( 1,244,274)
Other <sup>(3)</sup>	-	( 12,586)	12,586
Balance as of 12/31/2018	<u>\$ 52,000,259</u>	<u>\$ 45,443,602</u>	<u>\$ 6,556,657</u>

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

<sup>(2)</sup> No plan changes valued.

<sup>(3)</sup> Relates to allocation of system-wide items.

### ***Sensitivity Analysis***

The following presents the net pension liability of the County, calculated using the discount rate of 8.10%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.10%) or 1-percentage-higher (9.10%) than the current rate:

	1% Decrease 7.10%	Current Discount Rate 8.10%	1% Increase 9.10%
Total pension liability	\$ 58,377,280	\$ 52,000,259	\$ 46,615,930
Fiduciary net position	<u>45,443,602</u>	<u>45,443,602</u>	<u>45,443,602</u>
Net pension liability/(asset)	<u>\$ 12,933,678</u>	<u>\$ 6,556,657</u>	<u>\$ 1,172,328</u>

### ***Pension Plan Fiduciary Net Position***

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

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

For the year ended September 30, 2019, the County recognized pension expense of \$2,210,097.

At September 30, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual economic experience	\$ 513,720	\$ 174,214
Changes of assumptions	-	97,480
Net difference between projected and actual earnings	-	2,930,907
Contributions made subsequent to measurement date	-	953,257
Total	<u>\$ 513,720</u>	<u>\$ 4,155,858</u>

\$953,257 reported as deferred outflows of resources related to pension resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2020. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expenses as follows:

Year Ended December 31,	
2019	\$ 1,048,461
2020	447,608
2021	260,899
2022	931,913
2023	-
Thereafter	-
	<u>\$ 2,688,881</u>

## **B. Other Post-Retirement Health Care Benefits**

### **1. Plan Description**

In addition to the pension benefits described above, the Commissioners' Court established a medical insurance benefit plan for retirees.

Benefits provided - Eligible retirees will be provided 100% of the individual coverage contribution for medical & dental insurance benefits at a set premium rate equal to the County employees' rate. Eligible retirees may also cover their eligible dependents but are responsible for paying 100% of 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.

## Summary of Significant Accounting Policies

The plan's transactions are recorded using the accrual basis of accounting. Plan's members and employer's contributions are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable. Investments, if any are reported in a fair value which is the amount the Plan could reasonably expect to receive for it in a current sale between a willing buyer and willing seller. Fair value, for financial reporting purposes, is measured by the market price unless such prices are not available in which case, fair is estimated.

The County is required by GASB Statement No. 75 to disclose additional information with regard to funding policy, the employers annual OPEB cost and contribution made, the funded status and funding progress for the employer's individual plan, and actuarial methods and assumptions used.

## 2. Funding Policy

The County contributions to the Retiree Health Program consist of a pay-as-you-go monthly contribution rate of \$515 per participant. The County contributions to the plan for fiscal year 2019 were \$153,563. Current retirees contribute to the Retiree Health Program without adjustment for age and sex.

## 3. Annual OPEB Cost & Total OPEB Liability or (Asset)

Employees covered by benefit terms. At September 30, 2019, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefit payments	20
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	217
Total	<u>237</u>

## Total OPEB Liability

The County's total OPEB liability of \$3,985,304 was measured as of September 30, 2018 and was determined by an actuarial valuation as of that date.

*Actuarial assumptions and other inputs.* The total OPEB liability was determined using the following assumptions, applied to all periods included in the measurement, unless otherwise specified:

Measurement Date:	September 30, 2018
Actuarial Valuation Date:	September 30, 2018
Inflation:	3.00%
Salary Increases:	3.50%
Discount Rate:	4.06%
Prior Year Discount Rate:	5.00%

Calculations are based on the types of benefits provided under the terms of the substantive plan at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future.

Actuarial calculations reflect a long-term perspective.

**Valuation Date:** September 30, 2018

**Discount Rate:** 4.06%

**Inflation Rate:** 3.00%

**Salary Scale:** 3.50%

**Medical Plan Elections:** Current and future retirees that meet the following criteria: age 60 with 8 years of service; 20 years of service without regard to age; or the sum of age plus service equals 75, are eligible to enroll in the base plan.

**Postretirement Contributions:** The retiree contributes the full contribution rate for dependent coverage.

**Other Benefits:** Dental benefits are provided to eligible retirees at no cost for individual coverage. The retiree pays the full cost of dependent coverage. A life insurance benefit of \$2,500 on the life of the eligible retiree is provided at no cost to the retiree. These benefits continue to age 65.

**Claim Costs:**

<u>Age</u>	<u>Medical</u>
50	7,119
51	7,297
52	7,480
53	7,667
54	7,858
55	8,055
56	8,256
57	8,463
58	8,674
59	8,891
60	9,113
64	10,059

*The dental claims cost ranges from \$187 at age 50 to \$231 at age 64.*

**Mortality:** RPH-2014 Employee Mortality Table, Generational with Projection Scale MP-2018

**Claim Cost Trend:**

Rate of Inflation:	3.00%
Medical	5.00%
Dental	1.50%

**Employee Turnover:** The termination rates were developed from the withdrawal assumption used in the 2017 actuarial report for the Texas County and District Retirement System ("TCDRS"). The rates are a 15 year select and ultimate table and are sex specific. The following are representative rates used in this valuation.

Entry Age/Gender	0 YOS	3 YOS	6 YOS	9 YOS	12 YOS	15+ YOS
20-29 Male	33.40%	13.50%	8.80%	6.20%	4.40%	3.00%
20-29 Female	36.20%	14.60%	9.50%	6.70%	4.70%	3.30%
30-39 Male	27.80%	11.50%	7.70%	5.60%	4.00%	2.90%
30-39 Female	30.20%	12.50%	8.30%	6.00%	4.40%	3.10%
40-49+ Male	23.70%	9.80%	6.50%	4.70%	3.40%	2.40%
40-49+ Female	25.60%	10.60%	7.10%	5.10%	3.70%	2.70%

**Retirement:** The retirement rates were developed from the assumption used in the 2017 actuarial report for the TCERS retirement plans. These rates are unisex. The following are representative rates used in this valuation.

Age	Rate
50	10.00%
55	10.00%
60	12.00%
62	20.00%
65	25.00%

#### Changes in the Net OPEB Liability

	Total OPEB Liability
Balance at 9/30/2018	\$ 3,735,263
Changes for the year:	
Service Cost	283,121
Interest	159,242
Differences between expected and actual experience	-
Changes in Assumptions/Inputs	-
Change in Benefit Terms	-
Benefit payments	(192,322)
Administrative Expense	-
Net Changes	\$ 250,041
Balance at 9/30/2019	\$ 3,985,304

There were no changes to the benefit terms.

Sensitivity of the total OPEB liability to changes in the discount rate and healthcare cost trend rates. The following presents the total OPEB liability of the County as of September 30, 2018, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease	Current	1% Increase
Discount Rate:	\$ 4,368,112	\$ 3,985,304	\$ 3,641,075
Healthcare Cost Trend Rates:	\$ 3,521,496	\$ 3,985,304	\$ 4,545,103

## OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2019, the County recognized OPEB expense of \$442,363. At September 30, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

<b>OPEB Expense</b>	
Service cost	\$ 283,121
Interest cost	159,242
Changes of benefit terms	-
Current recognized deferred outflows/(inflows)	-
Difference between expected and actual experience	-
Changes in assumptions or other inputs	-
(Other changes, if significant)	-
Difference of projected investment earnings	-
<b>Total OPEB Expense as of September 30, 2019</b>	<b>\$ 442,363</b>

The County reported no deferred outflows of resources and deferred inflows of resources related to OPEB expense.

### C. 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.

### D. Recent Accounting Pronouncements

Statement No. 81, "*Irrevocable Split-Interest Agreements*." The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends December 31, 2017. GASB Statement No. 81 does not have an irrevocable split-interest transaction for inclusion for the County financial statements.

Statement No. 82, "*Pension Issues – an amendment of GASB Statements No. 67, No. 68, and No. 73*." The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2017, except for the requirements of this Statement for the selection of assumptions in a circumstance in which an employer's pension liability is measured as of a date other than the employer's most recent fiscal year-end. In that circumstance, the requirements for the selection of assumptions will take effect for that employer in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017. The County implemented and incorporated the new pronouncement according to State's TCDRS actuarial annual report.

Statement No. 83, "*Certain Asset Retirement Obligations*." The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2019. The impact to this new pronouncement has not yet been determined. The County does not have asset retirement obligation transaction that required this pronouncement implementation.

Statement No. 84, “*Fiduciary Activities*.” The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends December 31, 2019. This new pronouncement will be implemented for fiscal year 2020.

Statement No. 85, “*Omnibus 2017*.” The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2018. The practice issues impacting the identified topics in the 2017 Omnibus applicable to County’s financial statements have been implemented.

Statement No. 86, “*Certain Debt Extinguishment Issues*.” The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2018. The County will implement the new pronouncement during the certain debt extinguishment conditions are met. The County did not have debt extinguishment transactions for this fiscal year.

Statement No. 87, Leases (“GASB 87”), requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. GASB 87 will be implemented by the County in fiscal year 2020 and the impact has not yet been determined.

Statement No. 88, Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements (“GASB 88”), This Statement requires additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. For notes to financial statements related to debt, it also requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt. GASB 88 will be implemented by the County in fiscal year 2019 and the impact has not yet been determined.

Statement No. 89, Accounting for Interest Cost Incurred Before the End of a Construction Period (“GASB 89”), This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles. GASB 89 will not impact the County as it currently does not have business-type activities.



## **REQUIRED SUPPLEMENTARY INFORMATION**

## VAL VERDE COUNTY, TEXAS

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

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Property taxes	\$ 11,874,449	\$ 11,874,449	\$ 11,552,154	\$ (322,295)
Sales tax	2,262,665	2,262,665	3,408,064	1,145,399
Intergovernmental	293,090	366,842	380,882	14,040
Charges for services	1,341,286	1,341,286	1,548,616	207,330
License and permits	25,508	25,508	34,149	8,641
Fees and fines	1,576,087	1,576,087	1,246,295	(329,792)
Investment earnings	30,000	30,000	131,893	101,893
Miscellaneous	63,500	63,500	52,066	(11,434)
Total revenues	<u>17,466,585</u>	<u>17,540,337</u>	<u>18,354,119</u>	<u>813,782</u>
<b>EXPENDITURES</b>				
General government	5,862,042	7,806,048	7,477,208	328,840
Justice System	3,731,270	3,788,223	3,596,986	191,237
Public facilities	1,184,223	1,588,509	1,312,888	275,621
Public safety	4,345,809	4,776,508	4,350,612	425,896
Health and human services	171,565	301,984	279,395	22,589
Culture and recreation	596,631	607,707	597,476	10,231
Total expenditures	<u>15,891,540</u>	<u>18,868,979</u>	<u>17,614,565</u>	<u>1,254,414</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>1,575,045</u>	<u>(1,328,642)</u>	<u>739,554</u>	<u>2,068,196</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Settlements and insurance claims	50,000	50,000	465,759	415,759
Transfers in	-	1,322,359	1,310,826	(11,533)
Transfers out (uses)	<u>(1,632,699)</u>	<u>(1,632,699)</u>	<u>(711,770)</u>	<u>920,929</u>
Total other financing sources and (uses)	<u>(1,582,699)</u>	<u>(260,340)</u>	<u>1,064,815</u>	<u>1,325,155</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(7,654)</u>	<u>(1,588,982)</u>	<u>1,804,369</u>	<u>3,393,351</u>
<b>FUND BALANCE, BEGINNING</b>	<u>5,403,894</u>	<u>5,403,894</u>	<u>5,403,894</u>	<u>-</u>
<b>PRIOR PERIOD ADJUSTMENT</b>	<u>-</u>	<u>-</u>	<u>16,970</u>	<u>16,970</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 5,396,240</u>	<u>\$ 3,814,912</u>	<u>\$ 7,225,233</u>	<u>\$ 3,410,321</u>

## VAL VERDE COUNTY, TEXAS

SCHEDULE OF CHANGES IN  
NET PENSION LIABILITY AND RELATED RATIOS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Plan Year Ended December 31,				
	2018	2017	2016	2015	2014
<b>Total Pension Liability</b>					
Service cost	\$ 1,422,375	\$ 1,382,826	\$ 1,440,667	\$ 1,220,164	\$ 1,204,990
Interest on total pension liability	4,033,011	3,768,963	3,538,940	3,331,584	3,123,845
Effect of plan changes	-	-	-	(209,209)	-
Effect of assumption changes or inputs	-	194,962	-	435,563	-
Effect of economic/demographic (gains) or losses	(515,975)	348,428	(506,956)	(161,443)	(75,870)
Benefit payments/refunds of contributions	<u>(2,564,152)</u>	<u>(2,389,012)</u>	<u>(2,232,786)</u>	<u>(1,881,722)</u>	<u>(1,734,541)</u>
Net change in pension liability	2,375,259	3,306,167	2,239,865	2,734,937	2,518,424
Total pension liability, beginning	<u>49,625,000</u>	<u>46,318,832</u>	<u>44,078,967</u>	<u>41,344,030</u>	<u>38,825,606</u>
Total pension liability, ending (a)	<u>\$ 52,000,259</u>	<u>\$ 49,624,999</u>	<u>\$ 46,318,832</u>	<u>\$ 44,078,967</u>	<u>\$ 41,344,030</u>
<b>Fiduciary Net Position</b>					
Employer contributions	\$ 1,244,274	\$ 1,144,360	\$ 1,076,161	\$ 1,075,748	\$ 1,023,076
Member contributions	739,119	697,174	664,883	657,689	612,096
Investment income net of investment expenses	(881,243)	6,047,762	2,893,140	(405,384)	2,507,651
Benefit payments/refunds of contributions	(2,564,152)	(2,389,012)	(2,232,786)	(1,881,722)	(1,734,541)
Administrative expenses	(36,501)	(31,226)	(31,464)	(28,326)	(29,587)
Other	<u>(12,586)</u>	<u>(7,631)</u>	<u>18,479</u>	<u>81,990</u>	<u>43,045</u>
Net change in fiduciary net position	(1,511,089)	5,461,427	2,388,413	(500,005)	2,421,740
Fiduciary net position, beginning	<u>46,954,691</u>	<u>41,493,264</u>	<u>39,104,851</u>	<u>39,604,855</u>	<u>37,183,116</u>
Fiduciary net position, ending (b)	<u>\$ 45,443,602</u>	<u>\$ 46,954,691</u>	<u>\$ 41,493,264</u>	<u>\$ 39,104,850</u>	<u>\$ 39,604,856</u>
Net pension liability / (assets), ending = (a) - (b)	<u>\$ 6,556,658</u>	<u>\$ 2,670,309</u>	<u>\$ 4,825,568</u>	<u>\$ 4,974,117</u>	<u>\$ 1,739,174</u>
Fiduciary net position as a % of total pension liability	87.39%	94.62%	89.58%	88.72%	95.79%
Pensionable covered payroll	\$ 10,429,308	\$ 9,959,635	\$ 9,498,336	\$ 9,364,142	\$ 8,744,223
Net pension liability as a % of covered payroll	62.87%	26.81%	50.80%	53.12%	19.89%

## VAL VERDE COUNTY, TEXAS

## SCHEDULE OF EMPLOYER CONTRIBUTIONS

## LAST TEN FISCAL YEARS

Year Ending September 30,	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll	Actual Contribution as a % of Covered Payroll
2010	\$ 801,485	\$ 801,485	\$ -	\$ 7,706,583	10.4%
2011	821,885	821,885	-	7,910,361	10.4%
2012	888,403	888,403	-	8,210,745	10.8%
2013	922,737	922,737	-	8,335,455	11.1%
2014	1,023,076	1,023,076	-	8,744,223	11.7%
2015	1,075,748	1,075,748	-	9,364,142	11.5%
2016	1,076,161	1,076,161	-	9,498,336	11.3%
2017	1,144,360	1,144,360	-	9,959,635	11.5%
2018	1,244,274	1,244,274	-	10,429,308	11.9%
2019	1,298,475	1,298,475	-	10,824,281	12.0%

## VAL VERDE COUNTY, TEXAS

## NOTES TO SCHEDULE OF EMPLOYER CONTRIBUTIONS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

<b>Valuation Timing</b>	Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of the fiscal year in which the contributions are reported.
<b>Actuarial Cost Method</b>	Entry age
<b>Amortization Method</b>	Level percentage of payroll, closed
<b>Remaining Amortization Period</b>	12.7 years (based on contribution rate calculated in 12/31/2018 valuation)
<b>Asset Valuation Method</b>	5-year smoothed market
<b>Inflation</b>	2.75%
<b>Salary Increases</b>	Varies by age and service. 4.9% average over career including inflation.
<b>Investment Rate of Return</b>	8.00%, net of administrative and investment expenses, including inflation
<b>Retirement Age</b>	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
<b>Mortality</b>	130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Table for females, both projected with 110% of the MP-2014 scale after 2014.
<b>Changes in Assumptions and Methods Reflected in the Schedule of Employer Contribution*</b>	No changes in plan provisions were reflected in the Schedule
<b>Changes in Plan Provisions Reflected in the Schedule</b>	No changes in plan provisions were reflected in the Schedule

## VAL VERDE COUNTY, TEXAS

SCHEDULE OF CHANGES IN  
TOTAL OPEB LIABILITY AND RELATED RATIOS

SEPTEMBER 30, 2019

**Total OPEB Liability**

Service Cost	\$ 283,121
Interest on total OPEB liability	159,242
Effect of plan changes	-
Effect of assumption changes or inputs	-
Effect of economic/demographic (gains) or losses	-
Benefit payments	<u>(192,322)</u>
Net change in total OPEB liability	<u><u>\$ 250,041</u></u>
 Total OPEB liability, beginning (as restated)	 \$3,735,263
Total OPEB liability, ending	\$3,985,304
 Covered payroll	 \$8,399,944
 Total OPEB liability as a % of covered payroll	 47.44%

\*Fiscal year 2018 was the first year of implementation, therefore only one year is shown.

## VAL VERDE COUNTY, TEXAS

## SCHEDULE OF FUNDING PROGRESS FOR OPEB LIABILITY

SEPTEMBER 30, 2019

Measurement Date	Fiduciary Net Position	Total OPEB Liability - Entry Age Normal Percentage of Salary	Net OPEB Liability	Funded Ratio	Covered Payroll	Net OPEB Liability as a Percentage of Covered Payroll
9/30/2018	\$ -	\$ 3,985,304	\$ 3,985,304	0.00%	\$ 8,399,944	47.44%

\*Fiscal year 2018 was the first year of implementation, therefore only one year is shown.

**VAL VERDE COUNTY, TEXAS**  
**NOTES TO BUDGETARY SCHEDULE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

**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, 2019:

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



## **OTHER SUPPLEMENTARY INFORMATION**

## VAL VERDE COUNTY, TEXAS

## SCHEDULE OF REVENUES - BUDGET AND ACTUAL

## GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Positive (Negative)
<b>REVENUES</b>				
Current tax	\$ 11,414,422	\$ 11,414,422	\$ 11,005,998	\$ (408,424)
Delinquent tax	460,027	460,027	546,156	86,129
State comptroller	125,000	125,000	119,469	(5,531)
Environmental health	25,508	25,508	34,149	8,641
U.S. marshall	940,000	940,000	1,188,349	248,349
Sheriff	106,939	106,939	81,833	(25,106)
County attorney	1,369	1,369	-	(1,369)
County clerk	211,396	211,396	241,927	30,531
Tax assessor collector	711,889	711,889	346,829	(365,060)
District clerk	149,126	149,126	135,844	(13,282)
Justice of the peace #1	59,862	59,862	95,356	35,494
Justice of the peace #2	86,363	86,363	102,946	16,583
Justice of the peace #3	106,637	106,637	104,440	(2,197)
Justice of the peace #4	39,821	39,821	48,325	8,504
Court at law	67,000	67,000	50,827	(16,173)
Interest	30,000	30,000	131,893	101,893
Fairground lease	52,686	52,686	62,435	9,749
Miscellaneous (Sundry)	60,000	60,000	51,380	(8,620)
County and district board	27,750	27,750	27,685	(65)
Sales tax revenue	2,137,665	2,137,665	3,288,595	1,150,930
Hot tax administration	4,519	4,519	-	(4,519)
Library revenue	35,685	35,685	37,968	2,283
Court at law judge contribution	81,900	81,900	89,434	7,534
County judge supplement	25,200	25,200	26,284	1,084
County prosecutor supplement	23,333	23,333	28,000	4,667
County court at law specialty court	10,000	10,000	-	(10,000)
District attorney grant	3,925	3,925	3,598	(327)
District attorney state contribution	22,500	22,500	22,500	-
District attorney - other counties	52,000	52,000	56,461	4,461
District attorney contribution	40,163	59,479	36,474	(23,005)
Lease of livestock pens	33,600	33,600	-	(33,600)
Sales tax commission on autos	315,000	315,000	297,455	(17,545)
Sheriff tower lease	1,800	1,800	29	(1,771)
Sheriff ammo	-	-	377	377
Sheriff reserves	1,000	1,000	2	(998)
Fire reserves	2,500	2,500	516	(1,984)
San Felipe pastures	-	-	168	168
Financial integrity	-	-	283	283
USDA grounds improvement	-	-	33,852	33,852
Other	-	54,436	56,282	1,846
Total revenues	\$ 17,466,585	\$ 17,540,337	\$ 18,354,119	\$ 813,782

**VAL VERDE COUNTY, TEXAS**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
<b>EXPENDITURES</b>				
General government:				
County Judge:				
Salaries	\$ 425,750	\$ 425,750	\$ 394,245	\$ 31,505
Office supplies	8,910	8,910	7,682	1,228
Copier expense	299	301	301	-
Travel and training	8,925	8,925	7,587	1,338
Emergency management	10,975	10,975	7,392	3,583
Capital outlay	-	4,684	4,684	-
Total county judge:	454,859	459,545	421,891	37,654
Road Bridge:				
Pct. 1:				
Salaries	340,568	340,568	340,395	173
Total pct. 1:	340,568	340,568	340,395	173
Pct. 2:				
Salaries	321,518	321,518	304,459	17,059
Total pct. 2:	321,518	321,518	304,459	17,059
Pct. 3:				
Salaries	325,293	325,637	325,637	-
Total pct. 3:	325,293	325,637	325,637	-
Pct. 4:				
Salaries	304,047	309,191	309,191	-
Total pct. 4:	304,047	309,191	309,191	-
Commissioner's Office:				
Salaries	30,906	34,272	34,272	-
Total commissioner's office:	30,906	34,272	34,272	-
County Clerk:				
Salaries	426,161	426,161	398,441	27,720
Office supplies	22,500	20,800	19,222	1,578
Copier expense	7,768	7,768	7,767	1
Travel and training	6,375	10,375	5,791	4,584
Capital outlay	-	38,325	32,875	5,450
Computer maintenance	42,750	38,750	24,148	14,602
Total county clerk:	505,554	542,179	488,244	53,935
Veterans Office:				
Salaries	109,585	118,726	118,726	-
Office supplies	3,150	2,500	2,371	129
Copier expense	3,056	3,056	3,055	1
Travel and training	3,825	4,475	4,296	179
Capital outlay	-	61,971	61,470	501
Auto Expense	-	700	(6,815)	7,515
Current Rent	10,800	10,800	9,750	1,050
Total veterans office:	130,416	202,228	192,853	9,375
County Auditor:				
Salaries	336,859	347,738	347,738	-
Office supplies	13,500	13,500	12,536	964
Copier expense	5,913	5,913	5,912	1
Contract services	5,000	5,000	500	4,500
Travel & training	9,775	9,775	9,684	91
Capital outlay	-	2,646	2,646	-
Rent	18,000	18,000	18,000	-
Total county auditor:	389,047	402,572	397,016	5,556

**VAL VERDE COUNTY, TEXAS**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
(Continued)  
**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
<b>EXPENDITURES(continued)</b>				
General government: (continued)				
County Treasurer:				
Salaries	159,666	159,900	159,900	-
Office supplies	4,000	3,100	2,614	486
Copier expense	300	300	300	-
Travel & training	3,560	4,460	4,350	110
Capital outlay	-	2,342	2,342	-
Rent	12,000	12,000	12,000	-
Total county treasurer:	179,526	182,102	181,506	596
Tax Collector:				
Salaries	466,219	473,055	473,055	-
Computer maintenance	26,508	27,808	27,270	538
Office supplies	26,700	31,200	27,242	3,958
Copier expense	2,963	2,963	2,842	121
Travel & training	10,725	14,725	14,199	526
Postage	21,450	27,308	25,010	2,298
Capital Outlay	-	1,171	1,171	-
Total tax collector:	554,565	578,230	570,789	7,441
Purchasing:				
Salaries	156,833	157,624	157,624	-
Office supplies	1,717	1,717	1,605	112
Copier expense	888	888	887	1
Travel & training	2,975	2,975	2,857	118
Capital outlay	-	2,342	2,342	-
Total purchasing:	162,413	165,546	165,315	231
Agriculture: County Agent				
Salaries	108,764	108,764	100,371	8,393
Office supplies	2,400	3,144	2,938	206
1/2 Internet	725	481	481	-
Equipment maintenance	3,600	3,600	3,480	120
Capital outlay	-	49,558	49,476	82
Copier expense	2,239	2,425	2,052	373
Travel and training	12,500	15,950	15,546	404
Total agriculture:	130,228	183,922	174,344	9,578
Risk Management:				
Salaries	173,519	128,700	103,818	24,882
Travel & training	7,500	7,500	4,057	3,443
Capital outlay	-	2,342	2,342	-
Postage	925	925	220	705
Auto expense	4,750	4,750	1,869	2,881
Copier expense	888	888	887	1
Office supplies	2,250	2,250	2,140	110
Total risk management:	189,832	147,355	115,333	32,022
IT Department:				
Salaries	159,822	162,797	162,797	-
Travel & training	5,780	5,780	5,131	649
Contract services	20,000	17,025	16,529	496
Capital outlay	-	184,280	151,280	33,000
Office supplies	4,550	4,550	3,819	731
Auto Expense	3,000	3,000	1,973	1,027
Rent	5,400	5,400	5,400	-
Total IT department:	198,552	382,832	346,929	35,903

**VAL VERDE COUNTY, TEXAS**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
(Continued)  
**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final	Amounts	
<b>EXPENDITURES (continued)</b>				
General Government: (continued)				
Human Resource:				
Salaries	103,891	104,000	104,000	-
Copier expense	888	888	887	1
Travel & training	5,000	3,200	3,178	22
Capital outlay	-	1,348	810	538
Staff development/promotional	4,750	5,750	5,747	3
Office supplies	3,500	4,300	4,226	74
Total human resource department:	118,029	119,486	118,848	638
Animal Control:				
Salaries	34,474	-	-	-
Veterinarian	5,130	5,130	80	5,050
Feed	8,930	508	408	100
Travel	5,780	5,780	-	5,780
Fuel	1,995	1,995	-	1,995
Capital outlay/tools	4,560	4,560	494	4,066
Building	-	50,000	7,302	42,698
Total animal control:	60,869	67,973	8,284	59,689
Non-Departmental:				
Insurance - employee and other	1,809,237	1,803,237	1,801,526	1,711
Section 125 administration fees	7,350	7,350	6,878	472
Membership dues	32,000	18,000	17,215	785
Surveyor Rent	1,200	1,200	1,200	-
Air Life	34,345	34,345	34,030	315
Appraisal offices	299,746	302,036	302,036	-
Advertising	21,000	21,000	15,782	5,218
Election expense	66,500	42,483	42,483	-
Autopsy- mental	90,250	133,351	129,021	4,330
Trapper's salary	25,000	25,000	25,000	-
Audit	42,500	42,500	42,500	-
Contingencies	500,000	221,349	221,349	-
Computer expense	58,400	66,760	61,777	4,983
Tyler Annual Fee	38,500	39,628	39,628	-
San Felipe Pastures Improvements	31,279	31,288	1,353	29,935
Juvenile Board Salary	-	6,483	6,483	-
Election Salary	-	50,507	50,507	-
Inventory	4,750	4,750	3,358	1,392
Historical commission	3,000	3,000	-	3,000
Museum	65,000	65,000	65,000	-
Inventory audit	10,000	10,000	7,200	2,800
Other - Grant Funds	30,000	-	-	-
GASB 45	-	5,950	5,950	-
Special events	9,500	9,500	9,460	40
Casa de la Cultura	2,500	2,500	2,500	-
Grant Administrator	50,000	50,000	45,991	4,009
Madison government affairs	43,000	43,000	43,000	-
Capital expenditures	-	-	-	-
Hail Damage Building Repair	-	675	675	-
Total non-departmental	1,465,820	3,040,892	2,981,902	58,990
Total general government	5,862,042	7,806,048	7,477,208	328,840

**VAL VERDE COUNTY, TEXAS**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
(Continued)  
**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
<b>EXPENDITURES (continued)</b>				
Justice System:				
District Courts:				
Salaries	429,579	429,579	428,368	1,211
Supplies & staff travel	21,213	21,928	13,102	8,826
Judge insurance	4,000	3,284	1,284	2,000
Court reporter	2,400	2,400	1,005	1,395
Copier expense	6,124	6,124	5,592	532
Jurors	42,750	2,777	2,777	-
Capital outlay	-	7,441	7,373	68
Total district courts	506,066	473,533	459,501	14,032
District Clerk:				
Salaries	372,007	372,007	358,937	13,070
Office supplies	18,000	18,925	18,925	-
Copier expense	7,717	8,171	8,171	-
Travel and training	5,100	4,350	4,350	-
Storage	1,060	885	825	60
Software maintenance	13,000	13,000	13,000	-
Capital outlay	-	11,710	11,710	-
Total district clerk:	416,884	429,048	415,918	13,130
Justices of the Peace:				
Salaries	670,225	670,225	663,934	6,291
Office supplies	23,140	21,240	19,354	1,886
Capital outlay	-	10,539	10,539	-
Copier expense	2,139	2,159	1,965	194
Travel & training	27,850	29,750	27,874	1,876
Total justices of the peace	723,354	733,913	723,666	10,247
County Court at Law:				
Salaries	420,786	420,786	416,220	4,566
Office supplies	11,722	10,535	9,486	1,049
Travel & training	5,525	5,525	4,609	916
Copier expense	2,246	2,246	2,246	-
Capital outlay	-	5,871	5,871	-
Software maintenance	4,850	4,850	4,000	850
Total county court at law	445,129	449,813	442,432	7,381
County Attorney:				
Salaries	565,683	560,683	509,747	50,936
Office supplies	20,950	20,950	18,754	2,196
Travel & training	7,250	7,250	6,439	811
Contract services	-	5,000	225	4,775
Copier expense	4,470	5,133	3,169	1,964
Witness Costs	1,000	1,000	-	1,000
Civil litigation	1,825	1,825	316	1,509
Total county attorney	601,178	601,841	538,650	63,191
District Attorney:				
Salaries	475,579	475,579	430,125	45,454
Vehicle	4,450	4,450	472	3,978
Capital outlay	-	8,623	8,612	11
Consultants-Trial Expenses	11,000	11,000	6,602	4,398
Office supplies	32,910	31,476	14,782	16,694
Travel & training	10,970	10,970	9,034	1,936
Total district attorney	534,909	542,098	469,627	72,471

**VAL VERDE COUNTY, TEXAS**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
(Continued)  
**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
<b>EXPENDITURES (continued)</b>				
Justice System: (continued)				
General County Courts:				
Attorneys	503,750	557,977	547,192	10,785
Total general county courts	503,750	557,977	547,192	10,785
Total justice system	3,731,270	3,788,223	3,596,986	191,237
Public safety:				
Rural Fire and EMS				
Salaries	219,951	219,951	205,091	14,860
Office supplies	50,500	51,616	47,993	3,623
Travel & training	13,751	11,897	11,897	-
Capital outlay	-	54,186	49,746	4,440
Uniforms	2,850	2,192	2,192	-
Total Rural Fire and EMS	287,052	339,842	316,919	22,923
Sheriff:				
Salaries	2,962,846	2,957,446	2,857,462	99,984
Communications	26,578	24,564	673	23,891
Gun range	1,576	1,576	768	808
Auto expense	237,500	214,784	188,592	26,192
Ammunition	13,140	13,515	13,089	426
Uniforms	28,500	33,900	31,448	2,452
Operating supplies	49,525	65,525	59,185	6,340
Doctor and medications	9,500	16,728	16,717	11
Copier expense	9,684	9,684	9,469	215
Travel & training	41,485	41,485	38,463	3,022
Capital outlay	-	365,448	174,157	191,291
Software Maintenance	44,616	44,616	16,301	28,315
Sheriff settlement	-	11,644	5,326	6,318
Sheriff tower repairs	4,400	4,400	-	4,400
Sheriff reserve	2,342	2,342	1,598	744
Total sheriff	3,431,692	3,807,657	3,413,248	394,409
Constables:				
Salaries	234,656	234,656	233,858	798
Travel & training	4,450	5,108	3,780	1,328
Office supplies	3,900	3,242	1,436	1,806
Capital outlay	-	4,771	1,171	3,600
Total constables	243,006	247,777	240,245	7,532
General County Expenditures:				
Juvenile center	300,000	300,000	300,000	-
Juvenile probation	33,000	33,000	33,000	-
Adult probation	45,000	45,000	45,000	-
Fire reserves	6,059	3,232	2,200	1,032
Total general county expenditures	384,059	381,232	380,200	1,032
Total public safety	4,345,809	4,776,508	4,350,612	425,896

## VAL VERDE COUNTY, TEXAS

## SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

## GENERAL FUND

(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
EXPENDITURES (continued)				
Health and Human Services				
Welfare:				
Burials	2,000	2,000	795	1,205
Hospital, etc.	19,000	19,358	19,358	-
Women's shelter	-	85,061	83,914	1,147
Child welfare	1,425	1,425	1,188	-
Family violence contract	130,000	175,000	155,000	20,000
Food bank	18,000	18,000	18,000	-
County welfare	1,140	1,140	1,140	-
Total welfare	171,565	301,984	279,395	22,589
Total health and human services	171,565	301,984	279,395	22,589
Library:				
Salaries	447,115	447,115	443,349	3,766
Office supplies	18,000	23,500	23,064	436
Computer maintenance	24,700	22,513	18,546	3,967
Travel & training	4,250	4,250	3,330	920
Copier maintenance	10,000	6,500	6,477	23
Copier expense	2,964	2,964	2,699	265
Capital outlay	-	1,187	1,187	-
Books, publication and dues	89,602	99,678	98,824	854
Total library	596,631	607,707	597,476	10,231
Total culture and recreation	596,631	607,707	597,476	10,231
Public Facilities:				
Parks & Building Maintenance:				
Salaries	312,761	362,126	348,571	13,555
Travel and training	-	120	46	74
Contract services	73,300	63,300	61,603	1,697
Broadway repairs	9,500	13,200	13,196	4
Fairgrounds improvements	19,000	18,423	18,423	-
Materials	28,500	21,500	21,309	191
Fuel	23,750	23,750	22,951	799
Building repairs	33,250	41,450	41,449	1
Office supplies	900	900	898	2
Repairs	66,500	64,380	64,154	226
Equipment maintenance	76,000	61,674	61,674	-
Capital outlay	-	341,648	97,679	243,969
Utilities	486,875	520,980	508,663	12,317
Total parks & building maintenance:	1,130,336	1,533,451	1,260,616	272,835



**VAL VERDE COUNTY, TEXAS**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
(Continued)  
**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
<b>EXPENDITURES (continued)</b>				
Public Facilities: (continued)				
Community Center:				
Salaries	50,237	50,237	48,175	2,062
Office Supplies	2,700	2,700	2,461	239
Copier expense	100	100	-	100
Capital outlay	-	1,171	1,171	-
Fuel	850	850	465	385
Total community center:	53,887	55,058	52,272	2,786
Total public facilities	1,184,223	1,588,509	1,312,888	275,621
Total expenditures	15,891,540	18,868,979	17,614,565	1,254,414
<b>EXCESS OF REVENUE OVER (UNDER)</b>				
<b>EXPENDITURES</b>	\$ 1,575,045	\$ (1,328,642)	\$ 739,554	\$ 2,068,196
<b>OTHER FINANCING SOURCES (USES)</b>				
Settlements and insurance claims	50,000	50,000	465,759	415,759
Transfer in	-	1,322,359	1,310,826	(11,533)
Transfers out (uses)	(1,632,699)	(1,632,699)	(711,770)	920,929
Total other financing sources (uses)	(1,582,699)	(260,340)	1,064,815	1,325,155
<b>NET CHANGE IN FUND BALANCE</b>	(7,654)	(1,588,982)	1,804,369	3,393,351
<b>FUND BALANCE, BEGINNING</b>	5,403,894	5,403,894	5,403,894	-
<b>PRIOR PERIOD ADJUSTMENT</b>	-	-	16,970	16,970
<b>FUND BALANCE, ENDING</b>	\$ 5,396,240	\$ 3,814,912	\$ 7,225,233	\$ 3,410,321

## 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, 2019

	Original	Final	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
Current tax	\$ 594,764	\$ 594,764	\$ 629,922	\$ 35,158
Delinquent tax	51,114	51,114	47,122	(3,992)
Investment earnings	2,000	2,000	21,978	19,978
Total revenues	<u>647,878</u>	<u>647,878</u>	<u>699,022</u>	<u>51,144</u>
<b>EXPENDITURES</b>				
Debt service:				
Principal	3,948,197	3,948,197	3,905,000	43,197
Interest	871,742	871,742	871,559	183
Capital leases	28,679	28,679	28,742	-
Other fees	650	650	650	-
Total expenditures	<u>4,849,268</u>	<u>4,849,268</u>	<u>4,805,951</u>	<u>43,317</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(4,201,390)	(4,201,390)	(4,106,929)	94,461
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer in	<u>3,750,000</u>	<u>3,750,000</u>	<u>3,750,000</u>	<u>-</u>
Total other financing sources and (uses)	<u>3,750,000</u>	<u>3,750,000</u>	<u>3,750,000</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	(451,390)	(451,390)	(356,929)	94,461
<b>FUND BALANCE, BEGINNING</b>	<u>561,813</u>	<u>561,813</u>	<u>561,813</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 110,423</u>	<u>\$ 110,423</u>	<u>\$ 204,884</u>	<u>\$ 94,461</u>

## 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, 2019

	Original	Final	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
Auto Registration	\$ 951,654	\$ 951,654	\$ 940,827	\$ (10,827)
Current tax	546,225	546,225	518,157	(28,068)
Delinquent tax	22,466	22,466	26,349	3,883
Investment earnings	200	200	2,604	2,404
Total revenues	<u>1,520,545</u>	<u>1,520,545</u>	<u>1,487,937</u>	<u>(32,608)</u>
<b>EXPENDITURES</b>				
Pct. 1:				
Travel and training	7,225	7,225	4,098	3,127
Operating expense	95,750	79,750	63,438	16,312
Paving materials	9,322	25,322	8,760	16,562
Capital outlay	-	50,000	38,275	11,725
Total Pct. 1	<u>112,297</u>	<u>162,297</u>	<u>114,571</u>	<u>47,726</u>
Pct. 2:				
Travel and training	7,225	9,725	8,635	1,090
Operating expense	90,900	108,400	63,352	45,048
Paving materials	153,636	133,636	46,975	86,661
Capital outlay	-	138,500	38,537	99,963
Total Pct. 2	<u>251,761</u>	<u>390,261</u>	<u>157,499</u>	<u>232,762</u>
Pct. 3:				
Travel and training	7,225	7,225	6,508	717
Operating expense	95,400	95,400	90,136	5,264
Paving materials	163,055	163,055	137,221	25,834
Capital outlay	-	50,000	-	50,000
Total Pct. 3	<u>265,680</u>	<u>315,680</u>	<u>233,865</u>	<u>81,815</u>
Pct. 4:				
Travel and training	7,225	12,394	11,885	509
Operating expense	95,400	128,400	118,869	9,531
Paving materials	93,260	55,091	47,798	7,293
Capital outlay	-	50,000	28,773	21,227
Total Pct. 4	<u>195,885</u>	<u>245,885</u>	<u>207,325</u>	<u>38,560</u>
Commissioner's Office				
Office supplies	4,538	4,538	2,870	1,668
Copier expense	751	751	751	-
Travel and training	-	-	-	-
Capital outlay	-	17,500	-	17,500
Total Road and Bridge	<u>5,289</u>	<u>22,789</u>	<u>3,621</u>	<u>19,168</u>
Total expenditures	<u>830,912</u>	<u>1,136,912</u>	<u>716,881</u>	<u>420,031</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>689,633</u>	<u>383,633</u>	<u>771,056</u>	<u>(387,423)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer in	632,699	632,699	711,770	79,071
Transfer out (uses)	-	(1,320,099)	(1,310,826)	9,273
Total other financing sources and (uses)	<u>632,699</u>	<u>(687,400)</u>	<u>(599,056)</u>	<u>88,344</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>1,322,332</u>	<u>(303,767)</u>	<u>172,000</u>	<u>(475,767)</u>
<b>FUND BALANCE, BEGINNING</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 1,322,332</u>	<u>\$ (303,767)</u>	<u>\$ 172,000</u>	<u>\$ (475,767)</u>

**NON MAJOR  
GOVERNMENTAL FUNDS**

**VAL VERDE COUNTY, TEXAS**

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2019

	Special Revenue Funds		
	Road and Bridge	Water Development Board	County Clerk Management & Preservation
<b>ASSETS</b>			
Cash	\$ 109,132	\$ 942,000	\$ -
Investments	3,161	-	-
Taxes receivable (net of allowance)	83,735	-	-
Accounts receivable	-	-	-
Due from other funds	181,770	-	8,867
Due from other governments	-	-	-
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 377,798</u>	<u>\$ 942,000</u>	<u>\$ 8,867</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 119,966	\$ -	\$ -
Other liabilities	-	-	-
Accrued liabilities	-	-	-
Due to other funds	2,097	-	1,863
Due to other governments	-	-	-
Unearned revenue	-	942,000	-
	<hr/>	<hr/>	<hr/>
Total liabilities	<u>122,063</u>	<u>942,000</u>	<u>1,863</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue-property taxes	83,735	-	-
Total deferred inflows of resources	<u>83,735</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE</b>			
Assigned	-	-	-
Restricted	172,000	-	7,004
	<hr/>	<hr/>	<hr/>
Total fund balances	<u>172,000</u>	<u>-</u>	<u>7,004</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 377,798</u>	<u>\$ 942,000</u>	<u>\$ 8,867</u>

**EXHIBIT H-1**

[illegible]

VAL VERDE COUNTY, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2019

	Special Revenue Funds		
	County Clerk Records Archive	Court Reporter	Justice of the Peace Court House Security Fees
<b>ASSETS</b>			
Cash	\$ -	\$ -	\$ -
Investments	-	-	-
Taxes receivable (net of allowance)	-	-	-
Accounts receivable	-	-	-
Due from other funds	70,622	28,053	1,898
Due from other governments	-	-	-
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 70,622</u>	<u>\$ 28,053</u>	<u>\$ 1,898</u>
<b>LIABILITIES</b>			
Accounts payable	-	\$ -	\$ -
Other liabilities	-	-	-
Accrued liabilities	-	-	-
Due to other funds	-	-	-
Due to other governments	-	-	-
Unearned revenue	-	-	-
	<hr/>	<hr/>	<hr/>
Total liabilities	<hr/> -	<hr/> -	<hr/> -
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue-property taxes	-	-	-
Total deferred inflows of resources	<hr/> -	<hr/> -	<hr/> -
<b>FUND BALANCE</b>			
Assigned	-	-	-
Restricted	70,622	28,053	1,898
	<hr/>	<hr/>	<hr/>
Total fund balances	<hr/> 70,622	<hr/> 28,053	<hr/> 1,898
Total liabilities, deferred inflows, and fund balances	<u>\$ 70,622</u>	<u>\$ 28,053</u>	<u>\$ 1,898</u>

Court House Security Fees	Sheriff LEOSE	District Attorney Pre-Trial Diversion	County Court at Law DWI Program
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
65,404	8,806	37,647	16,206
-	-	-	1,918
<u>\$ 65,404</u>	<u>\$ 8,806</u>	<u>\$ 37,647</u>	<u>\$ 18,124</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
30,226	642	-	737
-	-	-	-
-	-	-	-
<u>30,226</u>	<u>642</u>	<u>-</u>	<u>737</u>
-	-	-	-
-	-	-	-
-	-	-	-
35,178	8,164	37,647	17,387
35,178	8,164	37,647	17,387
<u>\$ 65,404</u>	<u>\$ 8,806</u>	<u>\$ 37,647</u>	<u>\$ 18,124</u>



VAL VERDE COUNTY, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2019

	Special Revenue Funds		
	Constable #3 LEOSE	Justice of the Peace 1 Technology Fund	Justice of the Peace 2 Technology Fund
<b>ASSETS</b>			
Cash	\$ -	\$ -	\$ -
Investments	-	-	-
Taxes receivable (net of allowance)	-	-	-
Accounts receivable	-	-	-
Due from other funds	3,904	12,525	8,721
Due from other governments	-	-	-
Total assets	<u>\$ 3,904</u>	<u>\$ 12,525</u>	<u>\$ 8,721</u>
<b>LIABILITIES</b>			
Accounts payable	\$ -	\$ -	\$ -
Other liabilities	-	-	-
Accrued liabilities	-	-	-
Due to other funds	-	-	-
Due to other governments	-	-	-
Unearned revenue	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue-property taxes	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE</b>			
Assigned	-	-	-
Restricted	3,904	12,525	8,721
Total fund balances	<u>3,904</u>	<u>12,525</u>	<u>8,721</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 3,904</u>	<u>\$ 12,525</u>	<u>\$ 8,721</u>

Justice of the Peace 3 Technology Fund	Justice of the Peace 4 Technology Fund	County Attorney Pre-Trial Diversion	County & District Clerk - Tech Fund
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
10,592	6,290	97,325	967
-	-	-	-
<u>\$ 10,592</u>	<u>\$ 6,290</u>	<u>\$ 97,325</u>	<u>\$ 967</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	1,891	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	1,891	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
10,592	4,399	97,325	967
10,592	4,399	97,325	967
<u>\$ 10,592</u>	<u>\$ 6,290</u>	<u>\$ 97,325</u>	<u>\$ 967</u>

**VAL VERDE COUNTY, TEXAS**

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2019

	Special Revenue Funds		
	District Attorney Settlements	Hot Fund	Hot Funds (City)
<b>ASSETS</b>			
Cash	\$ -	\$ -	\$ -
Investments	-	-	-
Taxes receivable (net of allowance)	-	-	-
Accounts receivable	-	-	-
Due from other funds	129,347	62,722	49,954
Due from other governments	-	-	-
Total assets	<u>\$ 129,347</u>	<u>\$ 62,722</u>	<u>\$ 49,954</u>
<b>LIABILITIES</b>			
Accounts payable	\$ -	\$ -	\$ -
Other liabilities	-	-	-
Accrued liabilities	-	-	-
Due to other funds	34,612	-	-
Due to other governments	-	-	-
Unearned revenue	-	-	-
Total liabilities	<u>34,612</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue-property taxes	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE</b>			
Assigned	-	-	-
Restricted	<u>94,735</u>	<u>62,722</u>	<u>49,954</u>
Total fund balances	<u>94,735</u>	<u>62,722</u>	<u>49,954</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 129,347</u>	<u>\$ 62,722</u>	<u>\$ 49,954</u>

Hot Check - County Attorney	Jury Fund	Chapter 19 Tax Assessor	HIDTA Del Rio Task Force 2017
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
24,837	8,398	3,144	-
-	-	-	-
<u>\$ 24,837</u>	<u>\$ 8,398</u>	<u>\$ 3,144</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
24,837	8,398	3,144	-
24,837	8,398	3,144	-
<u>\$ 24,837</u>	<u>\$ 8,398</u>	<u>\$ 3,144</u>	<u>\$ -</u>

**VAL VERDE COUNTY, TEXAS**

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2019

	Special Revenue Funds		
	HIDTA Del Rio Task Force 2018	HIDTA Del Rio Task Force 2019	HIDTA Eagle Pass Task Force 2018
<b>ASSETS</b>			
Cash	\$ -	\$ -	\$ -
Investments	-	-	-
Taxes receivable (net of allowance)	-	-	-
Accounts receivable	-	-	-
Due from other funds	-	-	-
Due from other governments	-	5,001	-
Total assets	<u>\$ -</u>	<u>\$ 5,001</u>	<u>\$ -</u>
<b>LIABILITIES</b>			
Accounts payable	\$ -	\$ -	\$ -
Other liabilities	-	-	-
Accrued liabilities	-	-	-
Due to other funds	-	5,001	-
Due to other governments	-	-	-
Unearned revenue	-	-	-
Total liabilities	<u>-</u>	<u>5,001</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue-property taxes	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE</b>			
Assigned	-	-	-
Restricted	-	-	-
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ -</u>	<u>\$ 5,001</u>	<u>\$ -</u>

**EXHIBIT H-1**

HIDTA Eagle Pass Task Force 2019	HIDTA Amistad Intell 2017	HIDTA Amistad Intell 2018	HIDTA Amistad Intell 2019
\$ -	\$ -	\$ 4	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>5,341</u>	<u>-</u>	<u>-</u>	<u>9,233</u>
<u>\$ 5,341</u>	<u>\$ -</u>	<u>\$ 4</u>	<u>\$ 9,233</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
5,341	-	-	9,233
-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>5,341</u>	<u>-</u>	<u>-</u>	<u>9,233</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-
<u>-</u>	<u>-</u>	<u>4</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>4</u>	<u>-</u>
<u>\$ 5,341</u>	<u>\$ -</u>	<u>\$ 4</u>	<u>\$ 9,233</u>

VAL VERDE COUNTY, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2019

	Special Revenue Funds		
	Operation Stone Garden 2017	Operation Stone Garden 2018	Local Border Security 2995204
<b>ASSETS</b>			
Cash	\$ -	\$ -	\$ -
Investments	-	-	-
Taxes receivable (net of allowance)	-	-	-
Accounts receivable	-	-	-
Due from other funds	-	-	-
Due from other governments	-	31,081	-
Total assets	<u>\$ -</u>	<u>\$ 31,081</u>	<u>\$ -</u>
<b>LIABILITIES</b>			
Accounts payable	\$ -	\$ -	\$ -
Other liabilities	-	-	-
Accrued liabilities	-	-	-
Due to other funds	-	31,081	-
Due to other governments	-	-	-
Unearned revenue	-	-	-
Total liabilities	<u>-</u>	<u>31,081</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue-property taxes	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE</b>			
Assigned	-	-	-
Restricted	-	-	-
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ -</u>	<u>\$ 31,081</u>	<u>\$ -</u>

Border Prosecution Unit 2537708	Border Prosecution Unit 2537709	Bulletproof Vest Grant	Southwest Border Initiative
\$ -	\$ -	\$ -	\$ 28,734
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>2,592</u>	<u>14,848</u>	<u>710</u>	<u>-</u>
<u>\$ 2,592</u>	<u>\$ 14,848</u>	<u>\$ 710</u>	<u>\$ 28,734</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
<u>2,592</u>	<u>14,848</u>	<u>710</u>	<u>-</u>
-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>16,630</u>
<u>2,592</u>	<u>14,848</u>	<u>710</u>	<u>16,630</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>12,104</u>
-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>12,104</u>
<u>\$ 2,592</u>	<u>\$ 14,848</u>	<u>\$ 710</u>	<u>\$ 28,734</u>



VAL VERDE COUNTY, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2019

	Special Revenue Funds		
	TDHCA 7214013	TDHCA 7217013	T.C.D.B.G. 7216075
<b>ASSETS</b>			
Cash	\$ -	\$ -	\$ -
Investments	-	-	-
Taxes receivable (net of allowance)	-	-	-
Accounts receivable	-	-	-
Due from other funds	-	-	-
Due from other governments	-	43,440	5,000
Total assets	<u>\$ -</u>	<u>\$ 43,440</u>	<u>\$ 5,000</u>
<b>LIABILITIES</b>			
Accounts payable	\$ -	\$ -	\$ -
Other liabilities	-	-	-
Accrued liabilities	-	-	-
Due to other funds	-	43,440	5,000
Due to other governments	-	-	-
Unearned revenue	-	-	-
Total liabilities	<u>-</u>	<u>43,440</u>	<u>5,000</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue-property taxes	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE</b>			
Assigned	-	-	-
Restricted	-	-	-
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ -</u>	<u>\$ 43,440</u>	<u>\$ 5,000</u>

T.C.D.B.G. 7218026	T.C.D.B.G. 7218075	National Park Service	DWI/Drug Court Rehabilitation
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
41,880	89,583	-	149
<u>\$ 41,880</u>	<u>\$ 89,583</u>	<u>\$ -</u>	<u>\$ 149</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
41,880	89,583	-	149
-	-	-	-
-	-	-	-
<u>41,880</u>	<u>89,583</u>	<u>-</u>	<u>149</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>\$ 41,880</u>	<u>\$ 89,583</u>	<u>\$ -</u>	<u>\$ 149</u>

VAL VERDE COUNTY, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2019

	Special Revenue Funds		
	DWI Specialty Court	Indigent Defense Formula	Texas Department of Transportation Infrastructure
<b>ASSETS</b>			
Cash	\$ -	\$ -	\$ -
Investments	-	-	-
Taxes receivable (net of allowance)	-	-	-
Accounts receivable	-	-	-
Due from other funds	-	-	-
Due from other governments	40,395	9,045	-
Total assets	<u>\$ 40,395</u>	<u>\$ 9,045</u>	<u>\$ -</u>
<b>LIABILITIES</b>			
Accounts payable	\$ -	\$ -	\$ -
Other liabilities	-	-	-
Accrued liabilities	-	-	-
Due to other funds	42,700	9,045	-
Due to other governments	-	-	-
Unearned revenue	-	-	-
Total liabilities	<u>42,700</u>	<u>9,045</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue-property taxes	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE</b>			
Assigned	-	-	-
Restricted	(2,305)	-	-
Total fund balances	<u>(2,305)</u>	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 40,395</u>	<u>\$ 9,045</u>	<u>\$ -</u>

EXHIBIT H-1

Law Library	Family Protection	Other Special Revenue Funds	Total Special Revenue Funds
\$ -	\$ -	\$ 1,539,366	\$ 2,619,236
-	-	-	3,161
-	-	-	83,735
-	-	-	-
(3,025)	4,963	38,438	990,061
-	-	-	300,216
<u>\$ (3,025)</u>	<u>\$ 4,963</u>	<u>\$ 1,577,804</u>	<u>\$ 3,996,409</u>
\$ -	\$ -	\$ 98,613	\$ 218,579
-	-	-	-
-	-	-	-
3,080	-	1,455,121	1,830,872
-	-	-	-
-	-	23,696	982,326
<u>3,080</u>	<u>-</u>	<u>1,577,430</u>	<u>3,031,777</u>
-	-	-	83,735
-	-	-	83,735
-	-	-	-
(6,105)	4,963	374	880,897
(6,105)	4,963	374	880,897
<u>\$ (3,025)</u>	<u>\$ 4,963</u>	<u>\$ 1,577,804</u>	<u>\$ 3,996,409</u>

**VAL VERDE COUNTY, TEXAS**

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2019

	Special Revenue Funds		
	Capital Project Library	Capital Project Tax Note 2013	Capital Project Tax Note 2016
<b>ASSETS</b>			
Cash	\$ 187,655	\$ 5,076	\$ 342,187
Investments	-	-	-
Taxes receivable (net of allowance)	-	-	-
Accounts receivable	-	-	-
Due from other funds	-	-	-
Due from other governments	-	-	-
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 187,655</u>	<u>\$ 5,076</u>	<u>\$ 342,187</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 4,811	\$ 720	\$ 30,079
Other liabilities	-	-	-
Accrued liabilities	-	-	-
Due to other funds	-	-	-
Due to other governments	-	-	-
Unearned revenue	-	-	-
	<hr/>	<hr/>	<hr/>
Total liabilities	<u>4,811</u>	<u>720</u>	<u>30,079</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue-property taxes	-	-	-
Total deferred inflows of resources	<hr/>	<hr/>	<hr/>
<b>FUND BALANCE</b>			
Assigned	-	-	-
Restricted	<u>182,844</u>	<u>4,356</u>	<u>312,108</u>
	<hr/>	<hr/>	<hr/>
Total fund balances	<u>182,844</u>	<u>4,356</u>	<u>312,108</u>
	<hr/>	<hr/>	<hr/>
Total liabilities, deferred inflows, and fund balances	<u>\$ 187,655</u>	<u>\$ 5,076</u>	<u>\$ 342,187</u>

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Total Nonmajor Governmental Funds	
<hr/>	
\$	3,154,154
	3,161
	83,735
	-
	990,061
	<u>300,216</u>
\$	<u>4,531,327</u>
\$	254,189
	-
	-
	1,830,872
	-
	<u>982,326</u>
	<u>3,067,387</u>
	<u>83,735</u>
	<u>83,735</u>
	-
	<u>1,380,205</u>
	<u>1,380,205</u>
\$	<u>4,531,327</u>

**VAL VERDE COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	Special Revenue Funds		
	Road and Bridge	Water Development Board	County Clerk Management & Preservation
<b>REVENUES</b>			
Taxes	\$ 544,506	\$ -	\$ -
Intergovernmental	-	-	-
Charges for services	940,827	-	-
Fees and fines	-	-	73,668
Investment earnings	2,604	-	-
Miscellaneous	-	-	-
Total revenues	1,487,937	-	73,668
<b>EXPENDITURES</b>			
General government	-	-	115,118
Infrastructure and environmental services	716,881	-	-
Health and human services	-	-	-
Corrections and rehabilitation	-	-	-
Culture and recreation	-	-	-
Justice system	-	-	-
Public safety	-	-	-
Public facilities	-	-	-
Total expenditures	716,881	-	115,118
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	771,056	-	(41,450)
<b>OTHER FINANCING SOURCES</b>			
Settlements and insurance claims	-	-	-
Transfer in	711,770	-	-
Transfer out (uses)	(1,310,826)	-	-
Total other financing sources (uses)	(599,056)	-	-
<b>NET CHANGE IN FUND BALANCES</b>	172,000	-	(41,450)
<b>FUND BALANCE, BEGINNING</b>	-	-	(2,323)
<b>PRIOR PERIOD ADJUSTMENT</b>	-	-	50,777
<b>FUND BALANCE, ENDING</b>	\$ 172,000	\$ -	\$ 7,004

## EXHIBIT H-2

County Management & Preservation	District Clerk Management & Preservation	County Court Records Preservation	District Clerk Records Archive
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
5,676	3,883	6,873	6,621
-	-	-	-
-	-	-	-
5,676	3,883	6,873	6,621
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
5,676	3,883	6,873	6,621
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
5,676	3,883	6,873	6,621
41,354	22,517	-	24,762
-	-	-	-
\$ 47,030	\$ 26,400	\$ 6,873	\$ 31,383



**VAL VERDE COUNTY, TEXAS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Special Revenue Funds		
	County Clerk Records Archive	Court Reporter	Justice of the Peace Court House Security Fees
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	-	-	-
Charges for services	-	-	-
Fees and fines	70,622	13,121	2,708
Investment earnings	-	-	-
Miscellaneous	-	-	-
	<hr/>	<hr/>	<hr/>
Total revenues	70,622	13,121	2,708
	<hr/>	<hr/>	<hr/>
<b>EXPENDITURES</b>			
General government	-	-	10,024
Infrastructure and environmental services	-	-	-
Health and human services	-	-	-
Corrections and rehabilitation	-	-	-
Culture and recreation	-	-	-
Justice system	-	5,778	-
Public safety	-	-	-
Public facilities	-	-	-
	<hr/>	<hr/>	<hr/>
Total expenditures	-	5,778	10,024
	<hr/>	<hr/>	<hr/>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	70,622	7,343	(7,316)
	<hr/>	<hr/>	<hr/>
<b>OTHER FINANCING SOURCES</b>			
Settlements and insurance claims	-	-	-
Transfer in	-	-	-
Transfer out (uses)	-	-	-
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	-	-	-
	<hr/>	<hr/>	<hr/>
<b>NET CHANGE IN FUND BALANCES</b>	70,622	7,343	(7,316)
	<hr/>	<hr/>	<hr/>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	-	21,566	9,214
	<hr/>	<hr/>	<hr/>
<b>PRIOR PERIOD ADJUSTMENT</b>	-	(856)	-
	<hr/>	<hr/>	<hr/>
<b>FUND BALANCE, END OF YEAR</b>	\$ 70,622	\$ 28,053	\$ 1,898
	<hr/>	<hr/>	<hr/>

## EXHIBIT H-2

Court House Security Fees	Sheriff LEOSE	District Attorney Pre-Trial Diversion	County Court at Law DWI Program
\$ -	\$ -	\$ -	\$ -
-	3,751	-	-
-	-	-	-
22,368	-	14,147	15,369
-	-	-	-
-	-	-	-
<u>22,368</u>	<u>3,751</u>	<u>14,147</u>	<u>15,369</u>
133,194	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	4,209
-	1,540	-	-
-	-	-	-
<u>133,194</u>	<u>1,540</u>	<u>-</u>	<u>4,209</u>
(110,826)	2,211	14,147	11,160
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
(110,826)	2,211	14,147	11,160
146,004	5,953	23,500	6,227
-	-	-	-
<u>\$ 35,178</u>	<u>\$ 8,164</u>	<u>\$ 37,647</u>	<u>\$ 17,387</u>

**VAL VERDE COUNTY, TEXAS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Special Revenue Funds		
	Constable #3 LEOSE	Justice of the Peace 1 Technology Fund	Justice of the Peace 2 Technology Fund
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	699	-	-
Charges for services	-	-	-
Fees and fines	-	2,755	3,764
Investment earnings	-	-	-
Miscellaneous	-	-	-
	<hr/>	<hr/>	<hr/>
Total revenues	699	2,755	3,764
	<hr/>	<hr/>	<hr/>
<b>EXPENDITURES</b>			
General government	-	-	-
Infrastructure and environmental services	-	-	-
Health and human services	-	-	-
Corrections and rehabilitation	-	-	-
Culture and recreation	-	-	-
Justice system	-	1,018	2,766
Public safety	131	-	-
Public facilities	-	-	-
	<hr/>	<hr/>	<hr/>
Total expenditures	131	1,018	2,766
	<hr/>	<hr/>	<hr/>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	568	1,737	998
	<hr/>	<hr/>	<hr/>
<b>OTHER FINANCING SOURCES</b>			
Settlements and insurance claims	-	-	-
Transfer in	-	-	-
Transfer out (uses)	-	-	-
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	-	-	-
	<hr/>	<hr/>	<hr/>
<b>NET CHANGE IN FUND BALANCES</b>	568	1,737	998
	<hr/>	<hr/>	<hr/>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	3,336	10,788	7,723
	<hr/>	<hr/>	<hr/>
<b>PRIOR PERIOD ADJUSTMENT</b>	-	-	-
	<hr/>	<hr/>	<hr/>
<b>FUND BALANCE, END OF YEAR</b>	\$ 3,904	\$ 12,525	\$ 8,721
	<hr/>	<hr/>	<hr/>

Justice of the Peace 3 Technology Fund		Justice of the Peace 4 Technology Fund		County Attorney Pre-Trial Diversion		County & District Clerk - Tech Fund	
\$	-	\$	-	\$	-	\$	-
	-		-		-		-
	-		-		-		-
	3,340		1,398		40,379		882
	-		-		-		-
	-		-		-		-
	<u>3,340</u>		<u>1,398</u>		<u>40,379</u>		<u>882</u>
	-		-		-		-
	-		-		-		-
	-		-		-		-
	-		-		-		-
	-		1,891		2,853		1,178
	-		-		-		-
	-		-		-		-
	<u>-</u>		<u>1,891</u>		<u>2,853</u>		<u>1,178</u>
	<u>3,340</u>		<u>(493)</u>		<u>37,526</u>		<u>(296)</u>
	-		-		-		-
	-		-		-		-
	-		-		-		-
	<u>-</u>		<u>-</u>		<u>-</u>		<u>-</u>
	3,340		(493)		37,526		(296)
	7,252		4,892		59,799		521
	-		-		-		742
	<u>-</u>		<u>-</u>		<u>-</u>		<u>742</u>
\$	<u>10,592</u>	\$	<u>4,399</u>	\$	<u>97,325</u>	\$	<u>967</u>

**VAL VERDE COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	Special Revenue Funds		
	District Attorney Settlements	Hot Fund	Hot Funds (City)
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	-	-	-
Charges for services	-	-	49,954
Fees and fines	-	24,343	-
Investment earnings	-	-	-
Miscellaneous	-	-	-
Total revenues	-	24,343	49,954
<b>EXPENDITURES</b>			
General government	-	-	-
Infrastructure and environmental services	-	-	-
Health and human services	-	-	-
Corrections and rehabilitation	-	-	-
Culture and recreation	-	21,822	-
Justice system	34,612	-	-
Public safety	-	-	-
Public facilities	-	-	-
Total expenditures	34,612	21,822	-
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(34,612)	2,521	49,954
<b>OTHER FINANCING SOURCES</b>			
Settlements and insurance claims	621	-	-
Transfer in	-	-	-
Transfer out (uses)	-	-	-
Total other financing sources (uses)	621	-	-
<b>NET CHANGE IN FUND BALANCES</b>	(33,991)	2,521	49,954
<b>FUND BALANCE, BEGINNING OF YEAR</b>	128,726	60,201	-
<b>PRIOR PERIOD ADJUSTMENT</b>	-	-	-
<b>FUND BALANCE, END OF YEAR</b>	\$ 94,735	\$ 62,722	\$ 49,954

EXHIBIT H-2

Hot Check - County Attorney		Jury Fund		Chapter 19 Tax Assessor		HIDTA Del Rio Task Force 2017	
\$	-	\$	-	\$	-	\$	-
	-		-		8,594		10,119
	-		-		-		-
	593		10,398		-		-
	-		-		-		-
	-		-		-		-
	593		10,398		8,594		10,119
	-		-		5,450		-
	-		-		-		-
	-		-		-		-
	-		-		-		-
	100		2,000		-		-
	-		-		-		10,119
	-		-		-		-
	100		2,000		5,450		10,119
	493		8,398		3,144		-
	-		-		-		-
	-		-		-		-
	-		-		-		-
	-		-		-		-
	493		8,398		3,144		-
	-		-		-		-
	24,344		-		-		-
\$	24,837	\$	8,398	\$	3,144	\$	-

**VAL VERDE COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	Special Revenue Funds		
	HIDTA Del Rio Task Force 2018	HIDTA Del Rio Task Force 2019	HIDTA Eagle Pass Task Force 2018
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	56,271	6,276	48,229
Charges for services	-	-	-
Fees and fines	-	-	-
Investment earnings	-	-	-
Miscellaneous	-	-	-
Total revenues	56,271	6,276	48,229
<b>EXPENDITURES</b>			
General government	-	-	-
Infrastructure and environmental services	-	-	-
Health and human services	-	-	-
Corrections and rehabilitation	-	-	-
Culture and recreation	-	-	-
Justice system	-	-	-
Public safety	56,271	6,276	48,229
Public facilities	-	-	-
Total expenditures	56,271	6,276	48,229
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	-	-	-
<b>OTHER FINANCING SOURCES</b>			
Settlements and insurance claims	-	-	-
Transfer in	-	-	-
Transfer out (uses)	-	-	-
Total other financing sources (uses)	-	-	-
<b>NET CHANGE IN FUND BALANCES</b>	-	-	-
<b>FUND BALANCE, BEGINNING OF YEAR</b>	-	-	-
<b>PRIOR PERIOD ADJUSTMENT</b>	-	-	-
<b>FUND BALANCE, END OF YEAR</b>	\$ -	\$ -	\$ -

EXHIBIT H-2

HIDTA Eagle Pass Task Force 2019		HIDTA Amistad Intell 2017		HIDTA Amistad Intell 2018		HIDTA Amistad Intell 2019	
\$	-	\$	-	\$	-	\$	-
	15,481		1,700		106,640		11,742
	-		-		-		-
	-		-		-		-
	-		-		-		-
	-		-		-		-
	15,481		1,700		106,640		11,742
	-		-		-		-
	-		-		-		-
	-		-		-		-
	-		-		-		-
	-		-		-		-
	15,481		1,700		106,636		11,742
	-		-		-		-
	15,481		1,700		106,636		11,742
	-		-		4		-
	-		-		-		-
	-		-		-		-
	-		-		-		-
	-		-		4		-
	-		-		-		-
	-		-		-		-
\$	-	\$	-	\$	4	\$	-



**VAL VERDE COUNTY, TEXAS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Special Revenue Funds		
	Operation Stone Garden 2017	Operation Stone Garden 2018	Local Border Security 2995204
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	358,775	379,359	48,690
Charges for services	-	-	-
Fees and fines	-	-	-
Investment earnings	-	-	-
Miscellaneous	-	-	-
	<hr/>	<hr/>	<hr/>
Total revenues	358,775	379,359	48,690
	<hr/>	<hr/>	<hr/>
<b>EXPENDITURES</b>			
General government	-	-	-
Infrastructure and environmental services	-	-	-
Health and human services	-	-	-
Corrections and rehabilitation	-	-	-
Culture and recreation	-	-	-
Justice system	-	-	-
Public safety	358,775	379,359	48,690
Public facilities	-	-	-
	<hr/>	<hr/>	<hr/>
Total expenditures	358,775	379,359	48,690
	<hr/>	<hr/>	<hr/>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	-	-	-
	<hr/>	<hr/>	<hr/>
<b>OTHER FINANCING SOURCES</b>			
Settlements and insurance claims	-	-	-
Transfer in	-	-	-
Transfer out (uses)	-	-	-
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	-	-	-
	<hr/>	<hr/>	<hr/>
<b>NET CHANGE IN FUND BALANCES</b>	-	-	-
	<hr/>	<hr/>	<hr/>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	-	-	-
	<hr/>	<hr/>	<hr/>
<b>PRIOR PERIOD ADJUSTMENT</b>	-	-	-
	<hr/>	<hr/>	<hr/>
<b>FUND BALANCE, END OF YEAR</b>	\$ -	\$ -	\$ -
	<hr/>	<hr/>	<hr/>

Border Prosecution Unit 2537708		Border Prosecution Unit 2537709		Bulletproof Vest Grant		Southwest Border Initiative	
\$	-	\$	-	\$	-	\$	-
	151,853		14,848		1,420		-
	-		-		-		-
	-		-		-		-
	-		-		-		-
	-		-		-		-
	151,853		14,848		1,420		-
	-		-		-		-
	-		-		-		-
	-		-		-		-
	-		-		-		-
	151,853		14,848		-		8,712
	-		-		1,420		-
	-		-		-		-
	151,853		14,848		1,420		8,712
	-		-		-		(8,712)
	-		-		-		-
	-		-		-		-
	-		-		-		-
	-		-		-		-
	-		-		-		(8,712)
	-		-		-		-
	-		-		-		20,816
\$	-	\$	-	\$	-	\$	12,104

**VAL VERDE COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	Special Revenue Funds		
	TDHCA 7214013	TDHCA 7217013	T.C.D.B.G. 7216075
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	6,750	531,845	305,110
Charges for services	-	-	-
Fees and fines	-	-	-
Investment earnings	-	-	-
Miscellaneous	-	-	-
Total revenues	6,750	531,845	305,110
<b>EXPENDITURES</b>			
General government	-	-	-
Infrastructure and environmental services	-	-	305,110
Health and human services	6,750	531,845	-
Corrections and rehabilitation	-	-	-
Culture and recreation	-	-	-
Justice system	-	-	-
Public safety	-	-	-
Public facilities	-	-	-
Total expenditures	6,750	531,845	305,110
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	-	-	-
<b>OTHER FINANCING SOURCES</b>			
Settlements and insurance claims	-	-	-
Transfer in	-	-	-
Transfer out (uses)	-	-	-
Total other financing sources (uses)	-	-	-
<b>NET CHANGE IN FUND BALANCES</b>	-	-	-
<b>FUND BALANCE, BEGINNING OF YEAR</b>	-	-	-
<b>PRIOR PERIOD ADJUSTMENT</b>	-	-	-
<b>FUND BALANCE, END OF YEAR</b>	\$ -	\$ -	\$ -



**VAL VERDE COUNTY, TEXAS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Special Revenue Funds		
	DWI Specialty Court	Indigent Defense Formula	Texas Department of Transportation Infrastructure
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	144,266	36,179	5,109
Charges for services	-	-	-
Fees and fines	-	-	-
Investment earnings	-	-	-
Miscellaneous	-	-	-
	<hr/>	<hr/>	<hr/>
Total revenues	144,266	36,179	5,109
	<hr/>	<hr/>	<hr/>
<b>EXPENDITURES</b>			
General government	-	-	-
Infrastructure and environmental services	-	-	17,934
Health and human services	-	-	-
Corrections and rehabilitation	-	-	-
Culture and recreation	-	-	-
Justice system	146,571	36,179	-
Public safety	-	-	-
Public facilities	-	-	-
	<hr/>	<hr/>	<hr/>
Total expenditures	146,571	36,179	17,934
	<hr/>	<hr/>	<hr/>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(2,305)	-	(12,825)
	<hr/>	<hr/>	<hr/>
<b>OTHER FINANCING SOURCES</b>			
Settlements and insurance claims	-	-	-
Transfer in	-	-	-
Transfer out (uses)	-	-	-
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	-	-	-
	<hr/>	<hr/>	<hr/>
<b>NET CHANGE IN FUND BALANCES</b>	(2,305)	-	(12,825)
	<hr/>	<hr/>	<hr/>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	-	-	33,550
	<hr/>	<hr/>	<hr/>
<b>PRIOR PERIOD ADJUSTMENT</b>	-	-	(20,725)
	<hr/>	<hr/>	<hr/>
<b>FUND BALANCE, END OF YEAR</b>	\$ (2,305)	\$ -	\$ -
	<hr/>	<hr/>	<hr/>

EXHIBIT H-2

Law Library	Family Protection	Other Special Revenue Funds	Total Special Revenue Funds
\$ -	\$ -	\$ -	\$ 544,506
-	-	1,911,183	4,897,395
-	-	-	990,781
30,555	4,963	-	358,426
-	-	-	2,604
-	-	-	-
30,555	4,963	1,911,183	6,793,712
-	-	-	263,786
-	-	-	1,724,244
-	-	-	538,595
-	-	-	-
-	-	-	21,822
34,541	-	-	449,109
-	-	-	1,094,556
-	-	1,912,682	1,912,682
34,541	-	1,912,682	6,004,794
(3,986)	4,963	(1,499)	788,918
-	-	-	621
-	-	-	711,770
-	-	-	(1,310,826)
-	-	-	(598,435)
(3,986)	4,963	(1,499)	190,483
(2,119)	-	1,873	615,316
-	-	-	75,098
\$ (6,105)	\$ 4,963.00	\$ 374	\$ 880,897

**VAL VERDE COUNTY, TEXAS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Capital Project Funds		
	Capital Project Library	Capital Project Tax Note 2013	Capital Project Tax Note 2016
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	-	-	-
Charges for services	-	-	-
Fees and fines	-	-	-
Investment earnings	-	30	833
Miscellaneous	-	-	-
	<hr/>	<hr/>	<hr/>
Total revenues	-	30	833
<b>EXPENDITURES</b>			
General government	-	-	-
Infrastructure and environmental services	-	-	428,898
Health and human services	-	-	-
Corrections and rehabilitation	23,236	-	-
Culture and recreation	-	25,350	1,119
Justice system	-	-	-
Public safety	-	-	-
Public facilities	-	-	92,396
	<hr/>	<hr/>	<hr/>
Total expenditures	23,236	25,350	522,413
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<hr/> (23,236)	<hr/> (25,320)	<hr/> (521,580)
<b>OTHER FINANCING SOURCES</b>			
Transfer in	-	-	-
Transfer out (uses)	-	-	-
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	-	-	-
<b>CHANGE IN FUND BALANCE</b>	(23,236)	(25,320)	(521,580)
<b>FUND BALANCE, BEGINNING</b>	206,080	29,676	833,688
<b>PRIOR PERIOD ADJUSTMENT</b>	<hr/> -	<hr/> -	<hr/> -
<b>FUND BALANCE, ENDING</b>	<hr/> \$ 182,844	<hr/> \$ 4,356	<hr/> \$ 312,108

Total Nonmajor Governmental Funds	
\$	544,506
	4,897,395
	990,781
	358,426
	3,467
	-
	<u>6,794,575</u>
	263,786
	2,153,142
	538,595
	23,236
	48,291
	449,109
	1,094,556
	<u>2,005,078</u>
	<u>6,575,793</u>
	<u>218,782</u>
	621
	711,770
	<u>(1,310,826)</u>
	<u>(598,435)</u>
	(379,653)
	1,684,760
	<u>75,098</u>
\$	<u>1,380,205</u>



## **FIDUCIARY FUNDS**

**VAL VERDE COUNTY, TEXAS**

**COMBINING STATEMENT OF FIDUCIARY ASSETS  
AND LIABILITIES**

SEPTEMBER 30, 2019

	<u>County Clerk</u>	<u>County Clerk Criminal Account</u>	<u>County Clerk Civil Account</u>	<u>County Clerk Probate Account</u>	<u>Court At Law Escrow Account</u>
<b>ASSETS</b>					
Cash and investments	\$ 7,448	\$ 6,170	\$ 2,912	\$ 3,626	\$ 15,144
Total assets	<u>\$ 7,448</u>	<u>\$ 6,170</u>	<u>\$ 2,912</u>	<u>\$ 3,626</u>	<u>\$ 15,144</u>
<b>LIABILITIES</b>					
Liabilities:					
Due to others	\$ 7,448	\$ 6,170	\$ 2,912	\$ 3,626	\$ 15,144
Total liabilities	<u>\$ 7,448</u>	<u>\$ 6,170</u>	<u>\$ 2,912</u>	<u>\$ 3,626</u>	<u>\$ 15,144</u>

EXHIBIT H-3

Court At Law Civil Cases	Court At Law Criminal Account	District Clerk Court Costs	District Clerk Registry Accounts	District Clerk MOP 2006 Court Costs	District Clerk MOP Registry Account
\$ 34,421	\$ 2,044	\$ 16,173	\$ 606,372	\$ 64,427	\$ 65,028
<u>\$ 34,421</u>	<u>\$ 2,044</u>	# <u>\$ 16,173</u>	<u>\$ 606,372</u>	<u>\$ 64,427</u>	<u>\$ 65,028</u>
\$ 34,421	\$ 2,044	\$ 16,173	\$ 606,372	\$ 64,427	\$ 65,028
<u>\$ 34,421</u>	<u>\$ 2,044</u>	# <u>\$ 16,173</u>	<u>\$ 606,372</u>	<u>\$ 64,427</u>	<u>\$ 65,028</u>

**VAL VERDE COUNTY, TEXAS**

**COMBINING STATEMENT OF FIDUCIARY ASSETS  
AND LIABILITIES**

(Continued)  
SEPTEMBER 30, 2019

	Justice of the Peace 1-4	County Attorney Merchant Account	Tax Assessor Property Tax	Tax Assessor Escrow Account #2	Sheriff's Account Cash bonds
<b>ASSETS</b>					
Cash and investments	\$ 230,908	\$ 17,902	\$ 539,320	\$ 169,818	\$ 6,606
Total assets	<u>\$ 230,908</u>	<u>\$ 17,902</u>	<u>\$ 539,320</u>	<u>\$ 169,818</u>	<u>\$ 6,606</u>
<b>LIABILITIES</b>					
Liabilities:					
Due to others	\$ 230,908	\$ 17,902	\$ 539,320	\$ 169,818	\$ 6,606
Total liabilities	<u>\$ 230,908</u>	<u>\$ 17,902</u>	<u>\$ 539,320</u>	<u>\$ 169,818</u>	<u>\$ 6,606</u>

EXHIBIT H-3

County Clerk Trust Fund	County Clerk Records Management	County Clerk Records Archive Fund	County Clerk Miscellaneous Account	Court at Law Justice Technology Fee	Election Services Contract Fund
\$ 94,431	\$ 250,146	\$ 73,889	\$ 30	\$ -	\$ 17,468
<u>\$ 94,431</u>	<u>\$ 250,146</u>	<u>\$ 73,889</u>	<u>\$ 30</u>	<u>\$ -</u>	<u>\$ 17,468</u>
\$ 94,431	\$ 250,146	\$ 73,889	\$ 30	\$ -	\$ 17,468
<u>\$ 94,431</u>	<u>\$ 250,146</u>	<u>\$ 73,889</u>	<u>\$ 30</u>	<u>\$ -</u>	<u>\$ 17,468</u>

## VAL VERDE COUNTY, TEXAS

COMBINING STATEMENT OF FIDUCIARY ASSETS  
AND LIABILITIES  
(Continued)  
SEPTEMBER 30, 2019

	Tax Assessor VIT Escrow Account	Tax Assessor Collector of Taxes	County Welfare	GEO	Total Agency Funds
<b>ASSETS</b>					
Cash and investments	\$ 220,479	\$ 715,575	\$ 14,929	\$ -	\$ 3,175,265
Total assets	<u>\$ 220,479</u>	<u>\$ 715,575</u>	<u>\$ 14,929</u>	<u>\$ -</u>	<u>\$ 3,175,265</u>
<b>LIABILITIES</b>					
Liabilities:					
Due to others	\$ 220,479	\$ 715,575	\$ 14,929	\$ -	\$ 3,175,265
Total liabilities	<u>\$ 220,479</u>	<u>\$ 715,575</u>	<u>\$ 14,929</u>	<u>\$ -</u>	<u>\$ 3,175,265</u>

## VAL VERDE COUNTY, TEXAS

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

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>10/1/2018</u>	<u>Additions</u>	<u>Deductions</u>	<u>9/30/2019</u>
<b><u>COUNTY CLERK</u></b>				
Assets:				
Cash and investments	\$ 15,778	\$ 62,084	\$ 70,414	\$ 7,448
Total Assets	<u>\$ 15,778</u>	<u>\$ 62,084</u>	<u>\$ 70,414</u>	<u>\$ 7,448</u>
Liabilities:				
Due to others	\$ 15,778	\$ 62,084	\$ 70,414	\$ 7,448
Total Liabilities	<u>\$ 15,778</u>	<u>\$ 62,084</u>	<u>\$ 70,414</u>	<u>\$ 7,448</u>
<b><u>COUNTY CLERK CRIMINAL ACCOUNT</u></b>				
Assets:				
Cash and investments	\$ 5,929	\$ 7,173	\$ 6,932	\$ 6,170
Total Assets	<u>\$ 5,929</u>	<u>\$ 7,173</u>	<u>\$ 6,932</u>	<u>\$ 6,170</u>
Liabilities:				
Due to others	\$ 5,929	\$ 7,173	\$ 6,932	\$ 6,170
Total Liabilities	<u>\$ 5,929</u>	<u>\$ 7,173</u>	<u>\$ 6,932</u>	<u>\$ 6,170</u>
<b><u>COUNTY CLERK CIVIL ACCOUNT</u></b>				
Assets:				
Cash and investments	\$ 21,341	\$ 40,277	\$ 58,706	\$ 2,912
Total Assets	<u>\$ 21,341</u>	<u>\$ 40,277</u>	<u>\$ 58,706</u>	<u>\$ 2,912</u>
Liabilities:				
Due to others	\$ 21,341	\$ 40,277	\$ 58,706	\$ 2,912
Total Liabilities	<u>\$ 21,341</u>	<u>\$ 40,277</u>	<u>\$ 58,706</u>	<u>\$ 2,912</u>
<b><u>COUNTY CLERK PROBATE ACCOUNT</u></b>				
Assets:				
Cash and investments	\$ 7,158	\$ 24,347	\$ 27,879	\$ 3,626
Total Assets	<u>\$ 7,158</u>	<u>\$ 24,347</u>	<u>\$ 27,879</u>	<u>\$ 3,626</u>
Liabilities:				
Due to others	\$ 7,158	\$ 24,347	\$ 27,879	\$ 3,626
Total Liabilities	<u>\$ 7,158</u>	<u>\$ 24,347</u>	<u>\$ 27,879</u>	<u>\$ 3,626</u>

**VAL VERDE COUNTY, TEXAS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND**  
**LIABILITIES - ALL FIDUCIARY FUNDS**  
(Continued)  
**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	10/1/2018	Additions	Deductions	9/30/2019
<b><u>COURT AT LAW ESCROW ACCOUNT</u></b>				
Assets:				
Cash and investments	\$ 15,144	\$ -	\$ -	\$ 15,144
Total Assets	<u>\$ 15,144</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,144</u>
Liabilities:				
Due to others	\$ 15,144	\$ -	\$ -	\$ 15,144
Total Liabilities	<u>\$ 15,144</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,144</u>
<b><u>COURT AT LAW CIVIL CASES</u></b>				
Assets:				
Cash and investments	\$ 34,421	\$ -	\$ -	\$ 34,421
Total Assets	<u>\$ 34,421</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34,421</u>
Liabilities:				
Due to others	\$ 34,421	\$ -	\$ -	\$ 34,421
Total Liabilities	<u>\$ 34,421</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34,421</u>
<b><u>COURT AT LAW CRIMINAL ACCOUNT</u></b>				
Assets:				
Cash and investments	\$ 2,044	\$ -	\$ -	\$ 2,044
Total Assets	<u>\$ 2,044</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,044</u>
Liabilities:				
Due to others	\$ 2,044	\$ -	\$ -	\$ 2,044
Total Liabilities	<u>\$ 2,044</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,044</u>
<b><u>DISTRICT CLERK COURT COSTS</u></b>				
Assets:				
Cash and investments	\$ 320,127	\$ 142,739	\$ 446,693	\$ 16,173
Total Assets	<u>\$ 320,127</u>	<u>\$ 142,739</u>	<u>\$ 446,693</u>	<u>\$ 16,173</u>
Liabilities:				
Due to others	\$ 320,127	\$ 142,739	\$ 446,693	\$ 16,173
Total Liabilities	<u>\$ 320,127</u>	<u>\$ 142,739</u>	<u>\$ 446,693</u>	<u>\$ 16,173</u>



## VAL VERDE COUNTY, TEXAS

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

(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>10/1/2018</u>	<u>Additions</u>	<u>Deductions</u>	<u>9/30/2019</u>
<b><u>DISTRICT CLERK REGISTRY ACCOUNTS</u></b>				
Assets:				
Cash and investments	\$ 652,229	\$ 352,423	\$ 398,280	\$ 606,372
Total Assets	<u>\$ 652,229</u>	<u>\$ 352,423</u>	<u>\$ 398,280</u>	<u>\$ 606,372</u>
Liabilities:				
Due to others	\$ 652,229	\$ 352,423	\$ 398,280	\$ 606,372
Total Liabilities	<u>\$ 652,229</u>	<u>\$ 352,423</u>	<u>\$ 398,280</u>	<u>\$ 606,372</u>
<b><u>DISTRICT CLERK - MOP 2006 COURT COSTS</u></b>				
Assets:				
Cash and investments	\$ 64,427	\$ -	\$ -	\$ 64,427
Total Assets	<u>\$ 64,427</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 64,427</u>
Liabilities:				
Due to others	\$ 64,427	\$ -	\$ -	\$ 64,427
Total Liabilities	<u>\$ 64,427</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 64,427</u>
<b><u>DISTRICT CLERK - MOP REGISTRY ACCOUNT</u></b>				
Assets:				
Cash and investments	\$ 65,028	\$ -	\$ -	\$ 65,028
Total Assets	<u>\$ 65,028</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 65,028</u>
Liabilities:				
Due to others	\$ 65,028	\$ -	\$ -	\$ 65,028
Total Liabilities	<u>\$ 65,028</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 65,028</u>
<b><u>JUSTICE OF THE PEACE COURTS 1-4</u></b>				
Assets:				
Cash and investments	\$ 139,945	\$ 786,973	\$ 696,010	\$ 230,908
Total Assets	<u>\$ 139,945</u>	<u>\$ 786,973</u>	<u>\$ 696,010</u>	<u>\$ 230,908</u>
Liabilities:				
Due to others	\$ 139,945	\$ 786,973	\$ 696,010	\$ 230,908
Total Liabilities	<u>\$ 139,945</u>	<u>\$ 786,973</u>	<u>\$ 696,010</u>	<u>\$ 230,908</u>

## VAL VERDE COUNTY, TEXAS

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

(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	10/1/2018	Additions	Deductions	9/30/2019
<b><u>COUNTY ATTORNEY MERCHANT ACCOUNT</u></b>				
Assets:				
Cash and investments	\$ 16,666	\$ 4,502	\$ 3,266	\$ 17,902
Total Assets	<u>\$ 16,666</u>	<u>\$ 4,502</u>	<u>\$ 3,266</u>	<u>\$ 17,902</u>
Liabilities:				
Due to others	\$ 16,666	\$ 4,502	\$ 3,266	\$ 17,902
Total Liabilities	<u>\$ 16,666</u>	<u>\$ 4,502</u>	<u>\$ 3,266</u>	<u>\$ 17,902</u>
<b><u>TAX ASSESSOR PROPERTY TAX</u></b>				
Assets:				
Cash and investments	\$ 503,221	\$ 40,099,649	\$ 40,063,550	\$ 539,320
Total Assets	<u>\$ 503,221</u>	<u>\$ 40,099,649</u>	<u>\$ 40,063,550</u>	<u>\$ 539,320</u>
Liabilities:				
Due to others	\$ 503,221	\$ 40,099,649	\$ 40,063,550	\$ 539,320
Total Liabilities	<u>\$ 503,221</u>	<u>\$ 40,099,649</u>	<u>\$ 40,063,550</u>	<u>\$ 539,320</u>
<b><u>TAX ASSESSOR ESCROW ACCOUNT #2</u></b>				
Assets:				
Cash and investments	\$ 161,937	\$ 95,336	\$ 87,455	\$ 169,818
Total Assets	<u>\$ 161,937</u>	<u>\$ 95,336</u>	<u>\$ 87,455</u>	<u>\$ 169,818</u>
Liabilities:				
Due to others	\$ 161,937	\$ 95,336	\$ 87,455	\$ 169,818
Total Liabilities	<u>\$ 161,937</u>	<u>\$ 95,336</u>	<u>\$ 87,455</u>	<u>\$ 169,818</u>
<b><u>SHERIFF'S ACCOUNT CASH BONDS</u></b>				
Assets:				
Cash and investments	\$ 3,200	\$ 6,406	\$ 3,000	\$ 6,606
Total Assets	<u>\$ 3,200</u>	<u>\$ 6,406</u>	<u>\$ 3,000</u>	<u>\$ 6,606</u>
Liabilities:				
Due to others	\$ 3,200	\$ 6,406	\$ 3,000	\$ 6,606
Total Liabilities	<u>\$ 3,200</u>	<u>\$ 6,406</u>	<u>\$ 3,000</u>	<u>\$ 6,606</u>

## VAL VERDE COUNTY, TEXAS

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

(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	10/1/2018	Additions	Deductions	9/30/2019
<b><u>COUNTY CLERK TRUST FUND</u></b>				
Assets:				
Cash and investments	\$ 92,631	\$ 24,239	\$ 22,439	\$ 94,431
Total Assets	<u>\$ 92,631</u>	<u>\$ 24,239</u>	<u>\$ 22,439</u>	<u>\$ 94,431</u>
Liabilities:				
Due to others	\$ 92,631	\$ 24,239	\$ 22,439	\$ 94,431
Total Liabilities	<u>\$ 92,631</u>	<u>\$ 24,239</u>	<u>\$ 22,439</u>	<u>\$ 94,431</u>
<b><u>COUNTY CLERK RECORDS MANAGEMENT</u></b>				
Assets:				
Cash and investments	\$ 346,878	\$ 1,517	\$ 98,249	\$ 250,146
Total Assets	<u>\$ 346,878</u>	<u>\$ 1,517</u>	<u>\$ 98,249</u>	<u>\$ 250,146</u>
Liabilities:				
Due to others	\$ 346,878	\$ 1,517	\$ 98,249	\$ 250,146
Total Liabilities	<u>\$ 346,878</u>	<u>\$ 1,517</u>	<u>\$ 98,249</u>	<u>\$ 250,146</u>
<b><u>COUNTY CLERK RECORDS ARCHIVE FUND</u></b>				
Assets:				
Cash and investments	\$ 168,214	\$ 461	\$ 94,786	\$ 73,889
Total Assets	<u>\$ 168,214</u>	<u>\$ 461</u>	<u>\$ 94,786</u>	<u>\$ 73,889</u>
Liabilities:				
Due to others	\$ 168,214	\$ 461	\$ 94,786	\$ 73,889
Total Liabilities	<u>\$ 168,214</u>	<u>\$ 461</u>	<u>\$ 94,786</u>	<u>\$ 73,889</u>
<b><u>COUNTY CLERK MISCELLANEOUS ACCOUNT</u></b>				
Assets:				
Cash and investments	\$ 30	\$ -	\$ -	\$ 30
Total Assets	<u>\$ 30</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30</u>
Liabilities:				
Due to others	\$ 30	\$ -	\$ -	\$ 30
Total Liabilities	<u>\$ 30</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30</u>

## VAL VERDE COUNTY, TEXAS

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

(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	10/1/2018	Additions	Deductions	9/30/2019
<b><u>COURT AT LAW JUSTICE TECHNOLOGY FEE</u></b>				
Assets:				
Cash and investments	\$ 741	\$ -	\$ 741	\$ -
Total Assets	<u>\$ 741</u>	<u>\$ -</u>	<u>\$ 741</u>	<u>\$ -</u>
Liabilities:				
Due to others	\$ 741	\$ -	\$ 741	\$ -
Total Liabilities	<u>\$ 741</u>	<u>\$ -</u>	<u>\$ 741</u>	<u>\$ -</u>
<b><u>ELECTION SERVICES CONTRACT FUND</u></b>				
Assets:				
Cash and investments	\$ 62,277	\$ 5,900	\$ 50,709	\$ 17,468
Total Assets	<u>\$ 62,277</u>	<u>\$ 5,900</u>	<u>\$ 50,709</u>	<u>\$ 17,468</u>
Liabilities:				
Due to others	\$ 62,277	\$ 5,900	\$ 50,709	\$ 17,468
Total Liabilities	<u>\$ 62,277</u>	<u>\$ 5,900</u>	<u>\$ 50,709</u>	<u>\$ 17,468</u>
<b><u>TAX ASSESSOR VIT ESCROW ACCOUNT</u></b>				
Assets:				
Cash and investments	\$ 219,832	\$ 262,739	\$ 262,092	\$ 220,479
Total Assets	<u>\$ 219,832</u>	<u>\$ 262,739</u>	<u>\$ 262,092</u>	<u>\$ 220,479</u>
Liabilities:				
Due to others	\$ 219,832	\$ 262,739	\$ 262,092	\$ 220,479
Total Liabilities	<u>\$ 219,832</u>	<u>\$ 262,739</u>	<u>\$ 262,092</u>	<u>\$ 220,479</u>
<b><u>TAX ASSESSOR COLLECTOR OF TAXES</u></b>				
Assets:				
Cash and investments	\$ 525,277	\$ 10,659,188	\$ 10,468,890	\$ 715,575
Total Assets	<u>\$ 525,277</u>	<u>\$ 10,659,188</u>	<u>\$ 10,468,890</u>	<u>\$ 715,575</u>
Liabilities:				
Due to others	\$ 525,277	\$ 10,659,188	\$ 10,468,890	\$ 715,575
Total Liabilities	<u>\$ 525,277</u>	<u>\$ 10,659,188</u>	<u>\$ 10,468,890</u>	<u>\$ 715,575</u>

## VAL VERDE COUNTY, TEXAS

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

(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	10/1/2018	Additions	Deductions	9/30/2019
<b><u>COUNTY WELFARE</u></b>				
Assets:				
Cash and investments	\$ 16,710	\$ 1,220	\$ 3,001	\$ 14,929
Total Assets	<u>\$ 16,710</u>	<u>\$ 1,220</u>	<u>\$ 3,001</u>	<u>\$ 14,929</u>
Liabilities:				
Due to others	\$ 16,710	\$ 1,220	\$ 3,001	\$ 14,929
Total Liabilities	<u>\$ 16,710</u>	<u>\$ 1,220</u>	<u>\$ 3,001</u>	<u>\$ 14,929</u>
<b><u>GEO</u></b>				
Assets:				
Cash and investments	\$ -	\$ 37,674,006	\$ 37,674,006	\$ -
Total Assets	<u>\$ -</u>	<u>\$ 37,674,006</u>	<u>\$ 37,674,006</u>	<u>\$ -</u>
Liabilities:				
Due to others	\$ -	\$ 37,674,006	\$ 37,674,006	\$ -
Total Liabilities	<u>\$ -</u>	<u>\$ 37,674,006</u>	<u>\$ 37,674,006</u>	<u>\$ -</u>
<b><u>TOTAL-AGENCY FUNDS</u></b>				
Assets:				
Cash and investments	\$ 3,461,184	\$ 90,251,179	\$ 90,537,098	\$ 3,175,265
Total assets	<u>\$ 3,461,184</u>	<u>\$ 90,251,179</u>	<u>\$ 90,537,098</u>	<u>\$ 3,175,265</u>
Liabilities:				
Due to others	\$ 3,461,184	\$ 90,251,179	\$ 90,537,098	\$ 3,175,265
Total liabilities	<u>\$ 3,461,184</u>	<u>\$ 90,251,179</u>	<u>\$ 90,537,098</u>	<u>\$ 3,175,265</u>

## **STATISTICAL SECTION**

Val Verde County, Texas  
Net Position  
Last Ten Fiscal Years

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>Net position:</b>										
<b>Net Investment in Capital Assets</b>	\$ 14,149,618	\$ 9,034,205	\$ 6,799,328	\$ 1,815,085	\$ 781,185	\$ 2,138,675	\$ 1,990,157	\$ 1,382,964	\$ 31,364,508	\$ 38,606,180
<b>Restricted</b>	1,740,443	2,401,653	5,344,020	9,563,890	9,182,132	5,232,796	6,486,912	6,269,317	9,109,231	1,303,584
<b>Unrestricted</b>	1,835,764	3,069,118	1,714,274	2,078,829	651,478	3,239,120	1,961,628	3,992,063	2,990,897	2,933,568
<b>Total Net position</b>	<u>\$ 17,725,825</u>	<u>\$ 14,504,976</u>	<u>\$ 13,857,622</u>	<u>\$ 13,457,804</u>	<u>\$ 10,614,795</u>	<u>\$ 10,610,591</u>	<u>\$ 10,438,697</u>	<u>\$ 11,644,344</u>	<u>\$ 43,464,636</u>	<u>\$ 42,843,332</u>

Source: Val Verde County Financial Records

Val Verde County, Texas  
Changes in Net Position  
Last Ten Fiscal Years

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>Revenues:</b>										
<b>Program Revenue:</b>										
Charges for Services	\$ 4,178,267	\$ 5,064,046	\$ 3,282,870	\$ 3,030,152	\$ 2,636,145	\$ 3,263,423	\$ 2,665,576	\$ 2,870,191	\$ 3,214,399	\$ 3,096,100
Operating Grants and Contributions	9,028,277	6,334,905	9,996,682	28,034,841	30,370,703	31,449,773	27,875,151	38,802,568	27,955,547	23,958,527
<b>General Revenue:</b>										
Property Taxes	12,972,225	11,891,803	11,859,443	10,752,923	10,079,994	9,363,326	8,669,887	8,666,545	8,262,641	8,958,636
Sales Taxes	3,408,064	2,223,062	2,302,830	2,129,606	2,085,747	1,968,955	2,036,156	1,821,800	1,706,042	1,624,418
Other					23,435	20,012	35,416		290,772	304,049
Non-Recurring	466,380	668,807								
Investment Earnings	157,571	43,966	30,907	31,094	27,690	21,454	12,130	14,372	20,706	13,975
Miscellaneous	52,066	14,267	91,039	322,580	413,784	1,195,217	997,068	151,533	310,352	66,169
<b>Total Revenues</b>	<b>\$ 30,262,850</b>	<b>\$ 26,240,856</b>	<b>\$ 27,563,771</b>	<b>\$ 44,301,196</b>	<b>\$ 45,637,498</b>	<b>\$ 47,282,160</b>	<b>\$ 42,291,384</b>	<b>\$ 52,327,009</b>	<b>\$ 41,760,459</b>	<b>\$ 38,021,874</b>
<b>General Government</b>	<b>\$ 8,245,580</b>	<b>\$ 9,285,414</b>	<b>\$ 7,935,051</b>	<b>\$ 29,198,134</b>	<b>\$ 31,812,165</b>	<b>\$ 32,199,908</b>	<b>\$ 30,214,511</b>	<b>\$ 32,468,695</b>	<b>\$ 29,129,708</b>	<b>\$ 28,464,724</b>
Justice System	4,443,500	3,717,822	3,228,734	2,171,994	1,471,807	1,533,477	1,424,295	1,563,253	1,496,456	1,311,948
Legal					673,454	514,428	493,827	495,575	495,479	426,053
Public Safety	5,979,989	5,300,916	8,809,854	5,151,850	4,713,489	4,602,634	4,302,576	4,275,125	5,814,134	3,944,982
Infrastructure and Environmental Services	2,364,622	1,131,304	2,018,114	807,394	3,517,124	2,791,351	2,899,325	13,330,110	259,513	603,647
Health and Human Services	898,332	795,423	710,504	1,095,067	1,143,242	2,279,491	452,048	468,568	611,067	628,319
Culture and Recreation	709,194	666,162	710,981	565,335	619,615	647,545	723,007	799,923	773,470	679,250
Road & Bridge									1,704,742	1,519,546
Public Facilities	3,643,854	1,888,038	1,629,189	1,978,411	1,187,430	1,297,788	805,352	1,119,645	736,170	57,492
Corrections and Rehabilitation	25,518	504,825	148,583	97,153	-					
Interest on Long-Term Debt	823,520	944,969	1,030,875	1,139,619	1,321,745	1,256,458	1,270,133	1,103,435	62,328	67,447
Bond Issuance Costs		19,642								
<b>Total Expenditures</b>	<b>\$ 27,134,109</b>	<b>\$ 24,254,515</b>	<b>\$ 26,221,885</b>	<b>\$ 42,204,957</b>	<b>\$ 46,460,071</b>	<b>\$ 47,123,080</b>	<b>\$ 42,585,074</b>	<b>\$ 55,624,329</b>	<b>\$ 41,083,067</b>	<b>\$ 37,703,408</b>
<b>Change in Net Position</b>	<b>\$ 3,128,741</b>	<b>\$ 1,986,341</b>	<b>\$ 1,341,886</b>	<b>\$ 2,096,239</b>	<b>\$ (822,573)</b>	<b>\$ 159,080</b>	<b>\$ (293,690)</b>	<b>\$ (3,297,320)</b>	<b>\$ 677,392</b>	<b>\$ 318,466</b>
<b>Net Position, Beginning</b>	<b>\$ 14,504,976</b>	<b>\$ 13,857,622</b>	<b>\$ 13,457,804</b>	<b>\$ 10,614,795</b>	<b>\$ 10,610,591</b>	<b>\$ 10,438,697</b>	<b>\$ 11,644,344</b>	<b>\$ 43,464,636</b>	<b>\$ 42,843,332</b>	<b>\$ 42,419,325</b>
<b>Prior Period Adjustment</b>	<b>92,068</b>	<b>(1,338,990)</b>	<b>(942,069)</b>	<b>746,770</b>	<b>826,777</b>	<b>12,815</b>	<b>(911,957)</b>	<b>(28,522,972)</b>	<b>(56,087)</b>	<b>105,541</b>
<b>Net Position, Ending</b>	<b>\$ 17,725,785</b>	<b>\$ 14,504,973</b>	<b>\$ 13,857,621</b>	<b>\$ 13,457,804</b>	<b>\$ 10,614,795</b>	<b>\$ 10,610,592</b>	<b>\$ 10,438,697</b>	<b>\$ 11,644,344</b>	<b>\$ 43,464,637</b>	<b>\$ 42,843,332</b>

Source: Val Verde County Financial Records



Val Verde County, Texas  
Governmental Activities Tax Revenues by Source  
Last Ten Fiscal Years

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General Fund Property Tax	\$ 11,552,154	\$ 11,013,743	\$ 10,036,602	\$ 8,728,611	\$ 7,844,977	\$ 7,279,890	\$ 7,010,778	\$ 6,979,223	\$ 6,744,687	\$ 6,349,226
Road & Bridge Property Tax	544,506	693,367	677,112	380,415	357,806	347,720	330,033	315,606	-	-
Debt Service Property Tax	677,044	78,782	992,397	1,631,063	1,882,316	1,590,293	1,403,936	1,371,716	1,361,001	1,281,974
Sales Tax	3,408,064	2,223,062	2,302,830	2,129,606	2,085,747	1,968,955	2,036,156	1,821,800	1,706,042	1,624,418
Hotel Motel Occupancy Tax County	24,343	24,042	36,127	21,035	23,435	20,012	35,416	-	-	-
Hotel Motel Occupancy Tax City	49,954									
Total Taxes	\$ 16,256,065	\$ 14,032,996	\$ 14,045,068	\$ 12,890,730	\$ 12,194,281	\$ 11,206,870	\$ 10,816,319	\$ 10,488,345	\$ 9,811,730	\$ 9,255,618

Source: Val Verde County Financial Records

**Val Verde County, Texas**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**

**General Fund**

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Restricted	\$ -	\$ -	\$ -	\$ 3,151,616	\$ 985,588	\$ 560,993	\$ 864,807	\$ -	\$ -	\$ -
Assigned	3,625,760	2,362,678	665,864	652,005	-	-	-	-	-	-
Unassigned	3,599,473	3,041,216	1,073,958	386,557	271,093	1,090,525	1,140,242	1,755,699	1,543,087	1,693,747
	<u>\$ 7,225,233</u>	<u>\$ 5,403,894</u>	<u>\$ 1,739,822</u>	<u>\$ 4,190,178</u>	<u>\$ 1,256,681</u>	<u>\$ 1,651,518</u>	<u>\$ 2,005,049</u>	<u>\$ 1,755,699</u>	<u>\$ 1,543,087</u>	<u>\$ 1,693,747</u>

**All Other Funds**

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Restricted	\$ 1,740,403	\$ 2,401,653	\$ 5,344,020	\$ 6,412,274	\$ 8,196,544	\$ 4,671,803	\$ 5,622,105	\$ 6,269,317	\$ 9,109,231	\$ 1,303,584
Assigned			-	-	-	-	-	-	-	-
Unassigned			-	(82,742)	254,950	593,643	603,032	751,975	(36,579)	(67,217)
	<u>\$ 1,740,403</u>	<u>\$ 2,401,653</u>	<u>\$ 5,344,020</u>	<u>\$ 6,329,532</u>	<u>\$ 8,451,494</u>	<u>\$ 5,265,446</u>	<u>\$ 6,225,137</u>	<u>\$ 7,021,292</u>	<u>\$ 9,072,652</u>	<u>\$ 1,236,367</u>

<b>Total Fund Balances</b>	<u><b>\$ 8,965,636</b></u>	<u><b>\$ 7,805,547</b></u>	<u><b>\$ 7,083,842</b></u>	<u><b>\$ 10,519,710</b></u>	<u><b>\$ 9,708,175</b></u>	<u><b>\$ 6,916,964</b></u>	<u><b>\$ 8,230,186</b></u>	<u><b>\$ 8,776,991</b></u>	<u><b>\$ 10,615,739</b></u>	<u><b>\$ 2,930,114</b></u>
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Source: Val Verde County Financial Records

Val Verde County, Texas Changes in Fund Balances Last Ten Fiscal Years											
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	
<b>REVENUES</b>											
Property Taxes	\$ 12,773,704	\$ 11,785,891	\$ 11,706,111	\$ 10,740,089	\$ 10,085,099	\$ 9,217,903	\$ 8,744,747	\$ 8,666,545	\$ 8,105,688	\$ 7,631,200	
Sales Tax	3,408,064	2,223,062	2,302,830	2,129,606	2,085,747	1,968,955	2,036,156	1,821,800	1,706,042	1,624,418	
Other Taxes	-	-	-	-	-	-	-	-	290,772	304,049	
Intergovernmental	9,028,277	6,334,905	9,996,682	28,034,841	30,149,493	31,430,735	27,875,151	38,802,568	27,955,547	23,958,527	
Charges for Services	2,539,397	3,615,358	1,910,815	-	-	-	-	-	-	-	
License and Permits	34,149	27,781	23,464	-	-	-	-	-	-	-	
Fees and Fines	1,604,721	1,470,766	1,348,591	3,015,399	2,615,038	3,204,060	2,645,057	2,850,104	2,945,371	2,668,936	
Fines and Forfeitures	-	-	-	14,753	21,107	19,976	20,518	20,086	-	-	
Other Jail Fees	-	-	-	-	-	-	-	-	269,027	427,164	
Investment Earnings	157,571	43,966	30,907	31,094	27,690	21,454	12,130	14,372	20,706	13,975	
Grant Receipts	-	-	-	-	221,210	-	-	-	-	-	
Hotel Tax	-	-	-	21,035	23,435	20,012	35,416	-	-	-	
Miscellaneous	52,066	14,267	91,039	301,545	413,784	1,195,217	997,068	151,533	310,352	66,169	
Total Revenues	\$ 29,597,949	\$ 25,515,996	\$ 27,410,439	\$ 44,288,362	\$ 45,642,603	\$ 47,078,312	\$ 42,366,243	\$ 52,327,008	\$ 41,603,505	\$ 36,694,438	
<b>EXPENDITURES</b>											
General Government	\$ 7,740,994	\$ 7,464,584	\$ 9,464,494	\$ 30,363,648	\$ 31,184,169	\$ 31,397,040	\$ 29,201,513	\$ 31,154,569	\$ 28,536,710	\$ 26,871,092	
Justice System	4,046,095	3,618,012	3,142,863	1,449,890	1,408,847	1,460,950	1,363,005	1,503,480	1,440,612	1,311,948	
Legal	-	-	-	642,179	652,535	490,252	473,396	475,650	476,864	426,053	
Public Facilities	3,317,966	1,863,144	1,607,773	1,918,419	1,166,512	1,297,788	805,352	1,119,645	736,170	57,492	
Public Safety	5,445,168	5,176,213	8,702,567	4,912,269	4,608,692	4,312,524	4,557,005	4,323,502	6,367,742	4,179,771	
Health and Human Services	817,990	720,505	646,049	1,075,134	1,080,282	2,206,964	390,758	408,795	555,223	628,319	
Infrastructure and Environmental Services	2,153,142	832,112	1,760,708	707,536	3,265,692	2,646,296	2,776,743	13,210,563	147,825	603,647	
Culture and Recreation	645,767	616,137	667,942	525,276	577,574	599,194	687,848	760,074	736,241	679,250	
Road and Bridge	-	-	-	-	-	-	-	-	1,648,898	1,588,414	
Corrections and Rehabilitation	23,236	504,825	148,583	97,153	-	-	-	-	-	-	
Debt Service:	-	-	-	-	-	-	-	-	-	-	
Principal	3,905,000	4,985,000	3,600,000	3,505,000	3,445,000	2,800,000	2,500,000	-	185,000	345,000	
Interest and Other Charges	872,209	993,658	1,079,567	1,143,122	1,206,315	1,177,803	1,204,440	1,087,160	3,904	67,447	
Issuance Cost	-	-	-	45,000	92,205	-	-	-	-	-	
Capital Leases	28,742	22,073	109,271	176,175	158,703	115,936	125,105	153,209	209,129	173,340	
Total Expenditures	\$ 28,996,309	\$ 26,796,263	\$ 30,929,817	\$ 46,560,801	\$ 48,846,526	\$ 48,504,747	\$ 44,085,165	\$ 54,196,647	\$ 41,044,318	\$ 36,931,773	
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	\$ 601,640	\$ (1,280,267)	\$ (3,519,378)	\$ (2,272,439)	\$ (3,203,923)	\$ (1,426,435)	\$ (1,718,922)	\$ (1,869,639)	\$ 559,187	\$ (237,335)	
<b>OTHER FINANCING SOURCES (USES)</b>											
Issuance of Short-Term Loan	\$ -	\$ -	-	\$ 910,000	\$ 910,000	\$ 910,000	\$ 910,000	\$ 910,000	-	-	
Bank Interim-Financing	-	-	-	-	-	-	-	-	(28,689,125)	750,000	
Proceeds from Capital Leases	-	-	-	-	-	-	-	-	-	234,789	
Settlement and Insurance Claims	466,380	668,807	-	-	-	-	-	-	-	-	
Lease Financing	-	220,000	-	-	-	-	-	-	-	-	
Tax Note Proceeds	-	1,180,358	-	2,545,000	-	-	1,240,000	-	-	-	
Tax Note Issuance Cost	-	-	-	-	-	-	(40,000)	-	-	-	
Transfer In	5,772,596	5,525,688	4,975,078	12,871,358	12,647,579	12,750,446	11,915,077	8,898,249	8,187,471	8,621,871	
Transfer Out (uses)	(5,772,596)	(5,525,688)	(4,975,078)	(12,871,358)	(12,647,579)	(12,750,446)	(11,915,077)	(8,898,249)	(8,187,471)	(8,621,871)	
Short-Term Loan Payment	-	-	-	(910,000)	(910,000)	(910,000)	(910,000)	(910,000)	-	(750,000)	
Bond Proceeds	-	-	-	-	6,000,000	-	-	-	34,910,000	-	
Premium or Discount on Issuance of Bonds	-	-	-	-	-	-	-	-	584,301	-	
Total other Financing Sources (Uses)	\$ 466,380	\$ 2,069,165	\$ -	\$ 2,545,000	\$ 6,000,000	\$ -	\$ 1,200,000	\$ -	\$ 6,805,176	\$ 234,789	
NET CHANGE IN FUND BALANCE	\$ 1,068,020	\$ 788,898	\$ (3,519,377)	\$ 272,561	\$ 2,796,077	\$ (1,426,435)	\$ (518,922)	\$ (1,869,639)	\$ 7,364,363	\$ (2,546)	
FUND BALANCE, BEGINNING	7,805,548	7,083,842	10,519,710	9,708,175	6,916,964	8,230,186	8,776,991	10,615,739	2,930,114	3,162,407	
PRIOR PERIOD ADJUSTMENT	92,068	(67,192)	83,509	538,974	(4,866)	113,213	(27,883)	30,891	321,262	(229,747)	
FUND BALANCE, ENDING	\$ 8,965,636	\$ 7,805,548	\$ 7,083,842	\$ 10,519,710	\$ 9,708,175	\$ 6,916,964	\$ 8,230,186	\$ 8,776,991	\$ 10,615,739	\$ 2,930,114	
Debt service as a percentage of noncapital expenditures	17%	23%	17%	11%	10%	08%	09%	02%	02%	01%	
Source: Val Verde County Financial Records											

**Val Verde County, Texas**  
**Assessed Value and Actual of Taxable Property**  
**Last Ten Fiscal Years**

<b>Fiscal Years</b>		<b>Market Valuation</b>		<b>Less Exemptions</b>		<b>Net Taxable Assessed Valuation</b>		<b>*Tax Rates</b>
2019	\$	4,149,977,069	\$	1,408,457,388	\$	2,741,519,681	\$	0.5237
2018		3,730,232,657		1,355,538,701		2,374,693,956		0.5237
2017		3,744,090,419		1,376,273,120		2,367,817,299		0.5198
2016		3,551,191,948		1,317,747,900		2,233,444,048		0.4998
2015		3,429,297,858		1,323,662,097		2,105,635,761		0.4998
2014		3,333,894,162		1,290,891,466		2,043,002,696		0.4637
2013		3,051,528,863		1,120,326,530		1,931,202,333		0.4637
2012		2,407,333,323		502,438,946		1,904,894,377		0.4637
2011		2,409,203,473		502,944,635		1,906,258,838		0.4637
2010		2,345,008,011		488,049,207		1,856,958,804		0.4637

Source: First Southwest

Note: Property in the county is reassessed each year.

\* Tax Rate per \$100

**Val Verde County, Texas**  
**Property Tax Rates**  
**Direct and Overlapping Governments**  
**Last Ten Fiscal Years**

**Tax Rates\***

<b>Name</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
<b>County Direct Rates</b>										
General Fund	\$ 0.472700	\$ 0.499300	\$ 0.454400	\$ 0.388800	\$ 0.388800	\$ 0.365700	\$ 0.365700	\$ 0.365700	\$ 0.365700	\$ 0.365700
Farm to Market	0.023500	0.024400	0.024300	0.018000	0.018000	0.018000	0.018000	0.018000	0.018000	0.018000
Interest and Sinking	0.027500	0.000000	0.041100	0.093000	0.093000	0.080000	0.080000	0.080000	0.080000	0.080000
<b>Total Direct Rate</b>	<b>0.523700</b>	<b>0.523700</b>	<b>0.519800</b>	<b>0.499800</b>	<b>0.499800</b>	<b>0.463700</b>	<b>0.463700</b>	<b>0.463700</b>	<b>0.463700</b>	<b>0.463700</b>
<b>School District Rates</b>										
San Felipe ISD	\$ 1.159800	\$ 1.159800	\$ 1.159800	\$ 1.160300	\$ 1.167900	\$ 1.172400	\$ 1.179500	\$ 1.188720	\$ 1.185000	\$ 1.199415
Comstock ISD	1.300000	1.320000	1.320000	1.320000	1.215000	1.205000	1.215000	1.200000	1.200000	1.170000
Rocksprings ISD	1.150100	1.150100	1.150050	1.150640	1.136830	1.158750	1.040000	1.040000	1.040000	1.040000
<b>Cities and Towns Rates</b>										
City of Del Rio	\$ 0.715159	\$ 0.684576	\$ 0.684576	\$ 0.640000	\$ 0.588810	\$ 0.578808	\$ 0.575550	\$ 0.575550	\$ 0.575550	\$ 0.557550

\*Per \$100 of Assessed Value

Source: Val Verde County Appraisal District

<b>If residing in the County seat</b>		
San Felipe ISD	\$ 1.1598	46.30%
City of Del Rio	0.715159	28.55%
Val Verde County	0.523700	20.91%
VVC Regional Hospital	0.1064	4.25%

*before all applicable discounts*

Val Verde County, Texas  
Principal Property Taxpayers  
Current Year and Nine Years Ago

Taxpayer	2019			2010		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed	Taxable Assessed Value	Rank	Percentages of Total Taxable Assessed
Rocksprings Val Verde Wind LLC	\$ 164,690,860	1	6.01 %	\$ -		
Union Pacific Railroad Co.	79,274,730	2	2.89	31,135,700	1	1.69 %
Electric Transmission of Texas	60,433,960	3	2.20			
Plains Pipeline LP	59,341,370	4	2.16			
AEP Texas Inc.	46,383,040	5	1.69	22,759,570	4	1.24
Cactus II Pipeline LLC	38,777,420	6	1.41			
The Geo Group Inc.	22,006,270	7	0.80	25,080,070	2	1.36
Lone Star NGL Pipeline LLC	16,501,710	8	0.60			
Plaza-Al LLC	13,044,930	9	0.48			
USGP Del Rio CH LP	9,598,180	10	0.35			
Conoco Phillips Co.				23,481,570	3	1.27
Encore Energy Partners OPR LLC				22,648,180	5	1.23
Cimarex Energy Co of Colorado				14,472,810	6	0.79
Verizon Southwest				10,606,260	7	0.58
Wal-Mart Real Estate				9,505,120	8	0.52
Mall Shopping Center Inc.				9,200,000	9	0.50
Max & Max				8,266,880	10	0.45
Total	<u>\$ 510,052,470</u>		<u>18.59 %</u>	<u>\$ 177,156,160</u>		<u>9.63 %</u>

Source: Municipal Advisory Council of Texas

**Val Verde County, Texas**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**

Fiscal Year Ended September 30	Total Tax Levy for Fiscal Year	Collection within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount Collected	Percentage of Levy		Amount Collected	Percentage of Levy
2019	\$ 13,713,081	\$ 12,893,039	94.02%	\$ 820,042	\$ 13,713,081	94.02%
2018	11,916,290	11,372,907	95.44%	543,383	11,916,290	95.40%
2017	11,365,648	11,170,159	98.28%	195,489	11,365,648	98.36%
2016	10,760,733	9,814,865	91.21%	538,037	10,352,901	96.21%
2015	10,142,761	9,009,815	88.83%	545,681	9,555,495	94.21%
2014	9,103,123	8,495,034	93.32%	69,184	8,564,218	94.08%
2013	8,564,878	7,873,692	91.93%	531,879	8,405,571	98.14%
2012	8,490,077	7,926,336	93.36%	560,345	8,486,681	99.96%
2011	8,213,211	7,590,650	92.42%	514,968	8,105,618	98.69%
2010	7,623,598	7,154,747	93.85%	476,475	7,631,222	100.10%

Source: Texas Municipal Reports  
Val Verde County Tax A/C

**Val Verde County, Texas**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

**Governmental Activities**

<b>Fiscal Year</b>	<b>General Obligation Bonds Includes Premium</b>	<b>Tax Notes</b>	<b>Capital Leases</b>	<b>Bank Financing</b>	<b>Percentage of Personal Income</b>	<b>Population</b>	<b>Per Capita</b>
2019	\$ 19,629,771	\$ 1,720,000	\$ 191,258	\$ -	1.08%	49,205	\$ 36,554
2018	23,168,460	2,135,000	220,000	-	1.42%	48,988	36,718
2017	26,592,149	2,545,000	22,073	-	1.71%	49,028	34,703
2016	29,925,841	2,860,000	131,344	910,000	2.02%	48,911	34,253
2015	33,164,533	630,000	130,310	910,000	2.08%	48,891	34,178
2014	30,348,225	940,000	83,085	910,000	1.99%	48,845	33,154
2013	32,896,917	1,240,000	130,098	910,000	2.27%	49,044	31,657
2012	35,445,609	-	180,818	910,000	2.33%	48,976	32,051
2011	35,494,301	-	269,060	-	2.36%	48,972	30,972
2010	-	185,000	419,765	750,000	0.09%	48,971	31,793

Source: Val Verde County Annual Financial Statement



**Val Verde County  
Ratios of General Bonded Debt Outstanding  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>General Obligation Bonds Includes premium</b>	<b>Less Amounts Available in Debt Service Fund</b>	<b>Total</b>	<b>Percentage of Estimated Actual Taxable Value of Property</b>	<b>Per Capita</b>
2019	\$ 21,541,029	\$ 204,884	\$ 21,336,145	0.95%	\$ 434
2018	25,523,460	561,814	24,961,646	1.05%	510
2017	29,137,149	2,728,531	26,408,618	1.12%	539
2016	32,785,841	2,769,337	30,016,504	1.34%	614
2015	33,794,533	3,112,067	30,682,466	1.5%	628
2014	31,288,225	3,274,832	28,013,393	1.4%	574
2013	34,136,917	2,934,499	31,202,418	1.6%	636
2012	35,445,609	2,515,626	32,929,983	1.7%	672
2011	35,494,301	3,288,653	32,205,648	1.7%	658
2010	185,000	1,282,004	(1,097,004)	-0.1%	-22

Source: Val Verde County Annual Financial Statement  
FRED Economic Research

2019 bonds - Tn - Fire Trucks

**Val Verde County, Texas  
Information About Debt Limitations  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>A.V. Taxable</b>	<b>Legal Debt Limit @ 25%</b>	<b>Total Debt</b>	<b>Less Self Supporting Debt</b>	<b>Less Fund Balance Interest and Sinking</b>	<b>Total Applicable Debt</b>	<b>Legal Debt Margin</b>
2019	\$ 2,614,738,162	\$ 653,684,541	\$ 21,541,029	\$ (16,285,000)	\$ (204,884)	\$ 5,051,145	\$ 648,633,396
2018	2,374,693,956	653,684,541	25,280,000	(19,185,000)	(561,814)	5,533,186	648,151,355
2017	2,367,817,299	591,954,325	28,845,000	(21,985,000)	(2,728,531)	4,131,469	587,822,856
2016	2,233,444,048	558,361,012	32,445,000	(24,705,000)	(2,769,337)	4,970,663	553,390,349
2015	2,105,635,761	526,408,940	33,405,000	(27,345,000)	(3,112,067)	2,947,933	523,461,007
2014	2,043,002,696	510,750,674	30,850,000	(29,910,000)	(3,274,832)	(2,334,832)	513,085,506
2013	1,931,202,333	482,800,583	33,650,000	(32,410,000)	(2,934,499)	(1,694,499)	484,495,082
2012	1,904,894,377	476,223,594	34,910,000	(34,910,000)	(2,515,626)	(2,515,626)	478,739,220
2011	1,906,258,838	476,564,710	34,910,000	(34,910,000)	(3,288,653)	(3,288,653)	479,853,363
2010	1,856,958,804	464,239,701	185,000	-	(1,282,004)	(1,097,004)	465,336,705

The County is authorized under Article III, Section 52 of the State Constitution to issue bonds payable from ad valorem taxes. There is no constitutional or statutory limit as to the number of bonds issued pursuant to such constitutional provision. However, the amount of bonds which may be issued is limited to 25% of the assessed valuation of real property in the County.

Source: Texas Constitution

**Val Verde County, Texas**  
**Direct and Overlapping Government Activities Debt**  
**As of September 30, 2019**

<b>Governmental Subdivision</b>	<b>Net as of</b>	<b>Amount</b>	<b>Applicable to County</b>	<b>Debt Amount</b>
<b>Direct</b>				
Val Verde County	9/30/2019	\$ <u>21,541,092</u>	100%	\$ <u>21,541,092</u>
<b>Total</b>		\$ <u>21,541,092</u>		\$ <u>21,541,092</u>
<b><u>Overlapping</u></b>				
<b>City</b>				
City of Del Rio	9/30/2018	<u>39,933,856</u>	100%	<u>39,933,856</u>
<b>Total</b>		\$ <u>39,933,856</u>		\$ <u>39,933,856</u>
<b>School Districts</b>				
Comstock ISD	8/31/2018	\$ <u>1,864,579</u>	100%	\$ <u>1,864,579</u>
Rocksprings ISD	11/30/2019	\$ <u>1,095,000</u>	0.47%	\$ <u>5,147</u>
San Felipe - Del Rio ISD	11/30/2019	\$ <u>45,924,993</u>	100%	\$ <u>45,924,993</u>
		\$ <u>48,884,572</u>		\$ <u>47,794,719</u>
<b>Total Overlapping</b>		\$ <u>88,818,428</u>		\$ <u>87,728,575</u>
<b>Total Direct and Indirect Overlapping Debt</b>		\$ <u>110,359,520</u>		\$ <u>109,269,667</u>

Source: Mac - Texas Municipal Report

**Val Verde County, Texas  
Pledge-Revenue Coverage  
Last Ten Fiscal Years**

<b>Pass-Through SL79</b>							
<b>Fiscal Year</b>	<b>Toll Revenue</b>	<b>Less Operating Expenses</b>	<b>Net Available Revenue</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Payment</b>	<b>Coverage</b>
2019	\$ 3,750,000	\$ -	\$ 3,750,000	\$ 2,900,000	\$ 742,683	\$ 3,642,663	103%
2018	3,750,000	-	3,750,000	2,800,000	840,663	3,640,663	103%
2017	3,750,000	-	3,750,000	2,720,000	922,263	3,642,263	103%
2016	3,750,000	-	3,750,000	2,640,000	1,001,463	3,641,463	103%
2015	3,750,000	-	3,750,000	2,565,000	1,078,413	3,643,413	103%
2014	3,750,000	-	3,750,000	2,500,000	1,153,413	3,653,413	103%
2013	3,750,000	-	3,750,000	2,500,000	1,203,413	3,703,413	101%
2012	-	-	-	-	1,083,071	1,083,071	0%
2011	-	-	-	-	-	-	-
2010	-	-	-	-	-	-	-

Source: Val Verde County Financial Records

**Val Verde County, Texas**  
**Demographic and Economic Statistics**  
**Last Ten Years**

<b>Year</b>	<b>Population(1)</b>	<b>Personal Income (amount expressed in thousands) (2)</b>	<b>Per Capita Personal Income (2)</b>	<b>Median Age (2)</b>	<b>Unemployment Rate (2)*</b>	
2019	49,205	\$ 1,798,639	\$ 36,554	31.7	3.9	%
2018	48,988	1,798,748	36,718	31.7	4.3	
2017	49,028	1,701,430	34,703	31.7	5.1	
2016	48,911	1,675,360	34,253	31.6	6.2	
2015	48,891	1,670,974	34,178	31.7	6.0	
2014	48,845	1,619,405	33,154	31.9	5.8	
2013	49,044	1,552,565	31,657	32.0	7.4	
2012	48,976	1,569,715	32,051	32.6	7.6	
2011	48,972	1,516,740	30,972	32.4	9.0	
2010	48,971	1,556,954	31,793	32.1	9.3	

**Data Sources:**

(1) Rios and Associates *estimate*

(2) FRED Economic Research

\* Yearly Average (Calendar)

**Val Verde County, Texas  
Principal Employers  
Current Year and Nine Years Ago**

<b>Employer</b>	<b>2019</b>			<b>2010</b>		
	<b>Employees</b>	<b>Rank</b>	<b>Percentages of Total City Employment</b>	<b>Employees</b>	<b>Rank</b>	<b>Percentages of Total City Employment</b>
<b>LAFB</b>	<b>4707</b>	<b>1</b>	<b>24%</b>	<b>2871</b>	<b>1</b>	<b>15%</b>
<b>Government Agencies</b>	<b>3715</b>	<b>2</b>	<b>19%</b>	<b>1978</b>	<b>2</b>	<b>10%</b>
<b>Manufactures</b>	<b>1500</b>	<b>3</b>	<b>8%</b>			
<b>San Felipe Del Rio CISD</b>	<b>1453</b>	<b>4</b>	<b>7%</b>	<b>1420</b>	<b>3</b>	<b>7%</b>
<b>Retail</b>	<b>1216</b>	<b>5</b>	<b>6%</b>			
<b>VV Regional Medical Center</b>	<b>525</b>	<b>6</b>	<b>3%</b>	<b>379</b>	<b>7</b>	<b>2%</b>
<b>City of Del Rio</b>	<b>450</b>	<b>7</b>	<b>2%</b>	<b>470</b>	<b>5</b>	<b>2%</b>
<b>Medical Clinics</b>	<b>412</b>	<b>8</b>	<b>2%</b>			
<b>GEO Correctional Facility</b>	<b>301</b>	<b>9</b>	<b>2%</b>	<b>289</b>	<b>9</b>	<b>1%</b>
<b>Financial Institutions</b>	<b>257</b>	<b>10</b>	<b>1%</b>			
<b>Wal-Mart Supercenter</b>				<b>472</b>	<b>4</b>	<b>2%</b>
<b>Plaza Del Sol Mall</b>				<b>381</b>	<b>6</b>	<b>2%</b>
<b>HEB Grocery</b>				<b>305</b>	<b>8</b>	<b>2%</b>
<b>Texas State Agencies</b>				<b>222</b>	<b>10</b>	<b>1%</b>
	<b>14,536</b>		<b>74%</b>	<b>8,787</b>		<b>44%</b>

**Source: Del Rio Chamber of Commerce**

**Val Verde County, Texas**  
**Full-Time Equivalent County Government Employees by Function**  
**Last Ten Fiscal Years**

<b>Full-Time Equivalent Employees as of September 30</b>										
<b>Function</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
<b>General Government</b>	<b>58</b>	<b>55</b>	<b>53</b>	<b>52</b>	<b>51</b>	<b>51</b>	<b>50</b>	<b>48</b>	<b>48</b>	<b>46</b>
<b>Judicial System</b>	<b>52</b>	<b>55</b>	<b>48</b>	<b>48</b>	<b>45</b>	<b>44</b>	<b>42</b>	<b>47</b>	<b>47</b>	<b>46</b>
<b>Public Safety</b>	<b>80</b>	<b>79</b>	<b>79</b>	<b>78</b>	<b>74</b>	<b>77</b>	<b>75</b>	<b>72</b>	<b>72</b>	<b>66</b>
<b>Public Facilities</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>11</b>
<b>Culture and Recreation</b>	<b>14</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>11</b>
<b>Highway and Streets</b>	<b>29</b>	<b>29</b>	<b>29</b>	<b>29</b>	<b>25</b>	<b>25</b>	<b>25</b>	<b>25</b>	<b>25</b>	<b>25</b>
<b>Total</b>	<b>244</b>	<b>240</b>	<b>231</b>	<b>229</b>	<b>217</b>	<b>219</b>	<b>213</b>	<b>213</b>	<b>213</b>	<b>205</b>

**Source: Val Verde County Budget**

Val Verde County, Texas  
Operating Indicators by Function  
Last Ten Fiscal Years

Function	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>General Government</b>										
<b>Tax Assessor Collector</b>										
Employees	11	11	11	11	11	11	11	11	11	11
Number of Entity Collection Contracts	4	4	4	4	4	4	4	4	4	4
Ad valorem Assessments Notices Issued	41149	50415	37435	42509	40207	37539	42298	29480	41909	40104
<b>Judicial System</b>										
<b>County Clerk:</b>										
Employees	11	11	11	11	11	11	11	10	10	9
Marriage Licenses	506	506	505	515	512	501	443	403	432	412
<b>District Clerk:</b>										
Employees	10	10	10	10	10	10	10	10	10	10
Civil Process Cases	276	404	355	496	522	343	206	245	279	287
Criminal Cases	313	534	498	410	376	431	475	311	272	321
Family Cases	637	490	405	694	633	461	461	481	508	393
<b>Justice of the Peace (4)</b>										
Employees	15	15	15	15	15	15	15	15	15	14
Cases	N/A	3566	2757	2603	2462	3359	3825	3040	2665	2965
<b>Public Safety</b>										
<b>Sheriff:</b>										
Employees	71	71	71	69	69	72	70	67	67	61
Daily Average in County jail	4	4	4	5	4	3	4	5	4	3

Sources:  
Val Verde County Tax Assessor Collector  
Val Verde County Clerk  
Val Verde County District Clerk  
Val Verde County Sheriff Office



**Val Verde County, Texas**  
**Capital Assets Statistics by Function**  
**Last Ten Fiscal Years**

<b>Function</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
<b>General Government</b>										
<b>Number of Buildings</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
<b>Judicial System</b>										
<b>Number of Buildings</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>
<b>Number of Courts</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>
<b>Public Safety</b>										
<b>Number of Buildings</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>
<b>Number of Vehicles</b>	<b>93</b>	<b>94</b>	<b>89</b>	<b>79</b>	<b>74</b>	<b>69</b>	<b>70</b>	<b>68</b>	<b>64</b>	<b>46</b>
<b>Corrections and Rehabilitation</b>										
<b>Number of Buildings</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>Number of Jails</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>Number of Juvenile Beds</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>
<b>Public Facilities</b>										
<b>Number of Buildings</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>6</b>
<b>Infrastructure and Environmental Services</b>										
<b>Number of Buildings</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>

Source: Val Verde County Capital Asset Report

## **FEDERAL AWARDS SECTION**



# Cascos & Associates, PC

Certified Public Accountants

Audit/Accounting/Tax/Consulting

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

The Honorable County Judge and  
Commissioners' Court  
Val Verde County, Texas

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Val Verde County (the "County"), as of and for the year ended September 30, 2019, 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 29, 2020.

### ***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 the 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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

### ***Compliance and Other Matters***

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

### **Purpose of this Report**

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



Cascos & Associates, PC  
Brownsville, Texas  
April 29, 2020



# Cascos & Associates, PC

Certified Public Accountants

Audit/Accounting/Tax/Consulting

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## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

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

### Report on Compliance for Each Major Federal Program

We have audited Val Verde County's (the "County") compliance with the types of compliance requirements described in the U.S. *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended September 30, 2019. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

### *Management's Responsibility*

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

### *Auditors' Responsibility*

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

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

In our opinion, the County 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, 2019.

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



Cascos & Associates, PC  
Brownsville, Texas  
April 29, 2020

**VAL VERDE COUNTY, TEXAS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

<b>Federal Grantor/Pass-Through Grant/ Program Title</b>	<b>Federal CFDA Number</b>	<b>Grant Number</b>	<b>Federal Expenditures</b>
<b><u>U.S. Department of Housing &amp; Urban Development</u></b>			
<i>Pass Through Texas Department of Housing &amp; Community Affairs:</i>			
Community Development Block Grant - Self Help Center	14.228	7214013	\$ 6,750
Community Development Block Grant - Self Help Center	14.228	7217013	531,845
<i>Pass Through Texas Department of Agriculture:</i>			
Community Development Block Grant - Vega Verde Road Water Line Project	14.228	7216075	305,110
Community Development Block Grant - Small Town Environmental Program	14.228	7218026	292,651
Community Development Block Grant - Colonia Fund Construction	14.228	7218075	391,668
Total U.S. Department of Housing & Urban Development			<u>1,528,024</u>
<b><u>U.S. Department of the interior</u></b>			
<i>Pass Through the National Park Service:</i>			
National Resource Stewardship	15.944	P16AC00035	<u>391,668</u>
Total U.S. Department of the Interior			<u>391,668</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 2017)	97.067	3155303	358,775
Homeland Security Grants (Operation Stonegarden 2018)	97.067	3155304	<u>379,359</u>
Total U.S. Department of Homeland Security			<u>738,134</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 Intel '17 Amistad Intelligence Center	95.001	G17SS0008A	1,700
HIDTA Del Rio Task Force 2017	95.001	G17SS0008A	10,119
HIDTA Intel '18 Amistad Intelligence Center	95.001	G18SS0008A	106,636
HIDTA Del Rio Task Force 2018	95.001	G18SS0008A	56,271
HIDTA Eagle Pass Task Force 2018	95.001	G18SS0008A	48,229
HIDTA Intel '19 Amistad Intelligence Center	95.001	G19SS0008A	11,742
HIDTA Del Rio Task Force 2019	95.001	G19SS0008A	6,276
HIDTA Eagle Pass Task Force 2019	95.001	G19SS0008A	15,481
Total Executive Office of the President			<u>256,454</u>
Total Federal Awards			<u>\$ 2,914,280</u>

**VAL VERDE COUNTY, TEXAS**  
**SCHEDULE OF EXPENDITURES OF STATE AWARDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

<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>		
County Transportation Infrastructure Fund Grant	CTIF 01-233	\$ 17,934
Total Texas Department of Transportation		<u>17,934</u>
<i>Texas Department of State Health Services:</i>		
Discretionary Indigent Defense Fund	FY 2018	36,179
Total Texas Department of State Health Services		<u>36,179</u>
<i>Office of the Governor - Criminal Justice Division:</i>		
DWI/Drug Specialty Court	3527801	134,632
DWI/Drug Specialty Court	3527802	11,939
Total Office of the Governor - Criminal Justice Division		<u>146,571</u>
<i>Office of the Governor - Homeland Security Grant Division:</i>		
Local Border Security FY 18 (LBSP 18)	2995204	48,690
Administered by Texas Border Sherriff's Coalition		
Total Office of the Governor Homeland Security Grant Division		<u>48,690</u>
<i>Bureau of Justice Assistance (BJA):</i>		
Bullet Proof Vest Partnership Grant (BVP)	FY -2017 Bullet Proof Vest	1,420
Total Bureau of Justice Assistance (BJA)		<u>1,420</u>
<i>Office of the Governor - Homeland Security Division</i>		
Border Prosecution Unit	2537708	151,853
Border Prosecution Unit	2537709	14,848
Total Office of the Governor - Homeland Security Division		<u>166,701</u>
Total State Awards		<u>\$ 417,495</u>



## **VAL VERDE COUNTY, TEXAS**

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

**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

#### **1. GENERAL**

The accompanying Schedule of Expenditures of Federal and State Awards presents the activity of all federal and state financial assistance programs of Val Verde County, Texas, for the year ended September 30, 2019. The County's reporting entity is defined in Note 1 to the County's financial statements. Federal financial assistance received directly from federal agencies and other agencies are included in the Schedule of Expenditures of Federal and State Awards.

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

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the County's financial statements.

#### **3. INDIRECT COSTS**

The County did not elect to use a de minimis cost rate of 10% as described at 2 CFR §200.414(f)—Indirect (F&A) costs.

#### **4. PASS THROUGH EXPENDITURES**

None of the federal programs expended by the County were provided to sub-recipients.

**VAL VERDE COUNTY, TEXAS**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

**I. Summary of Auditors' Results**

Financial Statements:

Type of auditors' report issued	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	None reported
Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	None

Federal and State Awards:

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Type of auditors' report issued on compliance for major federal and state programs	Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 2CFR 200.516(a)?	None
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Identification of major federal and state programs:

<u>CFDA Number:</u>	<u>Name of Federal or State Program:</u>
14.228	Community Development Block Grants
95.001	High Intensity Drug Trafficking Area (HIDTA)

Dollar threshold used to distinguish between type A and type B federal programs	\$ 750,000
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Dollar threshold used to distinguish between type A and type B federal programs	\$ 300,000
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Auditee qualified as low-risk auditee:	
Uniform Guidance	Yes
Texas Uniform Grant Management Standards	Yes

**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

**IV. Findings and Questioned Costs for State Awards**

None



**Honorable Robert Cadena**  
**83<sup>rd</sup> Judicial District Court Judge**  
**Administrative Judge**



**Honorable Enrique Fernandez**  
**63<sup>rd</sup> Judicial District Court Judge**