

CULBERSON COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

September 30, 2017

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September 30, 2017

KNAPP & COMPANY, P.C.
(CERTIFIED PUBLIC ACCOUNTANTS)

CULBERSON COUNTY, TEXAS
Annual Financial Report
September 30, 2017

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Independent Auditor's Report

To the Honorable Judge Carlos Urias and
Members of the Commissioners' Court of
Culberson County, Texas

We have audited the accompanying financial statements of Culberson County, Texas, as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

Auditor's 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.

Summary of Opinions:

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Unmodified
Discretely Presented Component Unit	Adverse
Culberson County Governmental Funds	Unmodified
Aggregate Remaining Fund Information	Unmodified

Basis for Adverse Opinion on the Discretely Presented Component Unit

Management has not included financial data for Culberson-Hudspeth Counties Juvenile Probation Board, that is the County's legally separate component unit. Accounting principles generally accepted in the United States of America require financial data for component units to be reported with the financial data of the County's primary government unless the County also issues financial statements for the financial reporting entity that include the financial data for its component units. Although Culberson County, Texas issues separate reporting entity financial statements on Culberson-Hudspeth Counties Juvenile Probation Board those financial statements are presented in accordance with the basis of the financial reporting provisions of the Texas Juvenile Justice Department, which is a basis of accounting other than the modified cash basis of accounting and accounting principles generally accepted in the United States of America. The amount by which this departure would affect the assets, liabilities, net position, revenues, and expenses of the government-wide financial statements has not been determined.

Adverse Opinion

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on Discretely Presented Component Unit" paragraph, the financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component units of Culberson County, Texas, as of September 30, 2017, or the changes in financial position thereof for the year then ended in accordance with the modified cash basis of accounting and accounting principles generally accepted in the United States of America.

Unmodified Opinion on the Primary Government Financial statements

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the primary government of Culberson County, Texas as of September 30, 2017, and the respective changes in financial position for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages i through viii and the budgetary comparison information on pages 25 through 36 and pension fund supplementary schedules on pages 37 through 38 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 Culberson County, Texas' basic financial statements. The combining fund financial statements, Community Development Block Grant Schedule, and schedule of expenditures of federal and state awards are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining fund financial statement, Community Development Block Grant Schedule, and schedule of expenditures of federal and state 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 fund financial statements, Community Development Block Grant Schedule, and schedule of expenditures of federal and state awards are fairly stated in all material respects in relation to the basic modified cash basis financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 24, 2018, on our consideration of the Culberson County, Texas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Culberson County, Texas' internal control over financial reporting and compliance.

Knapp & Company, P.C.

Dallas, Texas
January 24, 2018

MANAGEMENT DISCUSSION AND ANALYSIS
(Unaudited)



Carlos G. Urias
Culberson County Judge
P.O. Box 927
Van Horn, TX 79855

MANAGEMENT'S DISCUSSION AND ANALYSIS

January 24, 2018

To the Citizens and Residents of
Culberson County, Texas

Our discussion and analysis of the County's financial performance provides an overview of the County's financial activities for the fiscal year ended September 30, 2017. Please read it in conjunction with the County's financial statements, which begin on page 4.

FINANCIAL HIGHLIGHTS

The County's net assets increased \$330,007 in 2017 as compared to \$824,468 in 2016.

During the year, the County's general fund and total governmental fund revenues exceeded expenditures after transfers by \$378,301 and \$412,070, respectively. General fund revenues decreased \$84,594 as compared to prior year. The decrease is attributed to numerous factors. Delinquent tax receivables increased \$55,682 as compared to year end 2016.

The combined general funds reported fund balance was \$6,602,571 as of yearend as compared to \$6,224,270 for the beginning of the year.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (on pages 4 and 5) provide information about the activities of the County as a whole and present a longer term view of the County's finances. Fund financial statements start on page 6. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the County's operations in more

detail than the government wide statements by providing information about the County's most significant funds. The remaining statements provide financial information about activities for which the County acts solely as a trustee or agent for the benefit of those outside of the government.

Reporting the County as a Whole

The Statement of Net Assets and the Statement of Activities report information about the County as a whole and about its activities in a way that helps answer this question. The County's financial reporting policy is to use the modified cash basis of accounting, also referred to as the cash basis of accounting, where revenues are recognized when received and expenses when paid. Therefore; tax receivables and accounts payables are not reported in the County's financial statements. Such information is disclosed to the extent the information is deemed relevant to the financial statements.

The government wide financial statements report the County's net assets and changes in them. You can think of the County's net assets (the difference between assets and liabilities) as one way to measure the County's financial health, or financial position. Over time, increases or decreases in the County's net assets is one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the County's property tax base and the condition of the County's roads and bridges and facilities, to assess the overall health of the County.

In the Statement of Net Assets and the Statement of Activities, we divide the County into three kinds of activities:

- Governmental activities - Most of the County's basic services are reported here, including law enforcement, fire, public works, and parks departments, and general administration. Property taxes, licenses and fees, and state and federal grants finance most of these activities. Also the County operates a detention and rehabilitation facility (jail) and charges outside governmental entities for these services. These fees cover or help cover the cost of certain services the jail provides. The County jail operations are also reported with governmental activities since the net revenues are unrestricted.
- Business-type activities - The County currently does not report business type activities.
- Component units - The County's annual financial statements exclude the Juvenile Probation Board of Culberson and Hudspeth Counties which is considered a component unit. The County is responsible for accounting for the component unit financial activities which are reported separately from County financial activities. A separate regulatory basis audit is performed on the component unit financial statements

Reporting the County's Most Significant Funds

The fund financial statements begin on page 5 and provide detailed information about the most significant funds, not the County as a whole. Some funds are required to be established by State and Federal law or by debt covenants. However, the Commissioners' Court establishes many other funds to help us control and manage money for particular purposes. Examples are the Road & Bridge accounts and the Criminal Justice Fund. Some like the records preservation, grant funds, Homeland Security, senior nutrition, and Linebacker show that we are meeting legal responsibilities for using certain grant revenues for specified purposes. Governmental entities primarily use two kinds of funds, governmental and proprietary, which use different accounting approaches.

Governmental funds- Most of the County's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year end that are available for spending. These funds are reported using an accounting method called modified cash basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the County's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in reconciliation at the bottom of the fund financial statements.

Proprietary funds- The County currently does not report any proprietary fund types.

The County reports fund balance classifications prescribed by GASB 54. Fund balances are now classified as nonspendable, restricted, committed, assigned and unassigned based on the circumstances that apply. In accordance with County policy:

- Nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- Restricted fund balance classification includes funds with constraints placed on the use of resources are either: a. Externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b. Imposed by law through constitutional provisions or enabling legislation.
- Committed fund balances include amounts that can only be used for specific purposes pursuant to constraints imposed by court resolution/formal action of the commissioners' court which is the government's highest level of decision-making authority.
- Assigned fund balances include amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the commissioners' court action or (b) by county judge who is the official delegated by the commissioners' court with the authority to assign amounts to be used for specific purposes.

- Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

The County as Trustee

The County is responsible for assets that, because of a trust arrangement, can be used only for the trust beneficiaries. All of the County's fiduciary activities are reported in separate Statements of Fiduciary Net Assets on page 7. We exclude these activities from the County's other financial statements because the County cannot use these assets to finance its operations. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes. Examples are the County's agency accounts and registry trust funds.

THE COUNTY AS A WHOLE

The County's combined net position increased by \$330,007 in 2016/2017 and this is after recording \$228,411 in fixed asset depreciation.

Revenues

The County's total revenues decreased \$120,559 as compared to prior year, which is primarily attributed to decreases in property tax collections and decreases in fines and fees, and grant revenues.

THE COUNTY'S FUNDS

As the County completed the year, its governmental funds (as presented in the balance sheet on page 6) reported a combined fund balance of \$6,129,936 as compared to \$5,717,867 in prior year.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of the 2017 fiscal year, the County had approximately \$9.8 million invested in capital assets. Depreciation and fixed assets is only reported in the government wide financial statement presentation on pages 4 and 5 and does not affect the fund basis financial statement presentation on pages 6 and 7 in accordance with the current generally accepted reporting model for state and local governments since fixed assets are expended in the fund basis financial statements.

During 2017 the County purchased and capitalized \$185,970 in equipment which included two vehicles for \$94,696 for the public safety, a backhoe in the amount of \$65,088 for roads departments; and \$49,856 in playground equipment for parks and daycare facilities

Debt

The County incurred a note in the amount of \$94,696 to finance the purchase of the law enforcement vehicles previously mentioned. The County made scheduled principal payments of \$5,219 resulting in yearend debt obligations of \$100,138 which is scheduled to be paid in the next four fiscal years.

Budget - Highlights

Over the course of the year the Commissioners' Court made only minor amendments to the County budget primarily to address unanticipated expenditures in excess of the original budget due to changes in circumstances and needs of the County. The County decreased budgeted commissioners court contingency by \$31,027 to and increased various other budgeted line items to address changes in County circumstances and needs by amendment. The County budgeted \$50,000 for airport lighting improvements and which was not used.

The Court budgeted for over \$600,000 in transfers from surplus that were not needed. Utilities permit revenues were not budgeted for and revenues totaled \$144,829. Refer to pages 25 through 36 for a comparative statement of revenue and expenses as compared to budget.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The County Commissioners' Court considered many factors before passing the 2017-2017 budget and tax rate.

Due to increased valuation the effective tax rate was set at .23388 per \$100 valuation for 2017/2018 and tax revenues are also expected to increase as tax payments become more timely.

Economic Factors

The Court's short and long-term goals are to continue cost saving measures that will reduce the tax burden on its constituents and provide better, more effective services. Meeting our goal is ascertainable through diligence and continued communication between departments. Strategies are being implemented to help maintain and upgrade the County's infrastructure within the adopted budget on a yearly basis. Staying within the

confines of the adopted budget is the key to healthy fiduciary outcomes. This in the long run will help sustain the services offered to our citizens. During the decision making process keeping in mind the best interests of the residents of Culberson County will always produce the best possible outcome.

Culberson County experienced moderate growth in 2016-2017. For the fiscal year 2017-2018 the court expects this moderate growth to continue.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

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 show the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the County Treasurer's Office at P.O. Box 635, Van Horn, Texas, 79855.

A handwritten signature in black ink, appearing to read "Carlos Urias". The signature is written in a cursive style with a large initial "C".

Carlos Urias
County Judge

FINANCIAL SECTION

GOVERNMENT WIDE FINANCIAL STATEMENTS

CULBERSON COUNTY, TEXAS
GOVERNMENT WIDE
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
AS OF SEPTEMBER 30, 2017

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Cash and Cash Equivalents	
Cash and Cash Equivalents - Restricted	\$ 5,425,102
Certificates of Deposit	347,851
Total Cash and Bank Deposits	<u>570,094</u>
Capital Assets:	<u>6,343,047</u>
Land	
Other Capital Assets	182,810
Total Capital Assets	<u>2,656,493</u>
Total Assets	<u>2,839,303</u>
	<u>9,182,350</u>
 <u>DEFERRED OUTFLOWS</u>	
	<u>6,529</u>
 <u>LIABILITIES</u>	
Amounts Due to Others	
Other Liabilities	181,736
Long-Term Debt	37,904
Due Within One Year	
Due in More Than One Year	27,796
Total Liabilities	<u>72,342</u>
	<u>319,778</u>
 <u>DEFERRED INFLOWS</u>	
	<u>-</u>
 <u>NET POSITION</u>	
Net Investment in Capital Assets	
Restricted	2,739,165
Committed	148,027
Assigned	1,578,896
Unrestricted	22,466
Total Net Position	<u>4,380,547</u>
	<u>\$ 8,869,101</u>

CULBERSON COUNTY, TEXAS
GOVERNMENT WIDE
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (expense) Revenue and Changes in Net Assets Governmental Activities</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants</u>	
PRIMARY GOVERNMENT:					
General Government	\$ 1,502,530	\$ 13,914	\$ 232,194	\$ -	\$ (1,256,422)
Justice System	616,984	-	2,674	-	(614,310)
Public Safety	834,444	-	4,459	-	(829,985)
Corrections and Rehabilitation	320,981	-	2,076	-	(318,905)
Health and Human Services	347,481	-	-	-	(347,481)
Community and Economic Development	241,263	-	87,277	-	(153,986)
Infrastructure and Environmental Services	<u>505,542</u>	<u>5,205</u>	<u>5,276</u>	-	<u>(495,061)</u>
Total Governmental Activities	<u>4,369,225</u>	<u>19,119</u>	<u>333,956</u>	-	<u>(4,016,150)</u>

General Revenues:

Taxes:

Property Taxes, Levied for General Purposes	3,144,482
Investment Earnings	19,077
License & Permits	224,098
Fines and Fees	909,986
Contributions	1,195
Other	<u>46,352</u>
Total General Revenues	<u>4,345,190</u>
Change in Net Position Before Net Transfers	329,040
Net Transfers	<u>967</u>
Change in Net Position After Net Transfers	330,007
Net Position - Beginning	<u>8,539,094</u>
Net Position - Ending	<u>\$ 8,869,101</u>

FUND BASIS FINANCIAL STATEMENTS

CULBERSON COUNTY, TEXAS
GOVERNMENTAL FUNDS
BALANCE SHEET - MODIFIED CASH BASIS
AS OF SEPTEMBER 30, 2017

-- GOVERNMENTAL FUNDS--

<u>ASSETS</u>	<u>MAJOR</u>			<u>TOTAL</u> <u>GOVERNMENTAL</u> <u>FUNDS</u>
	<u>GENERAL</u> <u>FUND</u>	<u>Non-Major Funds</u> <u>SPECIAL</u> <u>REVENUE</u>	<u>CAPITAL</u> <u>PROJECTS</u>	
Cash in Bank	\$ 5,903,630	\$ (483,867)	\$ 5,339	\$ 5,425,102
Cash in Bank - Restricted	180,862	166,989	-	347,851
Certificates of Deposit	570,094	-	-	570,094
Postage Inventory	6,181	348	-	6,529
Due from Other Funds	212,862	-	-	212,862
TOTAL ASSETS	\$ 6,873,629	\$ (316,530)	\$ 5,339	\$ 6,562,438
 <u>LIABILITIES</u>				
Due to Others	\$ 180,862	\$ 15	\$ -	\$ 180,877
Due to Other Funds	52,292	143,491	17,938	213,721
Deferred Revenue / Inflows	-	-	-	-
Other Liabilities	37,904	-	-	37,904
TOTAL LIABILITIES	271,058	143,506	17,938	432,502
 <u>FUND BALANCES</u>				
Nonspendable				-
Restricted	-	148,027	-	148,027
Committed	1,578,896	-	-	1,578,896
Assigned	4,109	18,357	-	22,466
Unassigned	5,019,566	(626,420)	(12,599)	4,380,547
Total Fund Balances	6,602,571	(460,036)	(12,599)	6,129,936 a)
TOTAL LIABILITIES AND FUND EQUITY	\$ 6,873,629	\$ (316,530)	\$ 5,339	\$ 6,562,438

Total fund balances as reported above.	\$ 6,129,936 a)
Amounts reported for governmental activities in the statement of net assets are different because:	
1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund basis financial statements.	2,839,303
2) Loans payable reported as debt.	(10,661)
3) Debt payment applied to debt.	5,219
4) Loan proceeds recorded as debt	(94,696)
Net Assets of Governmental Activities	\$ 8,869,101

CULBERSON COUNTY, TEXAS
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
MODIFIED CASH BASIS
YEAR ENDED SEPTEMBER 30, 2017

FUNCTIONS/PROGRAMS	GOVERNMENTAL FUNDS			TOTAL GOVERNMENTAL FUNDS
	MAJOR	NON-MAJOR FUNDS		
	GENERAL FUND	SPECIAL REVENUE	CAPITAL PROJECTS	
REVENUES:				
Property Tax	\$ 3,144,482	\$ -	\$ -	\$ 3,144,482
License & Permits	224,098	-	-	224,098
Fines and Fees	613,198	220,845	-	834,043
Public Service Fees	75,943	-	-	75,943
Grant Revenues and Intergovernmental	-	96,688	-	96,688
Intergovernmental Reimbursements	237,268	-	-	237,268
Charges for Services	13,914	5,205	-	19,119
Investment Income	18,479	571	27	19,077
Contributions	-	1,195	-	1,195
Corrections and Rehabilitation	-	-	-	-
Other	46,077	275	-	46,352
Total Revenues	4,373,459	324,779	27	4,698,265
EXPENDITURES:				
Current:				
General Government	1,480,574	6,460	-	1,487,034
Justice System	609,523	5,621	-	615,144
Public Safety	842,383	3,795	-	846,178
Corrections and Rehabilitation	315,493	-	-	315,493
Health and Human Services	92,531	249,746	-	342,277
Community and Economic Development	201,814	78,914	-	280,728
Infrastructure and Environmental Services	477,495	17,509	-	495,004
Total Expenditures	4,019,813	362,045	-	4,381,858
Excess (Deficiency) of Revenues				
Over Expenditures	353,646	(37,266)	27	316,407
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	94,696	-	-	94,696
Transfers In	(178,665)	160,946	-	(17,719)
Transfers (Out)	108,624	(89,938)	-	18,686
Total Other Financing Sources	24,655	71,008	-	95,663
Net Change in Fund Balances	378,301	33,742	27	412,070 a)
Fund Balance - Beginning of Year	6,224,270	(493,778)	(12,626)	5,717,866
Fund Balance - Ending	\$ 6,602,571	\$ (460,036)	\$ (12,599)	\$ 6,129,936

Reconciliation of changes in fund balances to changes in net assets

as reported in the Government Wide Statement of Activities	
Change in net assets as reported above on a fund accounting basis	\$ 412,070 a)
Capitalized - capital expenditures	235,825
Loan proceeds reported as other sources	(94,696)
Debt payments recorded as expenditure	5,219
Depreciation expense recorded	(228,411)
Changes in net assets as reported in the Government Wide Statement of Activities	\$ 330,007

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

CULBERSON COUNTY, TEXAS
STATEMENT OF FIDUCIARY NET ASSETS - MODIFIED CASH BASIS
- TRUST AND AGENCY FUNDS
AS OF SEPTEMBER 30, 2017

<u>ASSETS</u>	<u>REGISTRY TRUST FUND</u>
Cash - Restricted	\$ 117,248
Certificates of Deposit	10,420
Due from Other Funds	<u>-</u>
Total Assets	<u>127,668</u>
 <u>LIABILITIES</u>	
Trust and Agency Funds Payable	127,668
Due to Other Funds	<u>-</u>
Total Liabilities	<u>127,668</u>
 <u>FUND BALANCE (DEFICIT)</u>	
Restricted Fund Balance	<u>-</u>
Total Fund Balance	<u>-</u>
Total Liabilities and Fund Balance	<u>\$ 127,668</u>

CULBERSON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS

NOTE 1: *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*

Organization - Culberson County, Texas (County) is incorporated as a County Corporation under the laws of the State of Texas. The County operates under a charter that establishes management by an elected County Judge and a Commissioners' Court made up of four elected members. The accounting and reporting policies of the County relating to the funds and account groups included in the accompanying combined financial statements utilize the modified cash basis of accounting which is a comprehensive basis of accounting other than generally accepted accounting principles (GAAP) applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

Financial Reporting Entity – The County's primary government financial statements presented herein, reports only the primary government of Culberson County, Texas, which consists of all funds, organizations, institutions, agencies, departments, and offices that comprise the County's legal entity. The financial statements do not include financial data for the Culberson-Hudspeth Counties Juvenile Probation Board which is considered a separate component unit entity of the County because of the County's responsibilities as fiscal agent. Accounting principles generally accepted in the United States of America would require the financial information of the Culberson-Hudspeth Counties Juvenile Probation Board District to be reported with the financial data of the County's primary government as a component unit. As a result, the primary government financial statements presented do not purport to, and do not, present fairly the financial position of the reporting entity of the Culberson County, Texas, as of September 30, 2017, the changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America. The Culberson-Hudspeth Counties Juvenile Probation Board has issued separate reporting entity financial statements as of and for the year ended August 31, 2017, in accordance with accounting practices prescribed or permitted by the Texas Juvenile Justice Department (TJJD). Culberson-Hudspeth Counties Juvenile Probation's financial statements are available upon request of the County Treasurer's office P.O. Box 1302, Van Horn, TX 79855.

Basic Financial Statements—Government-Wide Statements

The County's basic financial statements include both government wide (reporting the County as a whole) and fund financial statements (reporting the County's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The County's law enforcement, fire protection, parks, recreation, roads and bridges, jail, and general administrative services are classified as governmental activities.

CULBERSON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS

NOTE 1: *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued*

In the government-wide Statement of Net Assets, the governmental activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a modified cash basis of accounting which represents a comprehensive basis of accounting different from generally accepted accounting principles. The modified cash basis of accounting, records expenses when paid without regard to economic resources. Revenues are recognized when received therefore receivables and accounts payables are not recorded in the balance sheet. The County's net assets are reported in three parts: investment in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The County first utilizes restricted resources to finance qualifying activities.

The Government - Wide Statement of Activities reports both the gross and net cost of each of the County's financial activities by function (law enforcement, parks, airport, roads & bridges, etc.). The functions are also supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (public safety, roads & bridges, community services, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property, fines, licenses and fees, intergovernmental revenues, interest income, etc). The County does not allocate indirect costs.

This government-wide focus is on the County's ability to sustain as an entity and the change in the County's net assets resulting from the current year's activities.

Basic Financial Statements — Fund Financial Statements

The financial transactions of the County are reported by fund types in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

CULBERSON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

The following fund group types are used by the County:

Governmental Funds - The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the County:

- General fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.
- Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
- Debt service funds are used to account for the accumulation of funds for the periodic payment of principal and interest on bonds payable. This fund group was not used in 2017 since the County had no bonds payable outstanding during the year.
- Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Proprietary Funds - The focus of proprietary fund measurement is upon determination of operating income, changes in net assets, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The County does not currently operate any funds as proprietary funds.

Fiduciary Funds - Fiduciary Funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support County programs. Since by definition these assets are being held for the benefit of a third party (other local governments, private parties etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

Major – Nonmajor Fund Group Classifications - The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Non major funds by category are typically summarized into a single column. GASB No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The County electively segregated and reported non-major funds into two columns in the fund financial statements which represent combined non-major special revenue, and separate column presentation of capital project funds.

Basis of Accounting - Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

CULBERSON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

- **Modified Cash basis** - All the financial statements have been presented on the modified cash basis of accounting (also referred to as the cash basis of accounting) which is a comprehensive basis of accounting other than generally accepted accounting principles. Revenues are recognized when received and expenses are recognized when paid. The County has reported depreciation only in the government wide financial statements in accordance with generally accepted accounting principles for state and local governments.

Financial Statement Amounts:

Cash and Cash Equivalents - The County has defined cash and cash equivalents to include cash on hand, demand deposits, and cash with fiscal agents.

Investments - Investments, when applicable, are stated at the lower of cost or market. The County primarily invests in certificates of deposit which are reported at cost which approximates market value.

Inventories - The County does not inventory supplies. Supplies are expensed when purchased and the effect to the financial statements is not considered to be material. Prepaid and unused postage purchases are inventoried and reported with County assets in the fund basis financial statements and are reported as deferred outflows in the government wide financial statements.

Capital Assets - Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed when paid.

Capital assets are depreciated in the government wide financial statements using the straight line depreciation method of the following estimated depreciable lives by asset category:

<u>Assets</u>	<u>Estimated Depreciable Lives</u>
Buildings	40
Furniture and Equipment	10--15
Vehicles	10
Improvements	9--20
Infrastructure	15--35

GASB No. 34 requires the County to also report and depreciate infrastructure assets. Infrastructure assets consist primarily of roads, bridges, and airport runways. The County elected to implement the general provisions of GASB No. 34 in 2004 and elected to implement the infrastructure provisions on a retroactive basis for infrastructure investments occurring prior to October 1, 2003.

CULBERSON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Compensated Absences – The County's accounting policy provides employees the option to be paid unused vacation. The County continues to expense vacation leave and associated employee-related costs when paid. As of September 30, 2017, accrued vacation and accrued compensation time totaled \$80,988, which are not reported as liabilities in the cash basis financial statements but are expensed when paid. Employees also earn sick leave benefits based on time of service. As of September 30, 2017, the County's contingent liability for employee accrued sick and emergency leave benefits totaled \$77,980, which would only be expensed when paid.

Interfund Activity - Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables, as appropriate, and are subject to elimination upon consolidation in the government wide financial statement presentation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses.

Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

Accounting Estimates - The preparation of financial statements using the modified cash basis of accounting requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

Fund Balance Classification Policies and Procedures – The County has adopted the fund balance classifications prescribed by GASB 54. Fund balances are classified as nonspendable, restricted, committed, assigned and unassigned based on the circumstances that apply. In accordance with County policy:

- Nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- Restricted fund balance classification includes funds with constraints placed on the use of resources are either: a. Externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b. Imposed by law through constitutional provisions or enabling legislation.
- Committed fund balances include amounts that can only be used for specific purposes pursuant to constraints imposed by court resolution/formal action of the commissioners' court which is the government's highest level of decision-making authority.
- Assigned fund balances include amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the commissioners' court action or (b) by a county judge who is the official delegated by the commissioners' court with the authority to assign amounts to be used for specific purposes.

CULBERSON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS

NOTE 1: *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued*

- Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

For the classification of fund balances the County considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available and (2) the County considered committed and assigned amounts to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Minimum Fund Balance Policies – The County has not formally adopted a minimum fund balance policy; however, in practice deficit special revenue funds are classified as unassigned since the deficits are typically paid through pooled cash overdraft or other unassigned funds.

Encumbrances - The County does not encumber or reserve an appropriation for future expenditures. Appropriations lapse at fiscal year end and must be appropriated in the next fiscal year budget.

Subsequent Events – Management has conducted a review of subsequent events through the date of the auditor's report which is the date the financial statements were available for distribution.

NOTE 2: *PROPERTY TAX*

The County's annual ad valorem property tax is required to be levied by October 1, or as soon thereafter as practicable, on the assessed value listed as of the prior January 1 for all real and certain personal property. Taxes are due on January 31, of the year following the year of the levy before penalties and interest are assessed.

All taxes are assessed based on 100% of the actual value of property. The State Constitution and the County Charter set a maximum tax rate per \$100 valuation of \$.80 for general fund, and \$.15 for road and bridge maintenance. There is no debt limit or margin set by State Law or County Charter. The tax rate for 2016/2017 tax year was \$.39023 per \$100 valuation.

The Texas Property Tax Code (Code), with certain exceptions, exempts intangible personal property, household goods, and family-owned automobiles from taxation. In addition, the Code provides for the establishment of county-wide appraisal districts. The appraisal of property within the County is the responsibility of the county-wide appraisal district.

CULBERSON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS

NOTE 2: PROPERTY TAX – continued

The appraisal district is required under the Code to appraise all taxable property within the appraisal district on the basis of 100% of its appraised value and is prohibited from applying any assessment ratios. The value of real property within the appraisal district must be reviewed every four years; however, the County may, at its own expense, require annual reviews of appraised values. The County may challenge appraised values established by the appraisal district through various appeals and, if necessary, legal action.

Current and delinquent tax payments, received throughout the year, are recognized as revenue in the year received. Property tax receivables, which are not reported in the financial statements under the modified cash basis of accounting, consisted of the following at September 30, 2017:

Current taxes receivable	\$	-
Delinquent taxes receivable		602,061
		<u>602,061</u>
		<u>\$ 602,061</u>
Delinquent taxes by year:		
2016	\$	103,829
2015		54,377
2014		51,922
2013		47,659
2012		39,901
2011		43,097
2010 and prior		261,276
Total delinquent taxes	\$	<u>602,061</u>

NOTE 3: DUE TO/FROM OTHER FUNDS

Current and prior year transactions resulted in the following amounts due (to) from other funds which have been reported in the cash basis balance sheet:

	<u>Due from</u>	<u>Due to</u>
General Fund due from Nutrition Center	\$ 138,077	\$ -
General Fund due from Capital Projects	17,938	-
General Fund due from Funds 35 and 30	56,847	-
Road and Bridges due from General Fund	82,051	-
Fund 30 due to General Fund	-	4,555
Fund 35 due to General Fund	-	52,292
Capital Projects due to General Fund	-	17,938
General Fund due to Road and Bridges	-	82,051
Nutrition Center due to General Fund	-	138,077
	<u>\$ 294,913</u>	<u>\$ 294,913</u>

**CULBERSON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS**

NOTE 4: CASH AND CASH EQUIVALENTS

Deposit Risk - As of September 30, 2017, the carrying amount of the County's deposits held in one depository bank was \$6,343,047 for governmental funds and \$127,668 for trust and agency funds. Of the banks' balances, \$250,000 of the governmental funds and \$127,668 of the registry trust funds were insured by the Federal Deposit Insurance Corporation. The County's depository bank also has pledged bank owned securities with a fair market value of \$7,484,529 to secure County deposits in excess of FDIC insurance limits. Amounts in excess of FDIC insurance limits are considered unsecured for financial reporting purposes considering the custody arrangements.

Restricted Cash - Restricted cash primarily represents amounts due others from registry trust funds and amounts held for special revenue funds which are restricted by grant contract or law.

Pooled Cash - The County operates two pooled accounts, a primary checking account and an interest-bearing money market account, to accomplish cash transactions for a number of funds and sub-funds. Following is a summary of pooled cash as of September 30, 2017:

		Operating <u>Checking</u>	Payroll <u>Clearing</u>
10-100-110	General	\$ 463,770	\$ -
20-100-110	Road and Bridge	1,496,845	-
30-100-110	Attorney Hot Checks	(1,049)	-
40-100-110	Due from Juvenile Probation	-	-
43-100-110	JAG ARRA Grant	128	-
45-100-110	Senior Nutrition	-	-
85-100-110	Linebacker	(1,240)	-
87-100-110	CJD	(96,809)	-
89-100-110	LBSP 08	(251,506)	-
90-100-110	JAG Grant	(134,503)	-
		<u>\$ 1,475,636</u>	<u>\$ -</u>

CULBERSON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS

NOTE 5: CHANGES IN FIXED ASSETS

A summary of changes in fixed assets reported in the government wide financial statements follows:

	<u>Balance</u> <u>9/30/2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>9/30/2017</u>
Primary Government Unit:				
Land	\$ 182,810	\$ -	\$ -	\$ 182,810
Buildings and Improvements	2,628,886	49,856	-	2,678,742
Furniture and Equipment	2,265,323	185,970	-	2,451,293
Vehicles	879,217	-	-	879,217
Infrastructure - Airport	388,319	-	-	388,319
Infrastructure - Streets	3,272,517	-	-	3,272,517
	<u>9,617,072</u>	<u>235,826</u>	<u>-</u>	<u>9,852,898</u>
Less Accumulated Depreciation:				
Buildings and Improvements	1,166,649	39,805	-	1,206,454
Furniture and Equipment	1,541,351	81,732	-	1,623,083
Vehicles	710,024	50,030	-	760,054
Infrastructure - Airport	389,864	6,296	-	396,160
Infrastructure - Streets	2,977,296	50,548	-	3,027,844
	<u>6,785,184</u>	<u>228,411</u>	<u>-</u>	<u>7,013,595</u>
Net Fixed Assets	\$ 2,831,888	\$ 7,415	\$ -	\$ 2,839,303

Following is a recap of Changes by function:
(For the Year Ended 9/30/2017)

	<u>Capital</u> <u>Additions</u>	<u>Retirements</u>	<u>Depreciation</u>
General Government	\$ -	\$ -	\$ 15,496
Justice System	-	-	1,839
Public Safety	115,697	-	103,962
Corrections and Rehabilitation	-	-	5,489
Health and Human Services	5,185	-	10,389
Community and Economic Development	49,856	-	15,610
Infrastructure and Environmental Services	65,088	-	75,626
	<u>\$ 235,826</u>	<u>\$ -</u>	<u>\$ 228,411</u>

NOTE 6: LONG-TERM DEBT

Following is a schedule of changes in long term debt.

	<u>Balance</u> <u>9/30/2016</u>	<u>Additions</u>	<u>Retired</u>	<u>Balance</u> <u>9/30/2017</u>
1) Note Payable - Nutrition Center	\$ 10,661	-	5,219	\$ 5,442
2) Note Payable - Public Safety	-	94,696	-	94,696
Total	\$ 10,661	\$ 94,696	\$ 5,219	\$ 100,138

CULBERSON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS

NOTE 6: LONG-TERM DEBT - continued

- 1) The County entered into a financing agreement to finance the purchase of a cargo van to be used in the nutrition center. The note dated May 21, 2016 required a down payment of \$5,673 and three subsequent annual payments of \$5,673. The note bears interest at 4.259%. The outstanding balance at September 30, 2017 was \$10,661.
- 2) The County entered into a financing agreement to finance the purchase a two police vehicles. The note dated March 13, 2017 required no down payment and four annual payments of \$26,043. The note bears interest at 3.95%. The outstanding balance at September 30, 2017 was \$ 94,696.

Following is a schedule of future maturities of long term debt:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 27,796	\$ 3,920	\$ 31,716
2019	23,186	2,857	26,043
2020	24,102	1,942	26,044
2021	<u>25,054</u>	<u>990</u>	<u>26,044</u>
Total	<u>\$ 100,138</u>	<u>\$ 9,709</u>	<u>\$ 109,847</u>

NOTE 7: CONCENTRATIONS OF CREDIT RISK

Property tax receivables are from residences and businesses primarily located in the County. Collection of such taxes is directly related to the general economic conditions of the County. Refer to Note 3 for disclosures relevant to concentration of credit risk for bank deposits.

As of September 30, 2017, the Senior Nutrition Fund 45 owed the general fund \$138,077. Uncertainty exists as to the program's ability to repay the General fund from operations in the near future. No provision for collection loss has been recorded in the general fund in the modified cash basis financial statements. As of September 30, 2017 the Senior Nutrition Fund reported a deficit fund balance of (\$138,380).

As of September 30, 2017 Linebacker fund 87, Linebacker fund 89 and JAG fund 90 reported deficit fund balances of \$(96,809), \$(251,900), and \$(133,727), respectively, of which \$96,809, \$251,900 and \$134,067 represents prior period activities posted to funds in excess of grant revenues and transfers received. No provision for collection loss has been recorded in the general fund in the modified cash basis financial statements.

CULBERSON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS

NOTE 8: FUND BALANCE CLASSIFICATIONS

The following schedule discloses the details of fund balance classifications at September 30, 2017:

Fund Balance Classifications:	GOVERNMENTAL FUNDS			TOTAL GOVERNMENTAL FUNDS
	MAJOR	NON-MAJOR FUNDS		
	GENERAL FUND	SPECIAL REVENUE	CAPITAL PROJECTS	
Restricted				
JAG ARRA Fund 43	\$ -	\$ 128	\$ -	\$ 128
Law Enforcement Fund 47	-	3,317	-	3,317
Constable Fund 49	-	991	-	991
Records Preservation Fund 50	-	15,267	-	15,267
Records Preservation Fund 60	-	20,080	-	20,080
Child Welfare Board	-	6,075	-	6,075
Homeland Security Fund 77	-	1	-	1
Border Colonia Fund 80	-	4,018	-	4,018
Linebacker Fund 81	-	1	-	1
Justice Tech Fund 84	-	21,791	-	21,791
Block Grant Fund 86	-	11,054	-	11,054
Clerk Archive Fund 87	-	64,961	-	64,961
Commissary Fund 88	-	343	-	343
		<u>148,027</u>		<u>148,027</u>
Committed				
Roads & Bridges	<u>1,578,896</u>	-	-	<u>1,578,896</u>
Assigned				
Tax Claims	4,109	-	-	4,109
Airport Improvements	-	18,357	-	18,357
	<u>4,109</u>	<u>18,357</u>		<u>22,466</u>
Unassigned				
Fund 10 - General Fund	1,260,914	-	-	1,260,914
Fund 91 Contingency	3,609,957	-	-	3,609,957
Criminal Justice Fund 35	148,695	-	-	148,695
Fund Deficits:				
Capital Projects	-	-	(12,599)	(12,599)
Hot Checks Fund 30	-	(5,604)	-	(5,604)
Senior Nutrition Fund 45	-	(138,380)	-	(138,380)
Linebacker Fund 87	-	(96,809)	-	(96,809)
Linebacker Fund 89	-	(251,900)	-	(251,900)
JAG Fund 90	-	(133,727)	-	(133,727)
	<u>5,019,566</u>	<u>(626,420)</u>	<u>(12,599)</u>	<u>4,380,547</u>
Fund Balance - Ending	<u>\$ 6,602,571</u>	<u>\$ (460,036)</u>	<u>\$ (12,599)</u>	<u>\$ 6,129,936</u>

CULBERSON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS

NOTE 9: EMPLOYEE PENSION AND RETIREMENT PROGRAMS

Plan Description The County provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional, joint contributory, defined contribution plan in the state-wide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for administration of the statewide agent multiple-employer public employee retirement system. TCDRS in the aggregate issues a comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon written request from TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034 or <http://TCDRS.org>.

The plan provisions are adopted by the governing body of the employer, within the options available in the Texas state statutes governing TCDRS (TCDRS Act).

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

Funding Policy The employer has elected to use the annually determined contribution rate (Variable-Rate) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. It was 7% and 7% for calendar year 2017 and 2016, respectively. The contribution rate payable by the employee members was 7% as adopted by the governing body of the employer. The employee contribution rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act. The County's financial statements are presented using the modified cash basis of accounting whereby employer contributions are expenses when paid.

CULBERSON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS

NOTE 9: EMPLOYEE PENSION AND RETIREMENT PROGRAM - continued

At December 31, 2016 there were 64 active plan members, 32 retirees and beneficiaries receiving benefits, and 28 former employees entitled to but not yet receiving benefits.

Net pension liability (asset) is not reported in the modified cash basis financial statements; however, the following table provides a recap of net pension liability/(asset) as determined in accordance with GASB 68:

	<u>Dec. 31, 2016</u>
Net Pension Liability/(Asset):	
Total Pension Liability	7,472,308
Fiduciary net position	7,166,659
Net Pension Liability (asset)	305,649
Fiduciary net position as a percentage of total pension liability	95.91%
Pensionable covered payroll	2,001,268
Net Pension Liability as a percentage of covered payroll	15.27%

The total pension liability was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below:

Discount Rate:	
Discount Rate	8.10%
Long-term expected rate of return, net of investment expense	8.10%
Economic Assumptions:	
Real rate of return	5.00%
Inflation	3.00%
Long-term investment return	8.00%
Employer -specific economic assumptions:	
Growth in membership	0.00%
Payroll growth	3.50%

Other Key Actuarial Assumptions

The actuarial assumptions used in the December 31, 2016 valuation were based on the results of an actuarial experience study for the year then ended.

In addition mortality rates in 2015 were based on assumed life expectancies adjusted as a result of adopting a new projection scale (110%) of the MP-2014 Ultimate Scale) for 2014 and later. Previously Scale AA had been used. The base table is the RP-2000 table projected with Scale AA to 2014.

CULBERSON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS

NOTE 9: EMPLOYEE PENSION AND RETIREMENT PROGRAM - continued

Discount Rate. The discount rate used to measure the total pension liability was 8.10 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active, inactive, and retired employees. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Long-Term Expected Rate of Return

The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The 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 target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Geometric Real Rate of Return (Expected minus Inflation)
US Equities	13.50%	4.70%
Private Equity	16.00%	7.70%
Global Equities	1.50%	5.00%
International Equities - Developed	10.00%	4.70%
International Equities - Emerging	7.00%	5.70%
Investment-Grade Bonds	3.00%	0.60%
High-Yield Bonds	3.00%	3.70%
Opportunistic Credit	2.00%	3.83%
Direct Lending	10.00%	8.15%
Distressed Debt	3.00%	6.70%
REIT Equities	2.00%	3.85%
Master Limited Partnerships (MLPs)	3.00%	5.60%
Private Real Estate Partnerships	6.00%	7.20%
Hedge Funds	<u>20.00%</u>	3.85%
	<u>100.00%</u>	

CULBERSON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS

NOTE 9: EMPLOYEE PENSION AND RETIREMENT PROGRAM - continued

Changes in Net Pension Liability/ (Asset)

Following is a table of changes in net pension liability (asset) for the year ended December 31, 2016:

	Increase (Decrease)		
	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability/(Asset)) (a) - (b)
Balances as of December 31, 2015	\$ 7,162,654	\$ 6,838,907	\$ 323,747
Changes for the Year:			
Service Cost	229,426	-	229,426
Interest on Total Pension Liability (1)	577,953	-	577,953
Effect of Plan Changes (2)	-	-	-
Effect of Economic/Demographic Gains or Losses	(212,347)	-	(212,347)
Effect of Assumptions Changes or Inputs	-	-	-
Refund of Contributions	(14,055)	(14,055)	-
Benefit Payments	(271,323)	(271,323)	-
Administrative Expenses	-	(5,495)	5,495
Member Contributions	-	140,089	(140,089)
Net Investment Income	-	505,496	(505,496)
Employer Contributions	-	140,089	(140,089)
Other (3)	-	(167,049)	167,049
Net Changes	<u>309,654</u>	<u>327,752</u>	<u>(18,098)</u>
Balances as of December 31, 2016	<u>\$ 7,472,308</u>	<u>\$ 7,166,659</u>	<u>\$ 305,649</u>

- (1) - Reflects the change in the liability due to the time value of money. TCDRS does not change fees or interest.
(2) - No plan changes valued.
(3) - 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 percent, as well as what the Culberson County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.10 percent) or 1-percentage-point higher (9.10 percent) than the current rate:

	1% Decrease 7.10%	Current Discount Rate 8.10%	1% Increase 9.10%
Total pension liability	\$ 8,450,248	\$ 7,472,308	\$ 6,655,208
Fiduciary net position	<u>7,166,659</u>	<u>7,166,659</u>	<u>7,166,659</u>
Net pension liability/ (asset)	<u>\$ 1,283,589</u>	<u>\$ 305,649</u>	<u>\$ (511,451)</u>

CULBERSON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS

NOTE 9: EMPLOYEE PENSION AND RETIREMENT PROGRAM - continued

Pension Expense

The County financial statements are prepared and presented using the modified cash basis of accounting, whereby pension expense is reported when paid. For the employer's accounting year ending September 30, 2017, the annual pension contributions and expense for the TCDRS plan for the County and employees was \$149,499 and \$149,499, respectively. Total annual December 31, 2016 actuarial valuation is the most recent valuation.

NOTE 10: CONTINGENCIES

Litigation - In the normal course of providing services to the public the County from time to time is subjected to litigation claims. The County defends itself against such claims based on internal assessment of liability and risk. Litigation expenses and damages are recorded as an expense in the period when paid. No liabilities have been accrued in the modified cash basis financial statements relative to litigation in process.

Federal Grants -The County participates in a number of federal and state assisted programs which are periodically audited by grantor agencies. Historically these audits have not resulted in identification of material disallowed costs. It is the County's policy to record reimbursements when paid under the modified cash basis of accounting.

Property Tax Dispute - Certain property taxes were assessed and collected from "Dealer's Heavy Equipment Inventory" in current and prior years. Dealers have challenged the tax Code section 23.1242 at the state level. At issue is the constitutional validity of a 2011 state law that amended how heavy equipment dealers report the values of their inventory for taxation. The County has collected and holds in separate account \$4,109 related to such taxes assessed and collected. The County recognized the tax revenue in 2017, but has assigned the funds for future contingent tax refunds in the event the State is not successful in its effort to defend the Tax Code.

REQUIRED SUPPLEMENTARY INFORMATION

Budget to Actual – Modified Cash Basis

(Unaudited)

CULBERSON COUNTY, TEXAS
FUNDS 10, 20 AND 45 GENERAL GOVERNMENT
COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET TO ACTUAL - MODIFIED CASH BASIS
YEAR ENDED SEPTEMBER 30, 2017

	ORIGINAL BUDGET	AMENDED BUDGET	MODIFIED CASH BASIS ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
300	GENERAL FUND REVENUE			
====	=====			
10-300-100	2,656,980	2,656,980	2,659,205	\$ 2,225
10-300-110	110,000	110,000	68,707	(41,293)
10-300-111	-	-	-	-
10-300-120	85,000	85,000	90,645	5,645
10-300-121	6,000	6,000	9,296	3,296
10-300-122	-	-	3,800	3,800
10-300-141	-	-	2,400	2,400
10-300-143	450	450	450	-
10-300-144	-	-	-	-
10-300-145	10,643	10,643	11,610	967
10-300-162	-	-	3,424	3,424
10-300-170	5,000	5,000	4,579	(421)
10-300-175	320,000	320,000	326,604	6,604
10-300-180	6,000	6,000	11,792	5,792
10-300-185	-	-	-	-
10-300-190	140,000	140,000	159,011	19,011
10-300-191	1,000	1,000	1,028	28
10-300-200	48,533	48,533	48,533	-
10-300-204	-	-	-	-
10-300-205	1,500	1,500	3,097	1,597
10-300-206	6,000	6,000	7,412	1,412
10-300-207	800	800	1,225	425
10-300-208	25,000	25,000	51,113	26,113
10-300-214	-	-	-	-
10-300-215	800	800	2,109	1,309
10-300-220	-	-	-	-
10-300-222	-	-	-	-
10-300-224	-	-	5,639	5,639
10-300-225	-	-	-	-
10-300-331	2,000	2,000	2,199	199
10-300-333	-	-	1,229	1,229
10-300-334	250	250	625	375
10-300-336	-	-	-	-
10-300-338	10	10	12	2
10-300-339	500	500	2,291	1,791
10-300-340	-	-	215	215
10-300-341	-	-	11,397	11,397
10-300-343	239,409	239,409	-	(239,409)
10-300-346	-	-	21,651	21,651
10-300-505	-	-	31,000	31,000
10-300-510	-	-	5,033	5,033
10-300-515	-	-	8,423	8,423
10-300-518	-	-	2,674	2,674
10-300-517	400,000	400,000	-	(400,000)
	<u>4,065,875</u>	<u>4,065,875</u>	<u>3,558,428</u>	<u>(507,447)</u>
400	COUNTY JUDGE			
====	=====			
10-400-100	57,461	57,461	57,461	-
10-400-103	25,200	25,200	25,200	-
10-400-104	700	700	700	-
10-400-105	35,194	35,194	35,194	-
10-400-118	600	600	600	-
10-400-200	9,115	9,115	9,115	-
10-400-205	8,341	8,341	8,864	(523)
10-400-215	13,795	13,795	13,624	171
10-400-300	1,250	1,250	379	871

CULBERSON COUNTY, TEXAS
 FUNDS 10, 20 AND 45 GENERAL GOVERNMENT
COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET TO ACTUAL - MODIFIED CASH BASIS
 YEAR ENDED SEPTEMBER 30, 2017

	ORIGINAL BUDGET	AMENDED BUDGET	MODIFIED CASH BASIS ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)	
10-400-305	POSTAGE EXPENSE	300	300	335	(35)
10-400-310	CAPITAL OUTLAY	1,500	1,500	502	998
10-400-315	CONTINUING EDUCATION	2,300	2,300	176	2,124
10-400-900	BOOK CASE	-	-	-	-
	COUNTY JUDGE	-	-	-	-
		<u>155,756</u>	<u>155,756</u>	<u>152,150</u>	<u>3,606</u>
401	COMMISSIONERS COURT				
===	=====				
10-401-101	SALARY-COMMISSIONER PCT 1	26,552	26,552	26,552	-
10-401-102	SALARY-COMMISSIONER PCT 2	26,552	26,552	26,552	-
10-401-103	SALARY-COMMISSIONER PCT 3	26,552	26,552	26,552	-
10-401-104	SALARY-COMMISSIONER PCT 4	26,552	26,552	26,552	-
10-401-105	LONGEVITY	1,450	1,450	1,450	-
10-401-200	FICA EXPENSE	8,236	8,236	8,713	(477)
10-401-205	TCDRS EXPENSE	7,536	7,536	8,189	(653)
10-401-215	MEDICAL INSURANCE EXPENSE	27,589	27,589	20,436	7,153
10-401-220	SALARY-RABIES CONTROL	2,400	2,400	2,400	-
10-401-310	CAPITAL OUTLAY	15,000	5,581	75	5,506
10-401-450	JUVENILE PROBATION BOARD	-	-	3,600	(3,600)
10-401-600	SUMMER READING PROGRAM /MURAL	-	1,500	1,500	-
10-401-700	INDEPENDENT AUDIT CONTRACT	30,000	30,000	25,465	4,535
10-401-701	HEALTH OFFICER	4,800	4,800	4,800	-
10-401-702	UNEMPLOYMENT	10,000	10,000	5,980	4,020
10-401-703	COMPUTER TECHNICIAN	14,500	14,500	2,455	12,045
10-401-704	PRINTING & ADVERTISING	4,000	4,000	4,137	(137)
10-401-705	CITY - COUNTY LIBRARY	66,000	66,000	66,000	-
10-401-706	LAW LIBRARY	10,000	10,000	7,358	2,642
10-401-707	HISTORICAL MUSEUM	1,000	1,000	1,000	-
10-401-708	HISTORICAL COMMISSION	1,000	1,000	1,000	-
10-401-709	CHRISTIAN SHELTER	7,200	7,200	7,200	-
10-401-710	LIABILITY INSURANCE	100,000	100,000	73,999	26,001
10-401-711	FIRE MARSHALL	600	600	600	-
10-401-712	FIRE DEPT. WORKER'S COMP	2,000	2,000	-	2,000
10-401-713	CHILD WELFARE BOARD	1,000	1,000	1,000	-
10-401-714	GENERAL FUND CONTINGENCY	45,000	13,973	11,419	2,554
10-401-715	BANK FEES	1,500	1,500	456	1,044
10-401-718	MEMBERSHIP DUES	8,000	8,000	7,963	37
10-401-719	BANK CHGS FOR STOP PAYMENTS	1,000	1,000	-	1,000
10-401-720	COURTHOUSE SECURITY	2,000	2,000	399	1,601
10-401-721	HIGH POINT SOIL & WATER CONS.D.#230	1,000	1,000	1,000	-
10-401-722	COMMUNITY CENTER	5,000	5,000	5,000	-
10-401-723	DAY CARE CENTER	12,000	21,000	21,000	-
10-401-725	JUVENILE PROBATION MATCH	18,739	22,693	22,693	-
10-401-726	JUVENILE PROB-CAR LEASE	7,000	7,000	5,673	1,327
	COMMISSIONERS COURT	<u>521,758</u>	<u>495,766</u>	<u>429,168</u>	<u>66,598</u>
402	HIGHWAY PATROL				
=====	=====				
10-402-110	SALARY - PART-TIME HELP	20,952	20,952	14,775	6,177
10-402-200	FICA EXPENSE	1,603	1,603	1,130	473
10-402-205	TCDRS EXPENSE	1,466	1,466	1,099	367
10-402-300	TELEPHONE EXPENSE	2,000	2,000	1,333	667
10-402-305	POSTAGE EXPENSE	-	-	-	-
10-402-310	CAPITAL OUTLAY	-	-	-	-
	HIGHWAY PATROL	<u>3,000</u>	<u>3,000</u>	<u>474</u>	<u>2,526</u>
		<u>29,021</u>	<u>29,021</u>	<u>18,811</u>	<u>10,210</u>

CULBERSON COUNTY, TEXAS
FUNDS 10, 20 AND 45 GENERAL GOVERNMENT
COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET TO ACTUAL - MODIFIED CASH BASIS
YEAR ENDED SEPTEMBER 30, 2017

		ORIGINAL BUDGET	AMENDED BUDGET	MODIFIED CASH BASIS ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
403	COUNTY SHERIFF				
====	=====				
10-403-100	SALARY-COUNTY SHERIFF	52,570	52,570	52,571	(1)
10-403-101	SALARY-DEPUTY 6	35,310	35,310	35,991	(681)
10-403-102	SALARY-DEPUTY 5	43,127	43,127	43,127	-
10-403-103	SALARY-DEPUTY 1	44,355	44,355	44,357	(2)
10-403-104	SALARY-DEPUTY 2	36,969	36,969	36,969	-
10-403-105	SALARY-DEPUTY 3	43,127	43,127	43,127	-
10-403-106	SALARY-DEPUTY 4	43,127	43,127	35,731	7,396
10-403-107	SALARY-JAIL ADMIN.	36,969	36,969	36,969	-
10-403-108	SALARY-DISPATCH ADMIN.	36,969	36,969	36,969	-
10-403-109	SALARY-JAIL-DISP 1	30,319	30,319	30,319	-
10-403-110	SALARY-JAIL-DISP 2	27,699	27,699	27,699	-
10-403-111	SALARY-P/T DISPATCH 1	20,952	20,952	19,280	1,672
10-403-112	SALARY-P/T DISPATCH 2	20,952	20,952	18,945	2,007
10-403-113	SALARY-P/T DISPATCH 3	20,952	20,952	24,153	(3,201)
10-403-114	SALARY-COOK	38,755	38,755	38,755	-
10-403-115	SALARY-P/T COOK 1	20,952	26,952	33,525	(6,573)
10-403-116	SALARY-P/T COOK 2	20,952	14,952	2,313	12,639
10-403-117	COMP. TIME SHERIFF'S DEPT.	6,834	9,941	10,474	(533)
10-403-118	CELL PHONE ALLOTMENT	600	600	600	-
10-403-119	SALARY - SECTRETARY	26,482	26,482	26,900	(418)
10-403-120	LONGEVITY	3,300	3,600	3,600	-
10-403-121	SALARY - DEPUTY 7	31,000	31,000	31,230	(230)
10-403-122	SALARY - JAIL DISP 3	22,749	22,749	23,284	(535)
10-403-123	SALARY - DEPUTY 8	-	8,336	-	8,336
10-403-200	FICA EXPENSE	51,704	53,347	49,775	3,572
10-403-205	TCDRS EXPENSE	47,313	48,815	45,463	3,352
10-403-215	MEDICAL INSURANCE EXPENSE	103,462	103,462	97,651	5,811
10-403-300	TELEPHONE EXPENSE	6,000	6,000	5,658	342
10-403-301	INMATE CALLING CARD EXPENSE	500	500	-	500
10-403-302	CAR LEASE PURCHASE PAYMENTS	9,294	-	94,696	(94,696)
10-403-303	PRINTER/INK	-	-	-	-
10-403-305	POSTAGE EXPENSE	500	500	325	175
10-403-310	CAPITAL OUTLAY	2,000	16,060	17,216	(1,156)
10-403-315	CONT. EDUCATION-SHERIFF'S DEPT.	7,000	7,500	8,623	(1,123)
10-403-316	ANSEL SYSTEM	-	-	(35)	35
10-403-320	INDIGENT PRISONERS MED. EXPENSE	20,000	20,000	9,465	10,535
10-403-322	BODY ARMOR	6,000	1,035	-	1,035
10-403-323	UNIFORMS - SHERIFF'S DEPT.	6,000	6,000	3,861	2,139
10-403-350	MAINT. & SUPPLIES	16,000	13,062	10,744	2,318
10-403-351	JAIL SUPPLIES	19,000	19,000	10,235	8,765
10-403-365	PRISONERS' FOOD EXPENSE	50,000	49,500	34,746	14,754
10-403-400	FUEL & TRAVEL SHERIFF	35,000	21,543	20,130	1,413
10-403-401	AUTO REPAIRS	13,000	20,000	21,404	(1,404)
10-403-402	LEOSE-SHERIFF DEPT.	-	-	-	-
10-403-403	SUPPLIMENTAL BUDGET (REEVES CO)	-	-	-	-
10-403-404	SCAAP AWARD EXPENSE	-	-	-	-
	COUNTY SHERIFF	<u>1,057,794</u>	<u>1,063,088</u>	<u>1,086,845</u>	<u>(23,757)</u>
404	COUNTY-DISTRICT CLERK				
====	=====				
10-404-100	SALARY - COUNTY-DISTRICT CLERK	52,571	52,571	52,571	-
10-404-105	SALARY - CHIEF DEPUTY	37,334	37,334	37,334	-
10-404-106	SALARY - DEPUTY	32,870	32,870	32,871	(1)
10-404-107	SALARY - DEPUTY	24,342	24,342	24,342	-
10-404-108	LONGEVITY	2,500	2,500	2,500	-
10-404-200	FICA EXPENSE	11,446	11,446	11,287	159

CULBERSON COUNTY, TEXAS
 FUNDS 10, 20 AND 45 GENERAL GOVERNMENT
 COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES -
 BUDGET TO ACTUAL - MODIFIED CASH BASIS
 YEAR ENDED SEPTEMBER 30, 2017

		ORIGINAL	AMENDED	MODIFIED	VARIANCE
		BUDGET	BUDGET	CASH BASIS	TO FINAL
				ACTUAL	BUDGET
					POSITIVE
					(NEGATIVE)
10-404-205	TCDRS EXPENSE	10,473	10,473	11,131	(658)
10-404-215	MEDICAL INSURANCE EXPENSE	27,590	27,590	27,248	342
10-404-300	TELEPHONE EXPENSE	500	500	121	379
10-404-302	E-RECORDS CONVERSION	10,000	10,000	300	9,700
10-404-305	POSTAGE EXPENSE	5,000	5,000	5,133	(133)
10-404-310	CAPITAL OUTLAY	4,000	4,000	4,638	(638)
10-404-315	CONT. EDUCATION	5,000	5,000	2,169	2,831
10-404-900	CMS ANNUAL SUPPORT FEE	4,000	4,000	4,000	-
	COUNTY-DISTRICT CLERK	<u>227,626</u>	<u>227,626</u>	<u>215,645</u>	<u>11,981</u>
405	TAX ASSESSOR COLLECTOR				
===	=====				
10-405-100	SALARY - TAX ASSESSOR COLLECTOR	52,570	52,570	52,571	(1)
10-405-105	SALARY - CHIEF DEPUTY	37,334	37,334	37,334	-
10-405-106	SALARY - DEPUTY	2,000	1,000	-	1,000
10-405-110	SALARY - PART-TIME HELP	-	-	-	-
10-05-111	LONGEVITY	1,450	1,450	1,450	-
10-405-200	FICA EXPENSE	7,142	7,142	6,824	318
10-405-205	TCDRS EXPENSE	6,535	6,535	6,797	(262)
10-405-215	MEDICAL INSURANCE EXPENSE	13,795	13,795	13,624	171
10-405-300	TELEPHONE EXPENSE	350	350	194	156
10-405-305	POSTAGE EXPENSE	6,000	6,000	3,591	2,409
10-405-306	VOTER REGISTRATION EXPENSE	1,780	1,780	364	1,416
10-405-310	CAPITAL OUTLAY	1,500	1,500	48	1,452
10-405-312	PRITCHARD & ABBOTT CONTRACT	21,495	21,495	20,790	705
10-405-313	MAINT. AGREEMENT - COPIER	-	-	-	-
10-405-315	CONT. EDUCATION	4,500	5,500	5,790	(290)
	TAX ASSESSOR COLLECTOR	<u>156,451</u>	<u>156,451</u>	<u>149,377</u>	<u>7,074</u>
406	COUNTY ATTORNEY				
===	=====				
10-406-100	SALARY - COUNTY ATTORNEY	52,571	52,571	52,571	-
10-406-105	SALARY-PARA/CT.COORDINATOR	38,566	38,566	38,566	-
10-406-106	LONGEVITY	2,000	2,000	2,000	-
10-406-200	FICA EXPENSE	8,910	8,910	8,888	22
10-406-205	TCDRS EXPENSE	8,153	8,153	8,665	(512)
10-406-215	MEDICAL INSURANCE EXPENSE	13,795	13,795	13,624	171
10-406-300	TELEPHONE EXPENSE	350	350	134	216
10-406-305	POSTAGE EXPENSE	150	150	32	118
10-406-310	CAPITAL OUTLAY	1,500	1,500	27	1,473
10-406-315	CONT. EDUCATION	6,000	6,000	3,253	2,747
10-406-320	STATE SALARY-H.B.804	23,333	23,333	23,333	-
	COUNTY ATTORNEY	<u>155,328</u>	<u>155,328</u>	<u>151,093</u>	<u>4,235</u>
407	COUNTY TREASURER				
===	=====				
10-407-100	SALARY-COUNTY TREASURER	52,570	52,570	52,571	(1)
10-407-110	SALARY-ASSISTANT TREASURER	37,334	37,334	37,909	(575)
10-407-111	LONGEVITY	1,450	1,450	1,450	-
10-407-200	FICA EXPENSE	6,989	6,989	6,905	84
10-407-205	TCDRS EXPENSE	6,395	6,395	6,839	(444)
10-407-215	MEDICAL INSURANCE EXPENSE	13,795	13,795	13,624	171
10-407-300	TELEPHONE EXPENSE	300	300	156	144
10-407-305	POSTAGE EXPENSE	500	500	244	256
10-407-310	CAPITAL OUTLAY	1,500	1,500	1,411	89
10-407-313	MAINT.AGREEMENT-COPIER	-	-	-	-
10-407-314	MAINT. AGREEMENT SOFTWARE	3,738	2,890	2,240	650
10-407-315	CONTINUING EDUCATION	3,000	3,848	3,000	848

CULBERSON COUNTY, TEXAS
FUNDS 10, 20 AND 45 GENERAL GOVERNMENT
COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET TO ACTUAL - MODIFIED CASH BASIS
YEAR ENDED SEPTEMBER 30, 2017

	ORIGINAL BUDGET	AMENDED BUDGET	MODIFIED CASH BASIS ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
COUNTY TREASURER	127,571	127,571	126,349	1,222
408 COUNTY AUDITOR				
=====				
10-408-100 SALARY - COUNTY AUDITOR	53,000	53,000	53,000	-
10-408-105 SALARY-ASSISTANT AUDITOR	37,334	37,334	37,334	-
10-408-110 SALARY-PART/TIME ASST.	-	-	-	-
10-408-111 LONGEVITY	500	500	500	-
10-408-200 FICA EXPENSE	6,949	6,949	6,949	-
10-408-205 TCDRS EXPENSE	6,359	6,758	6,758	-
10-408-215 MEDICAL INSURANCE EXPENSE	13,795	13,795	13,624	171
10-408-300 TELEPHONE EXPENSE	300	300	100	200
10-408-305 POSTAGE EXPENSE	500	500	431	69
10-408-310 CAPITAL OUTLAY	1,500	397	397	-
10-408-314 MAINT. AGREEMENT SOFTWARE	3,738	1,755	1,755	-
10-408-315 CONT. EDUCATION	3,000	6,086	6,396	(310)
COUNTY AUDITOR	126,975	127,374	127,244	130
409 JUDICIAL LAW				
=====				
10-409-101 SALARY-JP 1	48,371	48,371	48,371	-
10-409-102 SALARY-JP 2	20,950	20,950	20,950	-
10-409-103 SALARY JP 3	26,103	26,103	26,103	-
10-409-104 SALARY JP 4	20,949	20,949	20,950	(1)
10-409-105 SALARY - CLERK JP1	34,240	34,240	34,240	-
10-409-110 SALARY - CLERK II JP1	26,482	26,482	26,482	-
10-409-114 SALARY - PART TIME	16,016	16,016	6,897	9,119
10-409-115 SALARY-CLERK JP3	22,749	22,749	19,573	3,176
10-409-116 LONGEVITY	2,150	2,150	2,250	(100)
10-409-200 FICA EXPENSE	16,678	16,678	15,578	1,100
10-409-205 TCDRS EXPENSE	15,260	15,260	14,799	461
10-409-215 MEDICAL INSURANCE EXPENSE	48,282	48,282	39,723	8,559
10-409-300 TELEPHONE EXPENSE	6,000	6,000	3,715	2,285
10-409-305 POSTAGE EXPENSE	6,000	6,000	5,274	726
10-409-310 CAPITAL OUTLAY JP#1	700	700	224	476
10-409-311 CAPITAL OUTLAY JP#2	1,200	1,200	188	1,012
10-409-312 CAPITAL OUTLAY JP#3	1,800	1,800	1,089	711
10-409-313 CAPITAL OUTLAY JP#4	1,200	1,200	1,728	(528)
10-409-314 JP 1 CONT. ED.	4,200	4,200	3,735	465
10-409-315 JP 2 CONT. ED.	2,000	2,000	1,507	493
10-409-316 JP 3 CONT. ED.	3,000	3,000	1,469	1,531
10-409-317 JP 4 CONT. ED.	2,000	2,000	1,144	856
10-409-360 AUTOPSY EXPENSE	20,000	20,000	33,115	(13,115)
10-409-365 EDOTEC SOFTWARE MAINTENANCE	15,000	15,000	-	15,000
10-409-366 CONST.PRCT.#4 FUEL	-	-	-	-
10-409-367 CONST.PRCT.#2 FUEL	-	-	-	-
10-409-368 COPIER LEASE - JP 1	3,000	3,000	3,748	(748)
JUDICIAL LAW	364,330	364,330	332,852	31,478
410 JURY				
=====				
10-410-100 SALARY - DISTRICT ATTORNE	15,000	15,000	10,500	4,500
10-410-111 SALARY - BAILIFFS	665	665	-	665
10-410-112 SALARY - COURT REPORTER	2,000	2,000	-	2,000
10-410-113 SALARY - COURT ADMINISTRA	700	700	-	700
10-410-114 SALARY - COURT APPOINTED	-	-	-	-
10-410-115 INDIGENT ATTY/S/FORMUAL GR	11,000	11,000	14,166	(3,166)

CULBERSON COUNTY, TEXAS
FUNDS 10, 20 AND 45 GENERAL GOVERNMENT
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BUDGET TO ACTUAL - MODIFIED CASH BASIS
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	ORIGINAL BUDGET	AMENDED BUDGET	MODIFIED CASH BASIS ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
10-410-200 FICA EXPENSE	200	200	-	200
10-410-365 COURT COSTS	10,000	10,000	2,801	7,199
10-410-366 JURIES & RELATED EXPENSES	8,000	8,000	4,304	3,696
JURY	<u>47,565</u>	<u>47,565</u>	<u>31,771</u>	<u>15,794</u>
411 BUILDING MAINTENANCE				
====				
10-411-105 SALARIES - BUILDING MAINTENANCE 1	29,879	29,879	29,879	-
10-411-106 SALARIES - BUILDING MAINTENANCE 2	36,772	36,772	36,772	-
10-411-110 SALARIES - BUILDING MAINTENANCE 3	33,170	33,170	33,170	-
10-411-111 SALARIES - PART/TIME	20,952	20,952	12,931	8,021
10-411-112 LONGEVITY	800	800	800	-
10-411-200 FICA EXPENSE	9,300	9,300	8,614	686
10-411-205 TCDRS EXPENSE	8,314	8,314	8,447	(133)
10-411-215 MEDICAL INSURANCE EXPENSE	20,693	20,693	20,436	257
10-411-310 CAPITAL OUTLAY	1,000	1,000	394	606
10-411-350 SUPPLIES - JANITORIAL	3,000	3,000	2,805	195
10-411-355 REPAIRS & REPLACEMENTS	16,000	16,000	17,362	(1,362)
10-411-370 UTILITIES	60,000	60,000	61,541	(1,541)
10-411-400 FUEL - BUILDING MAINTENANCE	8,000	8,000	6,100	1,900
BUILDING MAINTENANCE	<u>247,880</u>	<u>247,880</u>	<u>239,251</u>	<u>8,629</u>
412 394TH DISTRICT COURT				
====				
10-412-105 SALARY - 394TH DIST. JUDGE	2,700	2,700	2,700	-
10-412-110 SALARY - COURT REPORTER	10,839	10,839	10,839	-
10-412-115 SALARY - COURT COORDINATOR	8,319	8,319	8,319	-
10-412-200 FICA EXPENSE	1,672	1,672	1,672	-
10-412-205 TCDRS EXPENSE	1,530	1,530	1,626	(96)
10-412-210 WORKER'S COMP.	53	53	-	53
10-412-215 MEDICAL INSURANCE EXPENSE	1,865	1,865	1,432	433
10-412-220 LIBILITY INS.	330	330	300	30
10-412-225 UNEMPLOYMENT FUND	580	580	-	580
10-412-300 TELEPHONE EXPENSE	750	750	339	411
10-412-305 POSTAGE EXPENSE	200	200	23	177
10-412-310 CAPITAL OUTLAY	389	389	-	389
10-412-312 JUDGE'S LIBRARY	700	700	201	499
10-412-314 VISITING JUDGES	1,015	1,015	61	954
10-412-315 CONT. EDUCATION	388	388	471	(83)
10-412-350 SUPPLIES	250	250	167	83
10-412-370 UTILITIES	384	384	385	(1)
10-412-400 COURT REPORTER EXPENSES	1,860	1,860	1,583	277
10-412-401 TECHNOLOGY MAINTENANCE	135	135	-	135
10-412-402 JUDICIAL ADMIN. DISTRICT	340	340	294	46
10-412-900 MISCELLANEOUS EXPENSE	350	350	408	(58)
394TH DISTRICT COURT	<u>34,649</u>	<u>34,649</u>	<u>30,820</u>	<u>3,829</u>
413 EXTENSION SERVICE				
====				
10-413-105 SALARY - EXTENSION AGENT	13,568	13,568	13,568	-
10-413-110 SALARY - PART-TIME HELP	13,685	13,685	10,403	3,282
10-413-200 FICA EXPENSE	2,085	2,085	1,834	251
10-413-205 TCDRS EXPENSE	1,000	1,000	694	306
10-413-300 TELEPHONE EXPENSE	200	200	77	123
10-413-305 POSTAGE EXPENSE	200	200	71	129
10-413-310 CAPITAL OUTLAY	1,668	1,668	723	945
10-413-311 TRAVEL	4,000	4,000	3,732	268
10-413-315 CONT. EDUCATION	2,000	2,000	2,891	(891)

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	ORIGINAL BUDGET	AMENDED BUDGET	MODIFIED CASH BASIS ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
10-413-316				
PROMO/EDU EXPENSE	1,000	1,000	254	746
EXTENSION SERVICE	39,406	39,406	34,247	5,159
414	CONSTABLES			
====	=====			
10-414-100				
SALARY - CONSTABLE 2	-	-	-	-
10-414-105	15,330	15,330	15,330	-
SALARY - CONSTABLE 3	250	250	250	-
10-414-106	1,192	1,192	1,192	-
SALARY - CONSTABLE 1	1,091	1,091	-	1,091
10-414-200				
FICA EXPENSE	-	-	-	-
10-414-205				
TCDRS EXPENSE	5,000	5,000	629	4,371
10-414-300				
FUEL/AUTO REPAIR CONST. 2	-	-	-	-
10-414-301				
FUEL/AUTO REPAIR CONST. 3	-	-	-	-
10-414-302				
FUEL/AUTO REPAIR CONST. 1	22,863	22,863	17,401	5,462
EXTENSION SERVICE				
415	AIRPORT			
====	=====			
10-415-353	1,750	2,216	2,216	-
IMPROVEMENTS - AIRPORT	6,000	6,000	5,452	548
10-415-370				
UTILITIES - AIRPORT	500	300	690	(390)
10-415-900				
MISCELLANEOUS EXPENSES	8,250	8,516	8,358	158
AIRPORT				
417	VETERANS MEMORIAL PARK			
====	=====			
10-417-110				
SALARY - PART TIME	-	-	4,202	(4,202)
10-447-200				
FICA EXPENSE	-	-	321	(321)
10-417-353	5,500	2,270	2,119	151
IMPROVEMENTS - VET.MEM.PARK	9,700	13,575	13,575	-
10-417-370				
UTILITIES - VET.MEM.PARK	15,200	15,845	20,217	(4,372)
VETERANS MEMORIAL PARK				
421	CEMETERY			
====	=====			
10-421-110	16,817	16,817	15,520	1,297
10-421-200	1,286	1,286	1,187	99
10-421-205				
TCDRS EXPENSE	-	-	301	(301)
10-421-350	2,500	2,500	3,891	(1,391)
10-421-353	2,000	2,000	1,074	926
10-421-370	14,000	14,000	13,923	77
10-421-400	2,000	2,000	2,250	(250)
10-421-900				
MONTHLY ALLOTMENT-GATEKEEPER	3,720	2,143	-	2,143
CEMETERY	42,323	40,746	38,146	2,600
423	VETERANS OFFICER			
====	=====			
10-423-105				
SALARY - VETERANS OFFICER	-	-	-	-
10-423-200				
FICA EXPENSE	-	-	-	-
10-423-350	2,000	2,000	493	1,507
10-423-315				
SUPPLIES - VETERANS OFFICE	-	-	-	-
CONT.EDUCATION - VETERANS OFFICER	2,000	2,000	493	1,507
VETERANS OFFICER				
425	EMERGENCY MANAGEMENT			
====	=====			
10-425-100	8,025	8,025	6,420	1,605
10-425-105	1,200	1,200	1,200	-
10-425-200	819	819	583	236
FICA EXPENSE				

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	ORIGINAL BUDGET	AMENDED BUDGET	MODIFIED CASH BASIS ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
10-425-205 TCDRS EXPENSE	-	-	89	(89)
10-425-350 SUPPLIES EXPENSE	500	500	-	500
10-425-400 FUEL EXPENSE	1,000	1,000	319	681
10-425-500 EMERGENCY MGNT. EXPENSE	3,500	11,862	7,980	3,882
EMERGENCY MANAGEMENT	<u>15,044</u>	<u>23,406</u>	<u>16,591</u>	<u>6,815</u>
435 205TH DIST. COURT				
====				
10-435-105 SALARY- 205TH DIST. JUDGE	-	-	-	-
10-435-110 SALARY- COURT REPORTER	8,699	8,699	2,453	6,246
10-435-111 SALARY- BAILIF	1,070	1,070	712	358
10-435-115 SALARY- COURT COORDINATOR	5,350	5,350	321	5,029
10-435-200 FICA EXPENSE	1,363	1,363	267	1,096
10-435-205 TCDRS EXPENSE	1,228	1,228	-	1,228
10-435-900 MISC. EXPENSE - RMP	1,000	1,000	-	1,000
205TH DIST. COURT	<u>18,710</u>	<u>18,710</u>	<u>3,753</u>	<u>14,957</u>
436 BOYS & GIRLS CLUB				
====				
10-436-105 PART-TIME HELP	16,817	16,817	7,731	9,086
10-436-106 PART-TIME HELP	16,817	16,817	7,282	9,535
10-436-200 FICA EXPENSE	2,573	2,573	1,149	1,424
10-436-205 TCDRS EXPENSE	1,500	1,500	-	1,500
10-436-300 TELEPHONE EXPENSE	2,500	2,500	-	2,500
10-436-310 CAPITAL OUTLAY	5,000	5,000	-	5,000
10-436-350 SUPPLIES	5,000	5,000	-	5,000
10-436-355 REPAIRS & REPLACEMENTS	5,000	5,000	-	5,000
10-436-370 UTILITIES	8,000	8,000	5,971	2,029
BOYS & GIRLS CLUB	<u>63,207</u>	<u>63,207</u>	<u>22,133</u>	<u>41,074</u>
440 NON-DEPATMENTAL				
====				
10-440-114 SYSTEM IMAGING - LEASE	15,000	15,000	11,107	3,893
10-440-200 FICA EXPENSE	1,000	1,000	659	341
10-440-205 TCDRS EXPENSE	500	500	313	187
10-440-300 COURTHOUSE TELEPHONE EXPENSE	10,500	10,500	10,115	385
10-440-312 INTERNET EXPENSE	25,500	25,500	10,429	15,071
10-440-314 VENDING MACHINE SUPPLIES EXPENSE	3,000	3,000	1,680	1,320
10-440-601 ELECTION EXPENSE	25,000	25,000	17,264	7,736
10-440-602 HAVA-ELECTION EXPENSE	9,715	9,715	-	9,715
10-440-603 CHARITY EXPENSE	6,000	6,000	6,049	(49)
10-440-604 MARLIN LEASING	6,000	6,000	-	6,000
10-440-605 APPRAISAL DISTRICT	67,914	67,914	51,378	16,536
10-440-606 REPEATER LEASE SITE	13,433	13,433	1,661	11,772
10-440-607 POST OFFICE BOX RENTALS	1,000	1,000	696	304
10-440-608 EMPLOYEE APPRECIATION DINNER	3,500	3,500	3,522	(22)
10-440-609 PRIMARY ELECTION EXPENSE	1,000	1,000	-	1,000
10-440-610 LEASE POSTAGE METER	4,320	4,320	3,332	988
10-440-611 TRAPPER	28,800	28,800	28,800	-
10-440-612 HH&H OFFICE MAINT.	4,750	4,750	4,500	250
10-440-617 ADULT PROBATION	1,500	1,500	1,402	98
10-440-621 OFFICE SUPPLIES	18,500	18,500	16,989	1,511
10-440-623 CHRISTMAS DECORATIONS	2,000	2,000	267	1,733
10-440-625 RECORDS MANAGEMENT	4,200	4,200	4,200	-
10-440-627 PUBLIC TRAINING SERVICE EXPENSE	300	300	323	(23)
10-440-628 EMPLOYEE FLU VACCINATIONS	1,550	1,550	990	560
10-440-629 SHERIFF'S TAX SALE	-	-	-	-

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	ORIGINAL BUDGET	AMENDED BUDGET	MODIFIED CASH BASIS ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
10-440-631 COUNTY FOOD BANK	5,000	5,000	5,000	-
10-440-633 INSURANCE TAX PAYOUTS	-	-	7,996	(7,996)
NON-DEPATMENTAL	<u>259,982</u>	<u>259,982</u>	<u>188,672</u>	<u>71,310</u>
450 CAPITAL PROJECTS				
===				
10-450-700 Project 1 JP Software/Center	40,000	35,368	34,475	893
10-450-700b Project 1 Mower Purchase	-	-	-	-
10-450-710 Project 2 Red Sox Field Improv.	10,000	10,833	11,050	(217)
10-450-710b Project 2 JP Door Replacement	-	-	-	-
10-450-720 Project 3 CCFC WALL REPAIR	10,000	10,000	-	10,000
10-450-730 Project 4 NC Freezer	10,000	5,185	5,185	-
10-450-730b Project 4 Shop Fence	-	-	-	-
10-450-731 Project 5 Boys & Girls Club	-	-	-	-
10-450-731 b Project 5 4 H	10,000	10,000	2,915	7,085
10-450-732 Project 6 COURTHOUSE LANDSCAPING	5,000	7,500	7,500	-
10-450-733 Project 7 Park Plygrnd Eqp/Platfor	21,000	40,326	40,326	-
10-450-733b Project 7 COURTHOUSE SECURITY	-	-	-	-
10-450-734 Project 8 Dike Cleanup	20,000	20,000	20,000	-
10-450-734 Project 8 Jail Improvements	-	-	-	-
10-450-735 Project 9 Airport Lighting /AWOS	50,000	50,000	-	50,000
10-450-736 Project 10 DAYCARE PLYGRND	10,000	8,913	8,913	-
	<u>186,000</u>	<u>198,125</u>	<u>130,364</u>	<u>67,761</u>
GENERAL FUND				
INCOME TOTALS	4,065,875	4,065,875	3,558,428	(507,447)
EXPENSE TOTALS	<u>3,925,689</u>	<u>3,925,211</u>	<u>3,571,751</u>	<u>353,460</u>
NET REVENUE OVER EXPENSE BEFORE TRANSFERS and other	140,186	140,664	(13,323)	(153,987)
10-401-724 NUTRITION CENTER MATCH	(132,684)	(128,729)	(70,041)	58,688
10-200-200 TRANSFERS IN -- posted at P&L	-	-	108,624	108,624
10-200-220 TRANSFERS WITHIN	-	-	-	-
10-300-xxx LOAN PROCEEDS	-	-	94,696	94,696
10-200-210 TRANSFERS OUT -- posted with P&L	-	-	(372,564)	(372,564)
	<u>7,502</u>	<u>11,935</u>	<u>(252,608)</u>	<u>(264,543)</u>
Expenses Grouped by Uniform Chart of Accounts:				
General government			1,480,574	
Justice System			609,523	
Public Safety			842,383	
Corrections and Rehabilitation			315,493	
Health and Human Services			92,531	
Community and Economic Development			201,814	
Infrastructure and Environmental Services			<u>29,433</u>	
			<u>3,571,751</u>	
300 R & B REVENUES				
===				
20-300-100 ROAD & BRIDGE CURRENT TAXES	411,834	411,834	402,875	(8,959)
20-300-110 ROAD & BRIDGE DELINQUENT TAXES	13,000	13,000	9,588	(3,412)
20-300-150 MISCELLANEOUS REVENUE - R & B	-	-	-	-
20-300-160 UTILITIES/FACILITIES/ PERMITS	-	-	144,829	144,829

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	ORIGINAL BUDGET	AMENDED BUDGET	MODIFIED CASH BASIS ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
20-300-170	90,000	90,000	131,631	41,631
20-300-180	-	-	-	-
20-300-185	-	-	-	-
20-300-190	60,000	60,000	79,269	19,269
20-300-192	-	-	-	-
20-300-517	96,233	96,233	-	(96,233)
R & B REVENUES	671,067	671,067	768,192	97,125
500	COUNTY BARN			
====				
20-500-101	45,800	45,800	22,051	23,749
20-500-102	35,702	35,702	45,800	(10,098)
20-500-103	30,319	30,319	35,702	(5,383)
20-500-104	35,702	35,702	30,319	5,383
20-500-105	26,482	26,482	35,702	(9,220)
20-500-106	32,749	32,749	26,482	6,267
20-500-107	-	-	32,497	(32,497)
20-500-110	-	-	-	-
20-500-111	-	-	3,000	(3,000)
20-500-115	3,000	3,000	2,075	925
20-500-118	1,200	1,200	825	375
20-500-200	19,959	19,959	17,769	2,190
20-500-205	18,263	18,263	17,445	818
20-500-215	48,283	48,283	42,571	5,712
20-500-300	1,700	1,700	1,021	679
20-500-310	7,000	7,000	-	7,000
20-500-315	1,000	1,000	-	1,000
20-500-350	8,000	8,000	3,822	4,178
20-500-351	2,000	2,000	445	1,555
20-500-370	6,000	6,000	4,122	1,878
20-500-271	3,000	3,000	2,719	281
20-500-400	10,000	10,000	2,534	7,466
COUNTY BARN	336,159	336,159	326,901	9,258
505	PRECINCT # 1			
====				
20-505-310	1,500	1,500	-	1,500
20-505-315	3,500	3,500	1,516	1,984
20-505-350	1,500	1,500	1,442	58
20-505-400	10,300	10,300	7,341	2,959
PRECINCT #-1	16,800	16,800	10,299	6,501
510	PRECINCT #-2			
====				
20-510-310	-	-	-	-
20-510-315	3,000	3,000	2,394	606
20-510-350	4,500	4,500	1,383	3,117
20-510-400	7,800	7,800	4,935	2,865
PRECINCT #-2	15,300	15,300	8,712	6,588
515	PRECINCT #-3			
====				
20-515-200	-	-	-	-
20-515-310	1,000	1,000	-	1,000
20-515-315	3,000	3,000	620	2,380
20-515-350	1,000	1,000	-	1,000
20-515-400	10,300	10,300	4,651	5,649

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PRECINCT #4	15,300	15,300	5,271	10,029
520				
PRECINCT #4				
====				
20-520-110 PART/TIME HELP	-	-	-	-
20-520-200 FICA EXPENSE	-	-	-	-
20-520-310 CAPITAL OUTLAY	1,000	1,000	-	1,000
20-520-315 PREC.4 CONT. ED.	3,000	3,000	2,721	279
20-520-350 MAINT. & SUPPLIES	1,000	1,000	13	987
20-520-370 UTILITIES	-	-	-	-
20-515-400 FUEL - PREC. #4	10,300	10,300	4,323	5,977
PRECINCT #4	15,300	15,300	7,057	8,243
540				
NON-DEPARTMENTAL				
====				
20-540-310 CAPITAL OUTLAY - NEW EQUIPMENT	53,716	53,716	-	53,716
20-540-600 R & B SUPPLIES	28,543	28,543	23,977	4,566
20-540-601 WATER SHED REPAIRS	7,000	7,000	-	7,000
20-540-603 HEAVY EQUIPMENT	70,000	70,000	65,088	4,912
20-540-702 UNEMPLOYMENT	3,000	3,000	757	2,243
NON-DEPARTMENTAL	162,259	162,259	89,822	72,437
ROAD & BRIDGE FUND				
INCOME TOTALS	671,067	671,067	768,192	97,125
EXPENSE TOTALS	561,118	561,118	448,062	113,056
INCOME AND EXPENSE BEFORE:	109,949	109,949	320,130	210,181
20-540-302 SAVINGS REIMBURSEMENT TRANSFER	(60,000)	(60,000)	(60,000)	-
20-540-302 TRANSFER OUT	-	-	-	-
	49,949	49,949	260,130	210,181
300				
NUTRITION CENTER REVENUE -45				
====				
45-300-110 CONTRACT INCOME - TITLE III RGCOG	140,000	140,000	178,152	38,152
45-300-111 TDA GRANT INCOME	-	-	-	-
45-300-115 COUNTY MATCHING NUT. CENTER	-	-	-	-
45-300-120 PROGRAM INCOME - DOOR	150	150	185	35
45-300-130 PROGRAM INCOME - DELIVERY	100	100	-	(100)
45-300-140 CENTER RENTAL	200	200	705	505
45-300-210 DONATIONS	200	200	195	(5)
45-300-500 TRANSFER IN GENERAL FUND	-	-	-	-
45-300-901 TRANSFER FROM GENERAL FUND	-	-	-	-
NUTRITION CENTER REVENUE -45	140,650	140,650	179,237	38,587
550				
NUTRITION CENTER EXPENSES -45				
====				
45-550-105 SALARY - N/C DIRECTOR	28,350	28,350	24,151	4,199
45-550-106 SALARY-PART-TIME HELP A	20,952	20,952	15,307	5,645
45-550-107 SALARY-PART-TIME HELP B	20,952	20,952	20,326	626
45-550-108 SALARY-PART-TIME HELP C	20,952	20,952	20,114	838
45-550-109 SALARY-PART-TIME HELP D	20,952	20,952	18,411	2,541
45-550-110 SALARY-PART-TIME HELP E	16,817	16,817	15,927	890
45-550-200 FICA EXPENSE	9,866	9,866	8,739	1,127
45-550-205 TCDRS EXPENSE	9,028	9,028	7,276	1,752
45-550-215 MEDICAL INSURANCE EXPENSE	6,897	6,897	6,812	85
45-550-300 TELEPHONE EXPENSE	2,500	2,500	4,702	(2,202)

CULBERSON COUNTY, TEXAS
FUNDS 10, 20 AND 45 GENERAL GOVERNMENT
COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET TO ACTUAL - MODIFIED CASH BASIS
YEAR ENDED SEPTEMBER 30, 2017

	ORIGINAL BUDGET	AMENDED BUDGET	MODIFIED CASH BASIS ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
45-550-305 POSTAGE	100	100	123	(23)
45-550-310 CAPITAL OUTLAY	500	500	433	67
45-550-315 CONT. EDUCATION - N/C	350	350	148	202
45-550-350 N/C SUPPLIES	17,000	17,000	10,951	6,049
45-550-355 REPAIRS & REPLACEMENTS	1,900	1,900	809	1,091
45-550-370 UTILITIES EXPENSE	12,000	12,000	10,790	1,210
45-550-380 FOOD EXPENSE	80,500	80,500	80,953	(453)
45-550-400 FUEL/AUTO EXPENSE	3,218	3,218	2,955	263
45-550-702 UNEMPLOYMENT EXPENSE	500	500	351	149
45-550-703 WORKER'S COMP. EXPENSE	-	-	-	-
45-550-704 RENTAL DEPOSIT RETURN	-	-	-	-
NUTRITION CENTER EXPENSES -45	<u>273,334</u>	<u>273,334</u>	<u>249,278</u>	<u>24,056</u>
INCOME TOTALS	140,650	140,650	179,237	38,587
EXPENSE TOTALS	<u>273,334</u>	<u>273,334</u>	<u>249,278</u>	<u>24,056</u>
INCOME AND EXPENSE BEFORE:	(132,684)	(132,684)	(70,041)	62,643
45-300-500 TRANSFER TO DEBT SERVICE FUND	-	-	-	-
45-300-901 TRANSFERS OTHER	-	-	-	-
45-300-115 TRANSFERS FROM GENERAL FUND	<u>132,684</u>	<u>132,684</u>	<u>70,041</u>	<u>(62,643)</u>
INCOME OVER (UNDER) EXPENSES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

REQUIRED SUPPLEMENTARY INFORMATION

Employee Retirement Plan Supplementary Schedules

CULBERSON COUNTY, TEXAS
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
LAST 10 YEARS

	Year Ended December 31									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Pension Liability										
Service Cost	\$229,426	\$198,912	\$194,054	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Interest on Total Pension Liability	577,953	535,817	499,911	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Effect of Plan Changes	-	(42,069)	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Effect of Assumption Changes or Inputs	-	80,408	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Effect of Economic/Demographic (gains) or losses	(212,347)	35,830	29,830	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Benefit Payments/Refunds of Contributions	<u>(285,378)</u>	<u>(284,364)</u>	<u>(318,369)</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Net Change in Total Pension Liability	309,654	524,534	405,426	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Pension Liability, Beginning	<u>\$7,162,654</u>	<u>6,638,120</u>	<u>6,232,694</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Total Pension Liability, Ending (a)	<u>\$7,472,308</u>	<u>\$7,162,654</u>	<u>\$6,638,120</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Fiduciary Net Position										
Employer Contributions	\$140,089	\$128,023	\$116,937	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Member Contributions	\$140,089	128,023	115,936	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Investment Income Net of Investment Expenses	505,496	(37,401)	441,378	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Benefit Payments/Refunds of Contributions	(285,378)	(284,364)	(318,369)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Expenses	(5,495)	(4,936)	(5,167)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Other	<u>(167,049)</u>	<u>16,108</u>	<u>17,698</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Net Change in Fiduciary Net Position	\$327,752	(\$54,547)	\$368,413	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Fiduciary Net Position, Beginning	<u>\$6,838,907</u>	<u>6,893,454</u>	<u>6,525,041</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Fiduciary Net Position, Ending (b)	<u>\$7,166,659</u>	<u>\$6,838,907</u>	<u>\$6,893,454</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Net Pension Liability / (Asset), Ending = (a) - (b)	<u>\$305,649</u>	<u>\$323,747</u>	<u>(\$255,334)</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Fiduciary Net Position as a % of Total Pension Liability	95.91%	95.48%	103.85%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Pensionable Covered Payroll	\$2,001,268	\$1,828,903	\$1,656,221	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net Pension Liability as a % of Covered Payroll	15.27%	17.70%	-15.42%	N/A	N/A	N/A	N/A	N/A	N/A	N/A

This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with standards of GASB 67/68, they should not be shown here. Therefore, we have shown only years for which the new GASB statements have been implemented.

CULBERSON COUNTY, TEXAS
SCHEDULE OF EMPLOYER CONTRIBUTIONS
LAST TEN YEARS

Year Ending December 31	Actuarially Determined Contribution (1)	Actual Employer Contribution (1)	Contribution Deficiency (Excess)	Pensionable Covered Payroll (2)	Actual Contribution as a % of Covered Payroll
2007	99,708	107,377	(7,669)	1,533,962	7.0%
2008	86,195	110,305	(24,110)	1,575,782	7.0%
2009	92,842	120,574	(27,732)	1,722,483	7.0%
2010	106,292	112,564	(6,272)	1,608,053	7.0%
2011	101,262	111,629	(10,367)	1,594,678	7.0%
2012	104,051	109,199	(5,148)	1,559,992	7.0%
2013	115,446	115,446	-	1,629,843	7.1%
2014	116,929	116,937	(8)	1,656,221	7.1%
2015	124,731	128,023	(3,292)	1,828,903	7.0%
2016	129,482	140,089	(10,607)	2,001,268	7.0%

(1) TCDRS calculates actuarially determined contributions on a calendar year basis. GASB Statement No. 68 indicates the employer should report employer contribution amounts on a fiscal year basis.

(2) Payroll is calculated based on contributions as reported to TCDRS.

Notes to Schedule

Valuation Date: December 31, 2016

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	9.5 years (based on contribution rate calculated in 12/31/16 valuation)
Asset valuation method	5-yr smoothed market
Inflation	3.00%
Salary increases	Varies by age and service. 4.9% average over career including inflation.
Investment rate of return	8%, net of investment expenses, including inflation.
Retirement age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	In the 2015 actuarial valuation, assumed life expectancies were adjusted as a result of adopting a new projection scale (110% of the MP-2014 Ultimate Scale) for 2014 and later. Previously Scale AA had been used. The base table is the RP-2000 table projected with Scale AA to 2014.

Changes in Plan Provisions
 Reflected in the Schedule*

No changes in plan provisions for 2015 and 2016

* - Only changes effective 2015 and later are shown in the notes to Schedule.

GENERAL FUND

Combining Schedules

CULBERSON COUNTY, TEXAS
COMBINING BALANCE SHEET - MODIFIED CASH BASIS
GENERAL FUND
AS OF SEPTEMBER 30, 2017

	<u>General Government</u>	<u>Roads & Bridges</u>	<u>Contingency Fund 91</u>	<u>Tax Claims</u>	<u>Criminal Justice</u>	<u>Combined</u>
ASSETS						
Cash - Checking	\$ 463,770	\$ 1,496,845	\$ -	\$ 4,109	\$ 274,429	\$ 2,239,153
Cash - Payroll Clearing	-	-	-	-	-	-
Cash - Checking Clerk	123,383	-	-	-	-	123,383
Cash - Checking Tax Assessor	31,263	-	-	-	-	31,263
Cash - JP Accounts	80,736	-	-	-	-	80,736
Cash - Savings	-	-	3,609,957	-	-	3,609,957
Certificates of Deposit	570,094	-	-	-	-	570,094
Postage Inventory	6,181	-	-	-	-	6,181
Due from (to) Other Funds	<u>212,862</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>212,862</u>
Total Assets	<u>1,488,289</u>	<u>1,496,845</u>	<u>3,609,957</u>	<u>4,109</u>	<u>274,429</u>	<u>6,873,629</u>
LIABILITIES						
Other Liabilities	37,904	-	-	-	-	37,904
Deferred Revenue	-	-	-	-	-	-
Due to Others	107,420	-	-	-	73,442	180,862
Due to Other Funds	<u>82,051</u>	<u>(82,051)</u>	<u>-</u>	<u>-</u>	<u>52,292</u>	<u>52,292</u>
Total Liabilities	<u>227,375</u>	<u>(82,051)</u>	<u>-</u>	<u>-</u>	<u>125,734</u>	<u>271,058</u>
FUND EQUITY (DEFICIT)						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Committed	-	1,578,896	-	-	-	1,578,896
Assigned	-	-	-	4,109	-	4,109
Unassigned	<u>1,260,914</u>	<u>-</u>	<u>3,609,957</u>	<u>-</u>	<u>148,695</u>	<u>5,019,566</u>
Total Fund Equity (Deficit)	<u>1,260,914</u>	<u>1,578,896</u>	<u>3,609,957</u>	<u>4,109</u>	<u>148,695</u>	<u>6,602,571</u>
Total Liabilities and Fund Equity	<u>\$ 1,488,289</u>	<u>\$ 1,496,845</u>	<u>\$ 3,609,957</u>	<u>\$ 4,109</u>	<u>\$ 274,429</u>	<u>\$ 6,873,629</u>

CULBERSON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2017

	GENERAL GOVERNMENT	ROAD & BRIDGE	CONTINGENCY FUND 91	TAX CLAIMS FUND 41	CRIMINAL JUSTICE	COMBINED
REVENUE						
10-300-100 CURRENT TAXES	\$ 2,659,205	\$ 402,875	\$ -	\$ 4,107	\$ -	\$ 3,066,187
10-300-110 DELINQUENT TAXES	88,707	9,588	-	-	-	78,295
10-300-111 VEHICLE INVENTORY TAX	-	-	-	-	-	-
10-300-120 FEES OF OFFICE-CLERK	90,845	-	-	-	-	90,845
10-300-121 FEES OF OFFICE-TAX OFFICE	9,296	-	-	-	-	9,296
10-300-122 VAN HORN CEMETARY PAY OUT FEES	3,800	-	-	-	-	3,800
91-300-140 INTEREST ON SAVINGS	-	-	4,486	-	-	4,486
10-300-141 REIMBURSEMENTS	2,400	-	-	-	-	2,400
10-300-143 LEASE PAYMENT-LOBO LAND	450	-	-	-	-	450
10-300-145 H&HS OFF RENT	11,610	-	-	-	-	11,610
10-300-162 MIXED BEVERAGE TAX ALLOCATION	3,424	-	-	-	-	3,424
10-300-170 MOTOR VEHICLE REGISTRATIO	4,579	131,631	-	-	-	136,210
10-300-175 J. P. COURT	326,604	-	-	-	-	326,604
10-300-180 INTEREST REVENUE	11,792	-	-	2	-	11,794
10-300-185 AUCTION PROCEEDS	-	-	-	-	-	-
10-300-190 IN LIEU OF TAXES- STATE C	159,011	-	-	-	-	159,011
10-300-191 IN LIEU OF TAXES	1,028	-	-	-	-	1,028
10-300-200 STATE SALARY SUPPLEMENT	48,533	-	-	-	-	48,533
10-300-204 LEOSE FUND/S.O.	-	-	-	-	-	-
10-300-205 J.P. COURT SECURITY FEE	3,097	-	-	-	-	3,097
10-300-206 COURTHOUSE SECURITY FEE	7,412	-	-	-	-	7,412
10-300-207 LAW LIBRARY REVENUE	1,225	-	-	-	-	1,225
10-300-208 COUNTY FINES/CLERK	51,113	-	-	-	-	51,113
10-300-214 LBSP GRANT REVENUE	-	-	-	-	-	-
10-300-215 OMNI FEE - COUNTY REVENUE	2,109	-	-	-	-	2,109
10-300-220 WORKERS COMP REIMBURSEMENT	-	-	-	-	-	-
20-300-160 UTILITIES PERMITS	-	144,829	-	-	-	144,829
10-300-224 INDIGENT FORMULA GRANT	5,639	-	-	-	-	5,639
10-300-331 CD REVENUE	2,199	-	-	-	-	2,199
10-300-333 JAIL-PAY PHONE REVENUE	1,229	-	-	-	-	1,229
10-300-334 VENDING MACHINES REVENUE	625	-	-	-	-	625
10-300-336 STATE EXCESS CONTRIBUTION	-	-	-	-	-	-
10-300-338 FAX/COPIES REVENUE - CO.JUDGE	12	-	-	-	-	12
10-300-339 FEES OF OFFICE - SHERIFF	2,291	-	-	-	-	2,291
10-300-340 CONSTABLE CIVIL PORCESS FEES	215	-	-	-	-	215
10-300-341 INSURANCE CLAIM FUNDS	11,397	-	-	-	-	11,397
10-300-346 UNBUDGETED REVENUE	21,651	-	-	-	-	21,651
10-300-505 SHERIFF PROCEEDS FROM TAX SALE OF LAND	31,000	-	-	-	-	31,000
10-300-510 SALES TAX COMMISSION REVENUE	5,033	-	-	-	-	5,033
10-300-515 REFUND REVENUE	8,423	-	-	-	-	8,423
10-300-518 U.S. DISTRICT COURT RESTITUTION	2,674	-	-	-	-	2,674
20-300-190 LATERAL ROAD - STATE COMP	-	79,269	-	-	-	79,269
35-300-300 CRIMINAL JUSTICE REVENUE	-	-	-	-	38,244	38,244
TOTAL REVENUE	3,558,428	768,192	4,486	4,109	38,244	4,373,459
EXPENDITURES						
General government	\$ 1,480,574	\$ -	\$ -	\$ -	\$ -	\$ 1,480,574
Justice System	609,523	-	-	-	-	609,523
Public Safety	842,383	-	-	-	-	842,383
Corrections and Rehabilitation	315,493	-	-	-	-	315,493
Health and Human Services	92,531	-	-	-	-	92,531
Community and Economic Development	201,814	-	-	-	-	201,814
Infrastructure and Environmental Services	29,433	448,062	-	-	-	477,495
Total Expenditures	3,571,751	448,062	-	-	-	4,019,813
Revenue Over (Under) Expenditures	(13,323)	320,130	4,486	4,109	38,244	353,646
Other Source and Uses:						
LOAN PROCEEDS	94,696	-	-	-	-	94,696
TRANSFERS IN (OUT)	(442,605)	-	263,940	-	-	(178,665)
TRANSFERS IN (OUT)	108,624	(60,000)	60,000	-	-	108,624
	<u>(239,285)</u>	<u>(60,000)</u>	<u>323,940</u>	<u>-</u>	<u>-</u>	<u>24,655</u>
Revenue and Other Sources Over (Under) Expenditures and Other (Uses)	(252,608)	260,130	328,426	4,109	38,244	378,301
Fund Balance Beginning of Year	1,513,522	1,318,766	3,281,531	-	110,451	6,224,270
Fund Balance End of Year	\$ 1,260,914	\$ 1,578,896	\$ 3,609,957	\$ 4,109	\$ 148,695	\$ 6,602,571

Special Revenue Funds

Combining Schedules

CULBERSON COUNTY, TEXAS
 COMBINING BALANCE SHEET - MODIFIED CASH BASIS
 SPECIAL REVENUE FUNDS
 AS OF SEPTEMBER 30, 2017

	HOT CHECK FUND - 30	JAG ARRA Fund 43	SENIOR NUTRITION FUND - 45	LAW ENFORCEMENT FUND-47	AIRPORT IMPROV. FUND - 48	CONSTABLE PCT#2 Fund -49	RECORDS PRESERVATION FUND - 50	RECORDS PRESERVATION FUND - 60	CHILD WELFARE BRD FUND - 61
ASSETS									
Cash in Bank	\$ -	\$ 128	\$ -	\$ 3,317	\$ 18,357	\$ 991	\$ 15,267	\$ 19,429	\$ 6,075
Pooled Cash Overdraft	(1,049)	-	-	-	-	-	-	-	-
Payroll Clearing	-	-	-	-	-	-	-	-	-
Postage Inventory and Other	-	-	(303)	-	-	-	-	651	-
Due from Other Funds	-	-	-	-	-	-	-	-	-
Total Assets	(1,049)	128	(303)	3,317	18,357	991	15,267	20,080	6,075
LIABILITIES									
Due to Others	-	-	-	-	-	-	-	-	-
Due to Other Funds	4,555	-	138,077	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Liabilities	4,555	-	138,077	-	-	-	-	-	-
FUND BALANCE									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	-	128	-	3,317	-	991	15,267	20,080	6,075
Committed	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	18,357	-	-	-	-
Unassigned	(5,604)	-	(138,380)	-	-	-	-	-	-
Total Fund Balance	(5,604)	128	(138,380)	3,317	18,357	991	15,267	20,080	6,075
Total Liabilities and Fund Balance	\$ (1,049)	\$ 128	\$ (303)	\$ 3,317	\$ 18,357	\$ 991	\$ 15,267	\$ 20,080	\$ 6,075

CULBERSON COUNTY, TEXAS
COMBINING BALANCE SHEET - MODIFIED CASH BASIS
SPECIAL REVENUE FUNDS
AS OF SEPTEMBER 30, 2017

	HOMELAND SECURITY FUND 77	BORDER COLONIA FUND 80	LINEBACKER FEDERAL FUND 81	JUSTICE TEC FUND FUND 84	HOME PROG GRANT FUND 86	ARCHIVE FUND 87	COMMISSARY FUND 88	LINEBACKER FUND 89	JAG FUND 90	TOTAL COMBINED
ASSETS										
Cash in Bank	\$ 1	\$ 4,018	\$ 1	\$ 21,791	\$ 11,054	\$ 64,961 (96,809)	\$ 358	\$ 1 (251,506)	\$ 1,240 (134,503)	\$ 166,989 (483,867)
Pooled Cash Overdraft	-	-	-	-	-	-	-	-	-	348
Payroll Clearing	-	-	-	-	-	-	-	-	-	-
Postage Inventory and Other	-	-	-	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-	-	-	-	-
Total Assets	1	4,018	1	21,791	11,054	(31,848)	358	(251,505)	(133,263)	(316,530)
LIABILITIES										
Due to Others	-	-	-	-	-	-	15	-	-	15
Due to Other Funds	-	-	-	-	-	-	-	395	464	143,491
Deferred Revenue	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total Liabilities	-	-	-	-	-	-	15	395	464	143,506
FUND BALANCE										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	1	4,018	1	21,791	11,054	64,961	343	-	-	148,027
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	(96,809)	-	(251,900)	(133,727)	(626,420)
Unassigned	-	-	-	-	-	-	-	-	-	-
Total Fund Balance	1	4,018	1	21,791	11,054	(31,848)	343	(251,900)	(133,727)	(460,036)
Total Liabilities and Fund Balance	\$ 1	\$ 4,018	\$ 1	\$ 21,791	\$ 11,054	\$ (31,848)	\$ 358	\$ (251,505)	\$ (133,263)	\$ (316,530)

CULBERSON COUNTY, TEXAS
 COMBINING STATEMENT OF REVENUES EXPENDITURES
 AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
 SPECIAL REVENUES FUNDS
 YEAR ENDED SEPTEMBER 30, 2017

	HOT CHECK FUND - 30	JAG ARRA Fund 43	SENIOR NUTRITION FUND - 45	LAW ENFORCEMENT FUND-47	AIRPORT IMPROV. FUND - 48	CONSTABLE PCT#2 Fund -49
<u>REVENUE</u>						
Grants	\$ -	\$ -	\$ -	\$ -	\$ 5,276	\$ -
Fees	-	-	178,152	-	-	689
Intergovernmental	-	-	-	-	-	-
Seizures	-	-	-	-	-	-
Contributions	-	-	195	-	-	-
Miscellaneous Revenue	-	-	185	-	-	-
Rent	-	-	705	-	4,500	-
Interest	-	-	-	17	89	-
Other	90	-	-	-	-	-
Total Revenue	90	-	179,237	17	9,865	689
<u>EXPENDITURES</u>						
Federal/State:						
Administration	-	-	-	-	-	-
Engineering/Consulting	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Local:						
Salary and Benefits	60	-	137,063	-	-	-
Law Enforcement Expenses	-	-	-	-	-	-
Records Management	-	-	-	-	-	-
Juvenile Probation	-	-	-	-	-	-
Senior Nutrition Services	-	-	112,215	-	-	-
Communications	-	-	-	-	-	-
Technology Expenses	-	-	-	-	-	-
Training	-	-	-	-	-	-
Miscellaneous Expense	400	-	-	-	-	-
Capital Outlay	-	-	-	-	17,509	-
Total Expenditures	460	-	249,278	-	17,509	-
Revenue Over (Under) Expenditures	(370)	-	(70,041)	17	(7,644)	689
Transfer from (to) Other Funds	-	-	-	-	-	-
Transfer from (to) Other Funds	-	-	70,041	-	-	-
Revenue Over (Under) Expenditures and Transfers	(370)	-	-	17	(7,644)	689
Fund Balance Beginning of Year	(5,234)	128	(138,380)	3,300	26,001	302
Fund Balance End of Year	\$ (5,604)	\$ 128	\$ (138,380)	\$ 3,317	\$ 18,357	\$ 991

CULBERSON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES EXPENDITURES
AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
SPECIAL REVENUES FUNDS
YEAR ENDED SEPTEMBER 30, 2017

	RECORDS PRESERVATION FUND - 50	RECORDS PRESERVATION FUND - 60	CHILD WELFARE BRD FUND - 61	HOMELAND SECURITY FUND 77	BORDER COLONIA FUND 80	LINEBACKER FEDERAL FUND 81
REVENUE						
Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fees	9,879	2,550	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Seizures	-	-	1,000	-	-	-
Contributions	-	-	-	-	-	-
Miscellaneous Revenue	-	-	-	-	-	-
Rent	74	292	-	-	-	-
Interest	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total Revenue	9,953	2,842	1,000	-	-	-
EXPENDITURES						
Federal/State:	-	-	-	-	-	-
Administration	-	-	-	-	-	-
Engineering/Consulting	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Local:	-	-	-	-	-	-
Salary and Benefits	-	-	-	-	-	-
Law Enforcement Expenses	-	-	-	-	-	-
Records Management	6,000	-	-	-	-	-
Juvenile Probation	-	-	-	-	-	-
Senior Nutrition Services	-	-	-	-	-	-
Communications	-	-	-	-	-	-
Technology Expenses	-	-	-	-	-	-
Training	-	-	468	-	-	-
Miscellaneous Expense	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	6,000	-	468	-	-	-
Revenue Over (Under) Expenditures	3,953	2,842	532	-	-	-
Transfer from (to) Other Funds	-	-	-	-	-	-
Transfer from (to) Other Funds	-	-	-	-	-	-
Revenue Over (Under) Expenditures and Transfers	3,953	2,842	532	-	-	-
Fund Balance Beginning of Year	11,314	17,238	5,543	1	4,018	1
Fund Balance End of Year	\$ 15,267	\$ 20,080	\$ 6,075	\$ 1	\$ 4,018	\$ 1
Expenditures grouped by function:						
General government	\$ 6,000	\$ -	\$ -	\$ -	\$ -	\$ -
Justice System	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Corrections and Rehabilitation	-	-	-	468	-	-
Health and Human Services	-	-	-	-	-	-
Community and Economic Development	-	-	-	-	-	-
Infrastructure and Environmental Services	-	-	-	-	-	-
Total Expenditures by Function	\$ 6,000	\$ -	\$ 468	\$ -	\$ -	\$ -

CULBERSON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES EXPENDITURES
AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
SPECIAL REVENUES FUNDS
YEAR ENDED SEPTEMBER 30, 2017

	JUSTICE TEC FUND FUND 84	HOME PROG GRANT FUND 86	ARCHIVE FUND 87	COMMISSARY FUND 88	LINEBACKER FUND 89	JAG FUND 90	TOTAL COMBINED
REVENUE							
Grants	\$ -	\$ 91,072	\$ -	\$ -	\$ -	\$ 340	\$ 96,688
Fees	9,895	-	19,680	-	-	-	220,845
Intergovernmental	-	-	-	-	-	-	-
Seizures	-	-	-	-	-	-	-
Contributions	-	-	-	-	-	-	1,195
Miscellaneous Revenue	-	-	-	-	-	-	185
Rent	-	-	-	-	-	-	5,205
Interest	99	-	-	-	-	-	571
Other	-	-	-	-	-	-	90
Total Revenue	9,994	91,072	19,680	-	-	340	324,779
EXPENDITURES							
Federal/State:							
Administration	-	3,795	-	-	-	-	3,795
Engineering/Consulting	-	-	-	-	-	-	-
Construction	-	78,914	-	-	-	-	78,914
Local:							
Salary and Benefits	-	-	-	-	-	-	137,123
Law Enforcement Expenses	-	-	-	-	-	-	-
Records Management	-	-	-	-	-	-	6,000
Juvenile Probation	-	-	-	-	-	-	-
Senior Nutrition Services	-	-	-	-	-	-	112,215
Communications	-	-	-	-	-	-	-
Technology Expenses	5,621	-	-	-	-	-	5,621
Training	-	-	-	-	-	-	-
Miscellaneous Expense	-	-	-	-	-	-	868
Capital Outlay	-	-	-	-	-	-	17,509
Total Expenditures	5,621	82,709	-	-	-	-	362,045
Revenue Over (Under) Expenditures	4,373	8,363	19,680	-	-	340	(37,266)
Transfer from (to) Other Funds	-	160,946	-	-	-	-	160,946
Transfer from (to) Other Funds	-	(159,979)	-	-	-	-	(89,938)
Revenue Over (Under) Expenditures and Transfers	4,373	9,330	19,680	-	-	340	33,742
Fund Balance Beginning of Year	17,418	1,724	(51,528)	343	(251,900)	(134,067)	(493,778)
Fund Balance End of Year	\$ 21,791	\$ 11,054	\$ (31,848)	\$ 343	\$ (251,900)	\$ (133,727)	\$ (460,036)
Expenditures grouped by function:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,460
Justice System	5,621	-	-	-	-	-	5,621
Public Safety	-	3,795	-	-	-	-	3,795
Corrections and Rehabilitation	-	-	-	-	-	-	-
Health and Human Services	-	-	-	-	-	-	249,746
Community and Economic Development	-	78,914	-	-	-	-	78,914
Infrastructure and Environmental Services	-	-	-	-	-	-	17,509
Total Expenditures by Function	\$ 5,621	\$ 82,709	\$ -	\$ -	\$ -	\$ -	\$ 362,045

Texas Department of Agriculture

Contract Schedule

CULBERSON COUNTY, TEXAS
TEXAS DEPARTMENT OF AGRICULTURE
COMMUNITY DEVELOPEMENT BLOCK GRANT SCHEDULE
 YEAR ENDED SEPTEMBER 30, 2017

FEDERAL/STATE FINANCIAL ASSISTANCE
 FEDERAL GRANTOR: U.S. DEPARTMENT OF
 HOUSING AND URBAN DEVELOPMENT (HUD)
 PASS THROUGH GRANTOR: TEXAS DEPARTMENT OF AGRICULTURE

COMMUNITY DEVELOPMENT BLOCK GRANT
 CFDA NUMBER: 14.228
 CONTRACT NUMBER: 7216120
 CONTRACT PERIOD: 9/15/16 TO 9/14/18

	FEDERAL/STATE					
	<u>REVENUE</u>	BUDGET	PRIOR YEARS	CURRENT YEAR	LOCAL	TOTAL
Federal/State	\$ 168,638	\$ -	\$ 3,795	\$ -	\$ 3,795	\$ 164,843
State:	-	-	-	-	-	-
Local:	-	-	-	-	-	-
Total Revenue	<u>168,638</u>	<u>-</u>	<u>3,795</u>	<u>-</u>	<u>3,795</u>	<u>164,843</u>
	<u>EXPENDITURES</u>					
Federal/State:						
Administration	17,500	-	3,795	-	3,795	13,705
Parks, Recreational Facilities	26,000	-	-	-	-	26,000
Parks, Recreational Facilities	125,138	-	-	-	-	125,138
Local:						
Engineering/Architectural Services	-	-	-	-	-	-
Construction - Neighborhood Facilities	-	-	-	-	-	-
Administration	-	-	-	-	-	-
Total Expenditures	<u>168,638</u>	<u>-</u>	<u>3,795</u>	<u>-</u>	<u>3,795</u>	<u>164,843</u>
Excess Revenue Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CULBERSON COUNTY, TEXAS
TEXAS DEPARTMENT OF AGRICULTURE
COMMUNITY DEVELOPEMENT BLOCK GRANT SCHEDULE
 YEAR ENDED SEPTEMBER 30, 2017

FEDERAL/STATE FINANCIAL ASSISTANCE
 FEDERAL GRANTOR: U.S. DEPARTMENT OF
 HOUSING AND URBAN DEVELOPMENT (HUD)
 PASS THROUGH GRANTOR: TEXAS DEPARTMENT OF AGRICULTURE

COMMUNITY DEVELOPMENT BLOCK GRANT
 CFDA NUMBER: 14.228
 CONTRACT NUMBER: 713119
 CONTRACT PERIOD: 11/12/13 TO 11/11/15

	FEDERAL/STATE					
	BUDGET	PRIOR YEARS	CURRENT YEAR	LOCAL	TOTAL	VARIANCE
<u>REVENUE</u>						
Federal/State	\$ 168,637	\$ 163,885	\$ -	\$ -	\$ 163,885	\$ 4,752
State:	-	-	-	-	-	-
Local:	-	-	-	-	-	-
Total Revenue	<u>168,637</u>	<u>163,885</u>	<u>-</u>	<u>-</u>	<u>163,885</u>	<u>4,752</u>
<u>EXPENDITURES</u>						
Federal/State:						
Administration	15,000	15,045	-	-	15,045	(45)
Architectural and Engineering	6,000	4,500	-	-	4,500	1,500
Fire Stations/Equipment	147,637	135,977	1) 8,363	-	144,340	3,297
Local:						
Engineering/Architectural Services	-	-	-	-	-	-
Construction - Fire Station Facilities	-	-	-	-	-	-
Administration	-	-	-	-	-	-
Total Expenditures	<u>168,637</u>	<u>155,522</u>	<u>8,363</u>	<u>-</u>	<u>163,885</u>	<u>4,752</u>
Excess Revenue Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 8,363</u>	<u>\$ (8,363)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

1) Final payment for construction was \$9,350 of which \$8,363 was grant expenditure

CULBERSON COUNTY, TEXAS
TEXAS DEPARTMENT OF AGRICULTURE
SCHEDULE OF HOME INVESTMENT PARTNERSHIP PROGRAM GRANT
YEAR ENDED SEPTEMBER 30, 2017

FEDERAL/STATE FINANCIAL ASSISTANCE
 FEDERAL GRANTOR: U.S. DEPARTMENT OF
 HOUSING AND URBAN DEVELOPMENT (HUD)
 PASS THROUGH GRANTOR: TEXAS DEPARTMENT OF
 AGRICULTURE
 HOME INVESTMENT PARTNERSHIP PROGRAM
 CFDA NUMBER: 14.239
 CONTRACT NUMBER: 1002447
 CONTRACT PERIOD: 3/31/16 TO 3/30/18

	FEDERAL/STATE						
	REVENUE	BUDGET	PRIOR YEARS	CURRENT YEAR	LOCAL	TOTAL	VARIANCE
Federal/State		\$ 413,600	\$ -	\$ 87,277	\$ -	\$ 87,277	\$ 326,323
State:							
Local:		-	-	-	-	-	-
Total Revenue		<u>413,600</u>	<u>-</u>	<u>87,277</u>	<u>-</u>	<u>87,277</u>	<u>326,323</u>
EXPENDITURES							
Federal/State:							
Administration		13,600	-	3,220	-	3,220	10,380
Architectural and Engineering		-	-	-	-	-	-
Construction - Home Construction		400,000	-	75,694	-	75,694	324,306
Local:							
Engineering/Architectural Services		-	-	-	-	-	-
Construction - Home Construction		-	-	-	-	-	-
Administration		-	-	-	-	-	-
Total Expenditures		<u>413,600</u>	<u>-</u>	<u>78,914</u>	<u>-</u>	<u>78,914</u>	<u>334,686</u>
Excess Revenue Over (Under) Expenditures		<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,363</u>	<u>\$ -</u>	<u>\$ 8,363</u>	<u>\$ (8,363)</u>

GOVERNMENTAL REPORTING SECTION

CULBERSON COUNTY, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED SEPTEMBER 30, 2017

GRANT TITLE	FEDERAL CFDA NUMBER	AWARD AMOUNT	PASS-THROUGH CONTRACT NUMBER	AUDIT PERIOD EXPENDITURES
U.S. Department of Housing and Urban Development (HUD)				
Pass Through:				
Texas Department of Housing and Community Affairs				
Home Investment Partnerships Program	14.239	\$ 399,600	1002447	\$ 78,914
Pass Through:				
Texas Department of Agriculture				
Community Development Block Grant	14.228	\$ 168,638	7216120	3,795
Community Development Block Grant	14.228	\$ 451,975	713119	8,363
				<u>91,072</u>
U.S. Department of Transportation				
Pass Through:				
Texas Department of Transportation				
Airport Ramp Grant	20.106	\$ 3,400	21727315	<u>5,276</u>
U.S. Department of Health and Human Services:				
Pass Through:				
Texas Department of Health and Human Services				
Pass Through:				
Rio Grande Council of Governments				
Culberson County Nutrition Center	93.053	Variable	Vendor Agreement	<u>178,152</u>
				<u>178,152</u>
Total Federal and State Financial Assistance				<u>\$ 274,500</u>

See accompanying note to Schedule.

CULBERSON COUNTY, TEXAS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL/STATE AWARDS

1. GENERAL

The Schedule of Expenditures of Federal and State Awards present the activity of all applicable federal and state awards of Culberson County, Texas. State and federal financial assistance received directly from state and federal agencies as well as federal financial assistance passed through other governmental agencies are included on the Schedule of Expenditures of Federal and State Awards.

2. BASIS OF ACCOUNTING

The Schedule of Expenditures of Federal and State Awards is prepared on the modified cash basis of accounting. Expenditures are recognized when paid and revenues when received. Capital expenditures are expended in the schedule of Federal and State Awards in the period of the cash payment.

The format for the Schedule of Expenditures of Federal and State Awards has been prescribed by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Such format includes revenue recognized in the County's general purpose financial statements.

KNAPP & COMPANY, P.C.
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DALLAS, TEXAS 75231
(214) 343-3777 // RICK_KNAPP@SBCGLOBAL.NET

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

To the Honorable Judge Carlos Urias and
Members of the Commissioners Court of
Culberson 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 Culberson County, Texas, as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise Culberson County, Texas' basic financial statements and have issued our report thereon dated January 24, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Culberson County, Texas' 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 Culberson County, Texas' internal control. Accordingly, we do not express an opinion on the effectiveness of Culberson County, Texas' 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Culberson County Texas' 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.

Knapp & Company, P.C.

Dallas, Texas,
January 24, 2018

CULBERSON COUNTY, TEXAS

STATUS OF PRIOR YEAR FINDINGS

For Fiscal Year Ended September 30, 2017

2017-1 Significant Deficiency – Budget Management, Monitoring and Control Procedures

In the prior year the line item descriptions of budgeted projects as reported in the monthly budget analysis reports to the commissioners court did not accurately describe the nature of the Court approved budgets and related expenditures. Also we noted two instances where the finance office posted expense transactions to multiple accounts in an effort to use available budget.

Current year Status – The matters were not repeated as findings in the current year audit.