

EDWARDS COUNTY, TEXAS
ANNUAL FINANCIAL REPORT
YEAR ENDED SEPTEMBER 30, 2016

EDWARDS COUNTY, TEXAS
ANNUAL FINANCIAL REPORT
for the Year Ended September 30, 2016

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Judge and Members
Of the Commissioners' Court
Edwards County, Texas
P. O. Box 193
Rocksprings, TX 78880

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information Edwards County, Texas, as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Edwards County, Texas, as of September 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of Changes in Net Pension Liability and Related Ratios, the schedule of Employer Contributions, and the schedule of Funding Progress, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund financial statements and budgetary comparison schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Ede & Company, LLC
Ede & Company, LLC
Certified Public Accountants
Knippa, Texas

June 10, 2017

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Edwards County's annual financial report presents our discussion and analysis of the County's financial performance during the fiscal year ended September 30, 2016. Please read it in conjunction with the County's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The County's total combined Governmental Fund net position was \$5,464,180 at September 30, 2016.
- During the year, the County's income was \$917,682 more than the \$3,817,147 generated in taxes and other revenues for governmental activities.
- The general fund reported a fund balance this year of \$513,681.

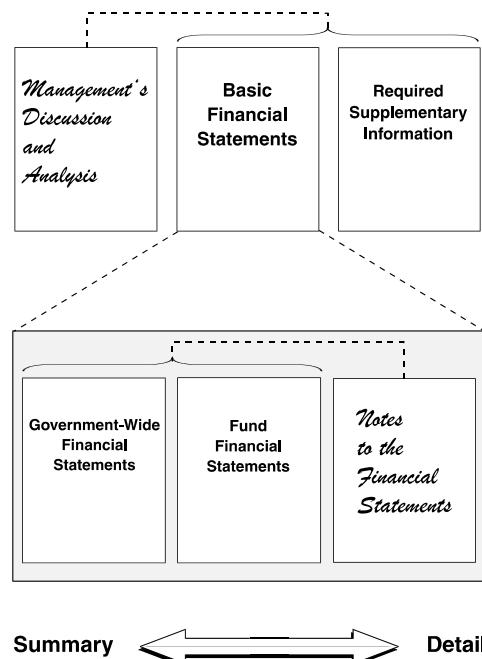
OVERVIEW OF THE FINANCIAL STATEMENTS

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

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the County's overall financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the government, reporting the County's operations in more detail than the government-wide statements.
- *The governmental funds statements* tell how *general government services* were financed in the *short term* as well as what remains for future spending.
- *Fiduciary fund statements* provide information about the financial relationships in which the County acts solely as a *trustee or agent* for the benefit of others, to whom the resources in question belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and related to one another.

Figure A-1, Required Components of the County's Annual Financial Report



Government-wide Statements

The government-wide statements report information about the County as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the County's net position and how they have changed. Net position, the difference between the County's assets and liabilities is one way to measure the County's financial health or *position*.

- Over time, increases or decreases in the County's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the County, one needs to consider additional nonfinancial factors such as changes in the County's tax base

Both of these Government-Wide Financial Statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, public safety, environmental protection, public transportation, health and welfare, public facilities, legal, elections, financial administration, conservation, capital projects, and culture and recreation. These activities are financed primarily by property taxes.

Fund Financial Statements

The fund financial statements provide more detailed information about the County's most significant funds—not the County as a whole. Funds are groupings of related accounts that the County uses to keep track of specific sources of funding and spending for particular purposes. Edwards County, like other state and local governments, uses funds to show compliance with finance-related legal requirements as well as to control and manage money for other particular purposes. The County has two kinds of funds: governmental and fiduciary.

- **Governmental funds** – Most of the County's basic services are included in governmental funds, which focus on short-term inflows and outflows of available resources and the balances of these resources that are available at the end of the year. Because the focus of governmental funds is narrower than that of the Government-Wide Financial Statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the Government-Wide Financial Statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between government funds and governmental activities.

The County maintains sixteen individual governmental funds. Information is presented separately in the governmental fund statements for the General Fund and Road and Bridge Fund ,Grant Funds, and the Interest & Sinking Fund, which are considered to be major funds. Individual fund data for non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The County adopts an annual appropriated budget for its General Fund, County, and Road & Bridge Fund. Budgetary comparison schedules have been provided on pages 44-45 to demonstrate compliance with this budget.

- **Fiduciary funds** – The County is the trustee, or fiduciary, for certain funds. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the County's fiduciary activities are reported in a separate statement of fiduciary net position and statement of changes in fiduciary net position, found on page 27. Fiduciary funds are not reflected in the government-wide financial statements because the County cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

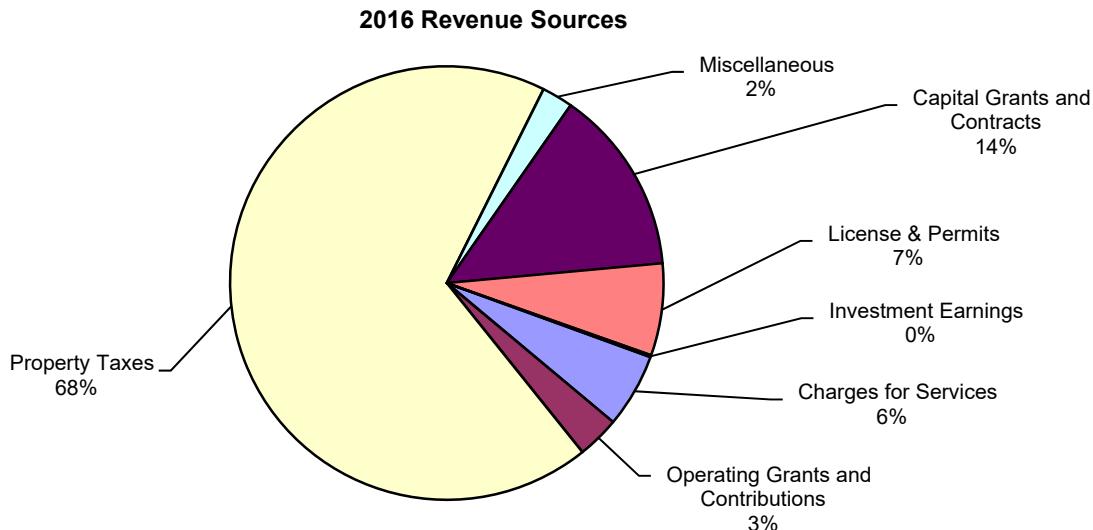
Edwards County's combined net position was approximately \$5.46 million at September 30, 2016. By far the largest portion of the County's net position reflects its investment in capital assets (e.g. land, buildings, machinery, equipment), less accumulated depreciation and any related outstanding debt. An additional portion of the County's net position (approximately 18%) represent resources that are subject to restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the County's ongoing obligations to citizens and creditors.

Edwards County, Texas
Net Position

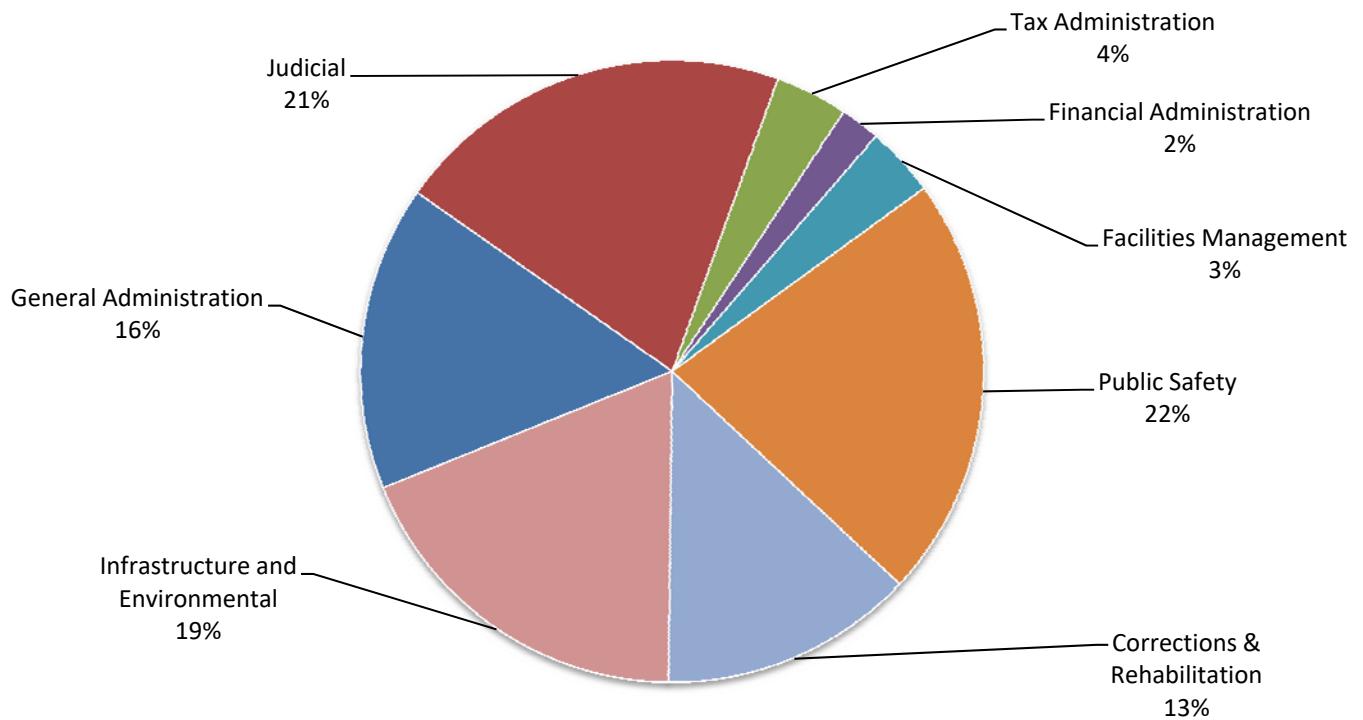
	Governmental Activities		
	2016	2015	% Change 2016-2015
Current & Other Assets	\$ 1,862,134	\$ 1,482,674	25.6%
Capital Assets	4,812,783	4,293,341	12.1%
Total Assets	<u>6,674,917</u>	<u>5,776,015</u>	<u>15.6%</u>
Deferred Outflows of Resources			
Deferred Outflow - Pensions	336,227	104,109	223.0%
Total Deferred Outflows of Resource	<u>336,227</u>	<u>104,109</u>	<u>100.0%</u>
Current Liabilities	84,786	122,658	-30.9%
Net Pension Liability	140,751	6,403	2098.2%
Long Term Liabilities	1,233,532	1,204,359	2.4%
Total Liabilities	<u>1,459,069</u>	<u>1,333,420</u>	<u>9.4%</u>
Deferred Inflows of Resources			
Deferred Inflow - Pensions	87,895	31,946	175.1%
Total Deferred Outflows of Resource	<u>87,895</u>	<u>31,946</u>	<u>175.1%</u>
Net Position			
Invested in Capital Assets,			
net of related debt	3,645,011	3,005,116	21.3%
Restricted	1,016,825	935,912	8.6%
Unrestricted	802,344	573,730	39.8%
Total net position	<u>5,464,180</u>	<u>4,514,758</u>	<u>21.0%</u>

A portion of the County's net position \$1,016.8 thousand, represents resources that are subject to external restriction on how they may be used. The remaining balance \$802.3 thousand of unrestricted net position may be used to meet the County's ongoing obligation to citizens and creditors in accordance with the County's fund designation and fiscal policies. The overall financial condition of the county increases from FY2015 to FY2016.

Governmental Activities – Total revenues for the fiscal year ended September 30, 2016 were 3.8 million. Approximately 68% of the County's revenue comes from taxes. The graph below shows the sources of revenues for FY2016. Table A-2 shows the changes in Net Position between FY2015 and FY2016.



2016 Expenses



Capital Grants	528,788	283,704	86.4%
General Revenue			
Property Taxes	2,600,792	2,369,975	9.7%
License & Permits	262,012	239,362	9.5%
Investment Earnings	5,722	4,724	21.1%
Other	88,465	102,278	-13.5%
Total Revenue	<u>3,817,148</u>	<u>3,363,154</u>	<u>13.5%</u>

Expenses:			
General Administration	432,328	482,525	-10.4%
Financial Administration	56,650	56,382	0.5%
Tax Administration	102,582	96,322	6.5%
Facilities Management	98,765	107,248	-7.9%
Judicial	566,458	533,395	6.2%
Public Safety	600,052	606,318	-1.0%
Corrections & Rehabilitation	360,101	309,510	16.3%
Infrastructure and Environmental	509,867	363,359	40.3%
Public Health	19,457	16,634	17.0%
Community and Economic Dev.	104,387	99,071	5.4%
Interest and Fiscal Charges	48,819	49,583	-1.5%
Total Expense	<u>2,899,466</u>	<u>2,720,347</u>	<u>6.6%</u>
Increase (Decrease) in Net Positio	917,682	642,807	42.8%
Net Position- Beginning	4,546,498	3,845,552	18.2%
Prior Period Adjustment	-	26,398	-100.0%
Net Position - Ending	<u>5,464,180</u>	<u>4,514,757</u>	<u>21.0%</u>

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

Governmental Funds:

As of the end of the fiscal year, Edwards County's governmental funds reported a combined fund balance of \$1,523.8 thousand, a increase of \$323.1 thousand in comparison with the prior year. Approximately 33.2% of this total amount (\$507.0 thousand) is unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is restricted fund balance of \$1,016.8 thousand. The County's ability to spend each of these types of fund balance is more limited than with the unassigned fund balance, and the limitations on spending are discussed more fully in the notes to the financial statements.

General Fund Budgetary Highlights – The County amend the budget during the year. Even with these amendments actual revenues were \$6,528 less than budgeted amounts. Actual expenses were \$276.5 thousand less the amounts budgeted.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2015, the County had invested \$7,941.4 thousand in a broad range of capital assets, including land, equipment, buildings, roads, bridges and vehicles. (See Table A-4.) This amount represents a net increase (including additions and deductions) of 6.0 percent from last year.

Table A-4
Edwards County's Capital Assets

	Governmental Activities		
	2016	2015	% Change 2016-2015
Land	\$ 116,045	\$ 116,045	0.0%
Construction in Progress	-	269,311	-100.0%
Infrastructure	1,260,368	428,800	193.9%
Building and Improvements	4,879,145	4,879,145	0.0%
Intangibles	260,057	202,129	28.7%
Machinery & Equipment	2,237,713	2,046,018	9.4%
Totals at historical cost	<u>8,753,328</u>	<u>7,941,448</u>	<u>10.2%</u>
Total Accumulated Depreciation	(3,940,544)	(3,648,106)	8.0%
Net Capital Assets	<u><u>\$ 4,812,784</u></u>	<u><u>\$ 4,293,342</u></u>	<u><u>12.1%</u></u>

Long Term Debt – At the end of the fiscal year, the County had one outstanding Certificate of Obligation in the amount of \$1,174,000 and two Note Payable in the amounts of \$32,561.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- The taxable value used for the FY2017 budget preparation is estimated to be up slightly from FY2016.
- The tax rate established for the FY2017 budget is \$.5578, which is the same as in FY2016te.
- Inflationary trends in the region are comparable to national indices.

These factors and others were taken into consideration when preparing the General Fund budget for the 2017 fiscal year. If these estimates are realized, the County's budgetary General Fund balance is expected to remain the same.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of Edwards County's finances and to demonstrate the County's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be directed to the County Judge's Office, P.O. Box 348, Rocksprings, Texas 78880.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

EDWARDS COUNTY, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2016

	Primary Government	
	Governmental Activities	Total
ASSETS		
Cash and Cash Equivalents	\$ 1,595,896	\$ 1,595,896
Receivable (net of allowances for uncollectible)	266,238	266,238
Capital Assets		
Land	116,045	116,045
Infrastructure (Net)	804,965	804,965
Buildings (Net)	3,481,928	3,481,928
Intangibles (Net)	82,401	82,401
Machinery and Equipment (Net)	327,444	327,444
Construction in Progress	-	-
Total Assets	<u>6,674,917</u>	<u>6,674,917</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflows - Pension	<u>336,227</u>	<u>336,227</u>
Total Deferred Outflow of Resources	<u>336,227</u>	<u>336,227</u>
LIABILITIES		
Accounts Payable	\$ 16,334	\$ 16,334
Accrued Wages Payable	41,534	41,534
Accrued Payroll Liabilities	26,918	26,918
Noncurrent Liabilities:		
Due Within One Year	49,359	49,359
Net Pension Liability	140,751	140,751
Due in More Than One Year	1,184,173	1,184,173
Total Liabilities	<u>1,459,069</u>	<u>1,459,069</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred Inflows - Pension	<u>87,895</u>	<u>87,895</u>
Total Deferred Inflow of Resources	<u>87,895</u>	<u>87,895</u>
NET POSITION		
Invested in Capital Assets, Net of Related Debt	3,645,011	3,645,011
Restricted for:		
Administration	343	343
Archives	67,123	67,123
Debt Service	78,205	78,205
Judicial	9,044	9,044
Public Safety	36,977	36,977
Public Transportation	825,133	825,133
Unrestricted	802,344	802,344
Total Net Position	<u>\$ 5,464,180</u>	<u>\$ 5,464,180</u>

The accompanying notes are an integral part of this statement.

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EDWARDS COUNTY, TEXAS
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2016

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
GOVERNMENTAL ACTIVITIES:				
General Government				
General Adminstration	432,328	186,012	-	-
Financial Adminstration	56,650	-	-	-
Tax Adminstration	102,582	-	-	-
Facilities Management	98,765	7,200	-	-
Judicial System	566,458	5,962	48,533	-
Public Safety	600,052	11,733	53,369	-
Corrections and Rehabilitation	360,101	-	-	-
Health and Human Services				
Health Care	-	-	-	-
Public Health	19,457			
Human Services	-			
Community and Economic Development	104,387			
Infrastrucure and Environmental Services	509,867		18,560	528,788
Interest and Fiscal Charges	48,819		-	-
Total primary governmental activities	<u>2,899,466</u>	<u>210,907</u>	<u>120,462</u>	<u>528,788</u>

General revenues:

Taxes:

 Property Taxes, Levied for General Purposes

 License and Permits

 Investment earnings

 Special Transfers

 Miscellaneous Revenue

 Total general revenues, and transfers

 Change in net position

Net position—beginning

Prior Period Adjustment

Net position—ending

Net (Expense) Revenue and
Changes in Net Position
Primary Government

Governmental
Activities

(246,316)
(56,650)
(102,582)
(91,565)
(511,963)
(534,950)
(360,101)

-
(19,457)

-
(104,387)

37,481

(48,819)

(2,039,309)

2,600,792

262,012

5,722

-
88,465

2,956,991

917,682

4,546,498

\$
5,464,180

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FUND FINANCIAL STATEMENTS

EDWARDS COUNTY, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2016

	General Fund	Road and Bridge Funds	Grant Funds	Interest & Sinking Fund
ASSETS				
Cash and Cash Equivalents	\$ 575,919	\$ 835,176	\$ -	\$ 77,911
Taxes Receivable	225,542	50,025	-	-
Allowance for Uncollectible Taxes (Credit)	(18,043)	(4,002)	-	-
Receivables (Net)	8,412	3,972	-	294
Due from Other Governments	-	-	-	-
Due from Other Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u><u>\$ 791,830</u></u>	<u><u>\$ 885,171</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 78,205</u></u>
LIABILITIES				
Accounts Payable	\$ 16,084	\$ 251	\$ -	\$ -
Accrued Wages Payable	32,197	9,337	-	-
Payroll Liabilities	22,489	4,427	-	-
Bank Overdraft	-	-	6,560	-
Due to Other Funds	-	-	-	-
Due to Other Governments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u><u>70,770</u></u>	<u><u>14,015</u></u>	<u><u>6,560</u></u>	<u><u>-</u></u>
DEFERRED INFLOW OF RESOURCES				
Unavailable Revenue- Property Taxes	<u><u>207,499</u></u>	<u><u>46,023</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
Total Deferred Inflows of Resources	<u><u>207,499</u></u>	<u><u>46,023</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
FUND BALANCE				
Restricted For:				
Administration	-	-	-	-
Archives	-	-	-	-
Construction	-	-	-	-
Debt Service	-	-	-	78,205
Judicial	-	-	-	-
Public Safety	-	-	-	-
Public Transportation	-	825,133	-	-
Unassigned	<u><u>513,561</u></u>	<u><u>-</u></u>	<u><u>(6,560)</u></u>	<u><u>-</u></u>
Total Fund Balances	<u><u>513,561</u></u>	<u><u>825,133</u></u>	<u><u>(6,560)</u></u>	<u><u>78,205</u></u>
Total Liabilities Deferred Inflows and Fund Balances	<u><u>\$ 791,830</u></u>	<u><u>\$ 885,171</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 78,205</u></u>

The accompanying notes are an integral part of this statement.

Nonmajor Governmental Funds	Total Governmental Funds
\$ 113,449	\$ 1,602,455
-	275,567
-	(22,045)
38	12,716
-	-
-	-
<hr/> <u>\$ 113,487</u>	<hr/> <u>\$ 1,868,693</u>
\$ -	\$ 16,334
-	41,534
-	26,916
-	6,560
-	-
-	-
<hr/> <u>-</u>	<hr/> <u>91,345</u>
<hr/> <u>-</u>	<hr/> <u>253,522</u>
<hr/> <u>-</u>	<hr/> <u>253,522</u>
343	343
67,123	67,123
-	-
-	78,205
9,044	9,044
36,977	36,977
-	825,133
-	507,001
<hr/> <u>113,487</u>	<hr/> <u>1,523,827</u>
<hr/> <u>\$ 113,487</u>	<hr/> <u>\$ 1,868,693</u>

EDWARDS COUNTY, TEXAS
 RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
 STATEMENT OF NET POSITION
 SEPTEMBER 30, 2016

Total Fund Balances - Governmental Funds	\$ 1,523,826
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Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds. At the beginning of the year, the cost of these assets was \$7,941,447 and accumulate depreciation was \$3,648,106. In addition, long-term liabilities including bonds payable are not due and payable in the current period, and therefore are not reported as liabilities in the funds. The long -term debt was \$1,288,225. The net effect of including the beginning balances for the capital assets (net of depreciation) and long-term debt in the governmental activities is to increase net position.

	3,005,116
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Current year capital outlays and long-term debt principal payments are expended in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of including the 2016 capital outlays and debt principal payments is to increase net position.

	866,573
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Included in the items related to debt is the recognition of the District's net pension liability required by GASB 68 in the amount of \$140,751, Deferred Resources Inflows of \$87,895, and Deferred Resource Outflow of \$336,227. This resulted in a Increase in Net Position

	107,581
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The 2016 depreciation expense increased accumulate Depreciation. The net effect on the current year's depreciation is to decrease net position.

	(292,438)
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Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing deferred revenue as revenue, eliminating interfund transactions, and recognizing the liabilities associated with maturing long-term debt and interest. The net effect of these reclassifications and recognitions is to increase net position.

	253,522
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Net Position of Governmental Activities	<u><u>\$ 5,464,180</u></u>
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The accompanying notes are an integral part of this statement.

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EDWARDS COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2016

	General Fund	Road and Bridge Funds	Grant Funds
REVENUES:			
Taxes			
Property Taxes	\$ 2,085,931	\$ 459,015	\$ -
Intergovernmental	48,533	18,560	-
Licenses & Permits	25,060	148,424	-
Charges for services	181,694	-	-
Fines & Forfeitures	88,528	-	-
Interest	4,013	1,709	-
Grant Revenue	53,369	-	528,788
Miscellaneous	87,464	1,000	-
Total Revenue	<u>2,574,592</u>	<u>628,708</u>	<u>528,788</u>
EXPENDITURES:			
Current:			
General Government			
General Administration	397,340	-	-
Financial Administration	57,937	-	-
Tax Administration	104,958	-	-
Facilities Management	65,152	-	-
Judicial System	562,974	-	-
Public Safety	705,186	-	-
Corrections and Rehabilitation	341,742	-	-
Health and Human Services			
Public Health	17,057	-	-
Community and Economic Development	111,358	-	-
Infrastructure and Environmental Services	-	494,031	562,257
Debt Service:			
Debt Service - Principal on long-term debt	-	-	-
Debt Service - Interest on long-term debt	-	-	-
Total Expenditures	<u>2,363,704</u>	<u>494,031</u>	<u>562,257</u>
Excess (Deficiency) Revenues Over Expenditures	<u>210,888</u>	<u>134,677</u>	<u>(33,469)</u>
OTHER FINANCING SOURCES (USES):			
Operating Transfers In	74,296	35,382	-
Operating Transfers Out	(36,392)	(9,087)	(62,460)
Proceeds from Loans	-	-	-
Total Other Financing Sources (Uses)	<u>37,904</u>	<u>26,295</u>	<u>(62,460)</u>
Net Change in Fund Balances	248,792	160,972	(95,929)
Fund Balance - October 1 (Beginning)	264,889	664,162	89,370
Prior Period Adjustment	-	-	-
Fund Balance - September 30 (Ending)	<u>\$ 513,681</u>	<u>\$ 825,133</u>	<u>\$ (6,559)</u>

The accompanying notes are an integral part of this statement.

Interest & Sinking Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 77,145	\$ -	\$ 2,622,091
-	-	67,093
-	-	173,484
-	29,212	210,907
-	-	88,528
-	-	5,722
-	-	582,157
-	-	88,464
<u>77,145</u>	<u>29,212</u>	<u>3,838,445</u>
-	-	397,340
-	-	57,937
-	-	104,958
-	-	65,152
-	13,566	576,540
-	13,922	719,108
-	-	341,742
-	-	17,057
-	-	111,358
-	-	1,056,288
19,000	-	19,000
48,819	-	48,819
<u>67,819</u>	<u>27,488</u>	<u>3,515,299</u>
9,326	1,724	323,145
-	1,010	110,688
-	(2,749)	(110,688)
<u>-</u>	<u>(1,739)</u>	<u>0</u>
9,326	(15)	323,146
68,879	113,502	1,200,801
<u>\$ 78,205</u>	<u>\$ 113,487</u>	<u>\$ 1,523,947</u>

EDWARDS COUNTY, TEXAS
 RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
 REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED SEPTEMBER 30, 2016

Total Net Change in Fund Balances - Governmental Funds	\$ 323,025
Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of removing the 2016 capital outlays and debt principal payments is to increase net position.	866,573
Current year changes due to GASB 68 required credits to expenses in the amount of \$41,821 resulting in a increase in net position.	41,821
Depreciation is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The net effect on the current year's depreciation is to decrease net position.	(292,439)
Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing deferred revenue as revenue, adjusting current year revenue to show the revenue earned from the current year's tax levy, eliminating interfund transactions, and recognizing the liabilities associated with maturing long-term debt and interest. The net effect of these reclassifications and recognitions is to decrease net position.	(21,299)
Change in Net Position of Governmental Activities	<u>\$ 917,681</u>

The accompanying notes are an integral part of this statement.

EDWARDS COUNTY, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED SEPTEMBER 30, 2016

	Agency Funds
ASSETS:	
Cash & Cash Equivalents	\$ 146,422
Due to Other Funds	-
Total Assets	<u><u>\$ 146,422</u></u>
LIABILITIES:	
Due to Others	<u><u>\$ 146,422</u></u>
Total Liabilities	<u><u>\$ 146,422</u></u>

The accompanying notes are an integral part of this statement.

EDWARDS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The authority of county governments and their specific functions and responsibilities are created by and dependent upon laws and legal regulations of the Texas State Constitution and V.A.C.S. Edwards County (the County) operates under a county judge/commissioners court type of government as provided by state statute. The financial and reporting policies of the County conform to accounting principles generally accepted in the United States of America ("GAAP") applicable to state and local governments. Accounting principles generally accepted in the United States of America for local governments include those principles prescribed by the Governmental Accounting Standards Board ("GASB"), which includes all statements and interpretations of the National Council on Governmental Accounting unless modified by the GASB, and those principles prescribed by the American Institute of Certified Public Accountants in the publication entitled *Audits of State and Local Governmental Units*.

A. Reporting Entity

The Commissioners' Court has governance responsibilities over all activities related to Edwards County, Texas. The County receives funding from local, state and federal government sources and must comply with the concomitant requirements of these funding source entities. However, the County is not included in any other governmental "reporting entity" as defined by Governmental Accounting Standards Board ("GASB"), Statement No. 14, "The Financial Reporting Entity", since County Commissioners and the County Judge are elected by the public and have decision making authority, the power to designate management, the responsibility to significantly influence operations and primary accountability for fiscal matters. There are no separate organizations for which the County is financially accountable. There are no separate organizations for which the nature and significance of their relationship with the County are such that exclusion would cause Edwards County's financial statements to be misleading or incomplete.

The County provides the following services to its citizens: public safety (law enforcement and detention, fire and ambulance), public transportation (roads and bridges), health and welfare (pauper care, health clinic facilities, meals for the elderly and indigent health care), culture and recreation facilities, conservation, public facilities, judicial and legal, election functions, and general and financial administrative services.

B. Government-wide and fund financial statements

The Statement of Net Position and the Statement of Activities are government-wide financial statements. They report information on all of the Edwards County nonfiduciary activities with most of the interfund activities removed. Interfund services provided and used are not eliminated in the process of consolidation. Governmental Activities include programs supported primarily by taxes, fines and fees, grants and other intergovernmental revenues.

The Statement of Activities presents a comparison between expenses and program revenues for each function of the County's governmental activities and for the business-type activities of the County. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include a) fees, fines and charges paid by the recipients of goods and services offered by the program, and b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

All interfund transactions between governmental funds are eliminated on the government-wide statements.

EDWARDS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

The fund financial statements provide reports on the financial condition and results of operations for three fund categories – governmental, proprietary and fiduciary. Since the resources in the fiduciary funds cannot be used for County operations, they are not included in the government-wide statements. The County considers some governmental funds major and reports their financial condition and results of operations in a separate column.

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

The government-wide financial statements use the economic resources measurement focus and the accrual basis of accounting, as do the proprietary fund financial statements. Fiduciary funds also utilize the accrual basis of accounting; however, the economic resources measurement focus is not applicable to agency funds. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements use the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets, current liabilities and fund balances are included on the balance sheet. Operating statements of these funds present net increases and decreases in current assets (i.e., revenues and other financing sources and expenditures and other financing uses).

Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become susceptible to accrual – that is, when they become both *measurable* and *available*. Available means collectible within the current period or expected to be collected within 60 days after year-end to be used to pay liabilities of the current period. Expenditures are generally recorded when the liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes are susceptible to accrual and have been recognized as revenues of the current fiscal period. Licenses and permits, fines and forfeits, and miscellaneous revenues are recorded as revenues when received because they are generally not measurable and available until cash is received by the government. Investment earnings are recorded on the accrual basis in all funds.

Intergovernmental revenues are recorded on a basis applicable to the legal and contractual requirements of the individual grant programs. If funds must be expended on the specific purpose or project before any amounts will be paid to the county, revenues are recognized as the expenditures or expenses recorded. If funds are virtually unrestricted and irrevocable, except for failure to comply with required compliance requirements, revenues are recognized when received or susceptible to accrual. Federal and State grants awarded on the basis of entitlement periods are recorded as intergovernmental receivables and revenues when entitlement occurs. All other federal reimbursable-type grants are recorded as intergovernmental receivables and revenues when the related expenditures are incurred.

The County reports the following major governmental funds:

General Fund – The General Fund is the County's primary operating fund. It accounts for and reports all financial resources not accounted for and reported in another fund. The General Fund balance is available for any purpose, provided it is expended or transferred in accordance with the legally adopted budget of the County.

EDWARDS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Road & Bridge Fund – The Road & Bridge Fund is a special revenue fund that accounts for and reports the financial resources received from a designated part of the annual property tax levy and auto registration fees and traffic fines, which are used for operating and maintaining County owned roads and bridges.

Grant Fund – The Grant Fund is used to account for grant proceeds and expenditures from state and federal sources.

Interest & Sinking Fund – The Interest & Sinking Fund is used to account for the payment of the long-term debt of the County.

Additionally, the County reports the following fund types:

Governmental Funds:

Special Revenue Funds – The County uses these funds to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Fiduciary Funds:

Trust and Agency Funds – The County accounts for and reports resources held for others in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurements of results of operations. Agency funds are used to account bond money received and held for others as a result of action in the County or District Courts, and to account for monies received and held in trust for other individuals or entities as a result of action in County and District Courts.

D. Assets, liabilities, and net assets of equity

1. Deposits and investments

The County considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

Investments for the County are recorded at fair value for all funds.

2. Receivables and payables

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position.

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

EDWARDS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

3. Inventories and prepaid items

Inventories of governmental funds are recorded as expenditures when purchased rather than when consumed.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

4. Capital Assets

Capital assets include land, buildings, furniture and equipment and are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

The County depreciates capital assets using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Infrastructure	50
Buildings	50
Improvements (Other than Buildings)	20
Vehicles and Road Equipment	5
Office Equipment	5
Computer Equipment	5

5. Compensated Absences

It is the government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the government does not have a policy to pay any amounts when employees separate from service with the government. Vacation pay is accrued in the government-wide financial statements. Comp time is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the government-wide financial statements.

EDWARDS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary information

The County follows these procedures in establishing the budgetary data reflected in these basic financial statements:

1. The County Judge, as budget officer, with the assistance of the County Treasurer, prepares a budget to cover all proposed expenditures and the means of financing them, for the succeeding year and delivers the proposed budget to Commissioners' Court.
2. Commissioners' Court holds budget sessions with each department head.
3. Commissioners' Court holds budget hearings for the public at which all interested persons' comments concerning the budget are heard.
4. Commissioners' Court formally adopts the budget in an open court meeting. Annual budgets are legally adopted for the General Fund, and the Road and Bridge Fund. The budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America.
5. The adopted budget becomes the authorization for all legal expenditures for the County for the fiscal year. Unencumbered appropriation balances lapse at year end and revert to the respective funds from which they were originally appropriated, thus becoming available for future appropriation.

Expenditures may not legally exceed appropriations at the departmental level for each legally adopted annual operating budget. Amendments to the 2016 budget were approved by the Commissioners' Court as provided by law. The reported budgetary data has been revised for amendments legally authorized during the year.

6. The formally adopted budget may legally be amended by commissioners in accordance with article 689A-11 or 689A-20 of Vernon's Annotated Civil Statutes. Management does not amend the budget above the departmental level without approval by the Commissioners' Court. The legal level of budgetary control is at the fund level.

NOTE 3 PROPERTY TAXES

Property taxes are levied by October 1 in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed.

Legislation was passed in 1979 and amended in 1981 by the Texas Legislature which affects the methods of property assessment and tax collection in the County. This legislation, with certain exceptions, exempts intangible personal property, household goods and family-owned automobiles from taxation. In addition, this legislation creates a "Property Tax Code" and provides, among other things, for the establishment of county-wide appraisal districts and for the State Property Tax Board which commenced operation in January, 1980.

EDWARDS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016

NOTE 3 PROPERTY TAXES, continued

As of October 1, 1981, the appraisal of property within the County was the responsibility of the county-wide appraisal district. The Appraisal District is required under the Property Tax Code to assess all property within the Appraisal District on the basis of 100% of its appraised value and is prohibited from applying any assessment ratios. Beginning January 1, 1984, the value of property within the Appraisal District must be reappraised every three years. The County may challenge appraised values established by the Appraisal District through various appeals and, if necessary, legal action. Under this legislation, the County continues to set tax rates on County property.

However, if the effective tax rates for bonds and other contractual obligations and adjustments for new improvements, exceeds the rate for the previous year by more than 8%, qualified voters of the County may petition for an election to determine whether to limit the tax rate to no more than 8% above the effective tax rate of the previous year. The Appraisal District is governed by a Board of Directors elected by the governing bodies of the taxing entities within the District. The Board of Directors appoints a Chief Appraiser to act as Chief Administrator of the Appraisal District and an Appraisal Review Board to equalize appraised values.

The County's taxes on Edwards property are a lien against such property until paid. The County may foreclose Edwards property upon which it has a lien for unpaid taxes. Although the County makes little effort to collect delinquent taxes through foreclosure proceedings, delinquent taxes on property not otherwise collected are generally paid when there is a sale or transfer of the title on property.

Property tax revenues are recognized in the accounting period in which they become both measurable and available. Property tax revenues are considered measurable at the time of levy and are recognized as deferred revenue and taxes receivable, net of an allowance for estimated uncollectible taxes, at that time. Property tax revenues are considered available if collected within 60 days subsequent to year end.

NOTE 4: DEPOSITS, SECURITIES, AND INVESTMENTS

Legal and Contractual Provisions Governing Deposits and Investments

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

At September 30, 2016, the carrying amount of the County's deposits (cash, certificates of deposit, and interest-bearing savings accounts included in temporary investments) was \$1,742,318 and the bank balance was \$1,801,996.

The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the County to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, (9) and bid solicitation preferences for certificates of deposit.

Statutes authorize the County to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5)

EDWARDS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016

repurchase agreements, (6) bankers acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, (10) and common trust funds. The Act also requires the County to have independent auditors perform test procedures related to investment practices as provided by the Act. The County is in compliance with the requirements of the Act and with local policies.

The County had the following investments at September 30, 2016:

None

Policies Governing Deposits and Investments

In compliance with the Public Funds Investment Act, the County has adopted a deposit and investment policy. That policy does address the following risks:

Custodial Credit Risk – Deposits: This is the risk that in the event of bank failure, the County's deposits may not be returned to it. The County's policy regarding types of deposits allowed and collateral requirements is to deposit funds in FDIC insurance banks which have sufficient pledged collateral. The County was not exposed to custodial credit risk since its deposits at year-end and during the year ended September 30, 2015 was covered by depository insurance or by pledged collateral held by the County's agent bank in the County's name.

NOTE 5: INTERFUND BALANCES AND TRANSFERS

Interfund transfers during the year ended September 30, 2016 consisted of the following:

<u>Governmental Funds</u>	<u>Transfer To Other Funds</u>	<u>Transfer From Other Funds</u>
General Fund	\$ 36,392	\$ 74,296
Road & Bridge Fund	9,087	35,382
Grant Funds	62,460	
Non-major Funds	2,749	1,010
	<u>\$ 110,688</u>	<u>\$ 110,688</u>

EDWARDS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016

NOTE 6: CAPITAL ASSET ACTIVITY

Capital asset activity for the County for the year ended September 30, 2016 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<u>Governmental activities:</u>				
<i>Capital assets not being depreciated:</i>				
Land	\$ 116,045	\$ -	\$ -	\$ 116,045
Construction in Progress	269,311	-	269,311	-
Total capital assets not being depreciated	<u>385,356</u>	<u>-</u>	<u>269,311</u>	<u>116,045</u>
<i>Capital assets being depreciated:</i>				
Buildings and Improvements	4,879,145	-	-	4,879,145
Machinery, Equipment and Vehicles	2,046,018	191,695	-	2,237,713
Intangibles	202,129	57,928	-	260,057
Infrastructure	428,800	831,568	-	1,260,368
Total capital assets being depreciated	<u>7,556,092</u>	<u>1,081,191</u>	<u>-</u>	<u>8,637,283</u>
Less accumulated depreciation for:				
Buildings and Improvements	1,312,254	84,963	-	1,397,217
Machinery, Equipment and Vehicles	1,777,369	132,899	-	1,910,268
Intangibles	129,683	47,973	-	177,656
Infrastructure	428,800	26,603	-	455,403
Total accumulated depreciation	<u>3,648,106</u>	<u>292,438</u>	<u>-</u>	<u>3,940,544</u>
Total capital assets being depreciated, net	<u>3,907,986</u>	<u>788,753</u>	<u>-</u>	<u>4,696,739</u>
Governmental activities capital assets, net	<u><u>\$ 4,293,342</u></u>	<u><u>\$ 788,753</u></u>	<u><u>\$ 269,311</u></u>	<u><u>\$ 4,812,784</u></u>

Depreciation was charged to functions as follows:

Governmental Activities:

General Administration	\$ 35,652
Financial Administration	-
Facilities Management	18,659
Judicial	370
Public Safety	61,780
Corrections and Rehabilitation	-
Human Services	2,400
Infrastructure and Environmental	<u>175,992</u>
	<u><u>\$ 294,853</u></u>

EDWARDS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016

NOTE 7: COMMITMENTS UNDER LEASES

Operating Leases

Commitments under operating (non-capitalized) lease agreements for equipment provide for minimum future rental payments as of September 30th as follows:

<u>Year Ending September 30</u>	<u>Amount</u>
2017	<u>917</u>
Total Minimum Rentals	<u>\$ 917</u>
Rental Expenditures in Current Year	<u>\$ 4,313</u>

NOTE 8: LONG-TERM DEBT

Certificates of Obligation

Current requirements for Certificates of Obligation of the County are accounted for in the Interest & Sinking Fund.

The County issued \$1,304,000 in Certificates of Obligation, to provide for the building of the Courthouse annex. The interest rate for the Certificates of Obligations is 4.125%. The Certificates of Obligation were issued through USDA.

Notes Payable

Current requirements for Notes Payable of the County are accounted for in the General Fund.

The County issued \$73,895.05 in Notes Payable, to finance the purchase of CopSync 911 system. The interest rate for the Note is 4.99%.

The County issued \$46,015.00 in Notes Payable, to finance the purchase of Chevy Tahoe. The interest rate for the Note is 3.913%.

EDWARDS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016

NOTE 8: LONG-TERM DEBT- Continued

The following table summarizes the annual debt service requirements at September 30, 2016 to maturity:

Year Ending <u>September 30</u>	Principal	Interest	Total Requirements
2017	38,792	49,023	87,815
2018	32,769	47,731	80,500
2019	21,000	46,386	67,386
2020	22,000	45,499	67,499
2021	23,000	44,571	67,571
2022-2026	130,000	207,488	337,488
2027-2031	158,000	177,911	335,911
2032-2036	194,000	141,694	335,694
2037-2041	236,000	97,474	333,474
2042-2046	290,000	43,478	333,478
2047	61,000	1,258	62,258
Totals	<u>\$ 1,206,561</u>	<u>\$ 902,511</u>	<u>\$ 2,109,072</u>

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year	
					Due Within One Year	
Governmental Activities						
Certificates of Obligation	\$ 1,193,000	\$ -	\$ 19,000	\$ 1,174,000	\$ 19,000	
Notes Payable	68,253	-	35,693	32,560	19,792	
	<u>1,261,253</u>	<u>-</u>	<u>54,693</u>	<u>1,206,560</u>	<u>38,792</u>	
Compensated Absences	10,567	10,567	10,567	10,567	-	
Total governmental activities	<u>\$ 1,271,820</u>	<u>\$ 10,567</u>	<u>\$ 65,260</u>	<u>\$ 1,217,127</u>	<u>\$ 38,792</u>	

NOTE 9: RISK MANAGEMENT

The County's risk management program includes coverage for property, general liability, automobile liability, law enforcement liability, public officials' liability and employee dishonesty bonds. The County carries commercial insurance.

NOTE 10: COMPENSATED ABSENCES

Accumulated unpaid annual leave is not accrued in governmental funds using the modified accrual basis of accounting, but is reflected in the Government-Wide Statement of Net Position. At September 30th, accrued employee benefits recorded on the Statement of Net Position were as follows: Annual leave pay - \$10,567. All unpaid employee leave is due to active employees. Any unpaid leave due to an employee who is terminated is paid immediately upon the termination. The liability has typically been liquidated primarily in the General Fund and Road and Bridge Fund.

EDWARDS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016

NOTE 11: EMPLOYEES' RETIREMENT PLAN

Plan Description.

Edwards County provides retirement, disability, and survivor benefits for all of its employees (excluding temporary) through a non-traditional defined benefit pension plan in the statewide Texas County and District Retirement System ("TCDRS"). This is accounted for as an agent multiple-employer defined benefit pension plan. The Board of Trustees of TCDRS is responsible for the 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 the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034 or the website at www.TCDRS.org.

Benefits Provided

The plan provisions are adopted by Commissioners Court of the County, within the options available in the state statutes governing TCDRS ("TCDRS Act"). Members can retire at ages 60 and above with eight or more years of service, with 30 years of service regardless of age, when the sum of their age and years of service equals 75 or more, or if they become disabled. Members are vested after eight years of service but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by the County. Benefit amounts are determined by the sum of the employee's contributions to the plan, with interest and employer-financed monetary credits. The level of these monetary credits is adopted by Commissioners Court, 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. By law, employee accounts earn 7% interest. 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. The County's current match is 250%

Employees Covered by Benefit Terms

At the measurement date, the following employees were covered by the benefit terms of the Edwards County plan:

Membership Information		
Members	Dec.31,2014	Dec.31,2015
Number of inactive employees entitled to but not yet receiving benefits:	41	50
Number of active employees:	35	34
Average monthly salary*:	\$ 2,236	\$ 2,487
Average age*:	46.5	44.9
Average length of service in years*:	7.27	5.81

Inactive Employees (or their Beneficiaries) Receiving Benefits

Number of benefit recipients:	17	22
Average monthly benefit:	\$380	\$432

*Averages reported for all active and inactive employees.

Average service includes all proportionate service.

EDWARDS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016

NOTE 11: EMPLOYEES' RETIREMENT PLAN- Continued

Contributions

The County has elected the annually determined contribution rate (variable-rate) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. The employer contributed using the actuarially determined rate of 7.00% for the months of the accounting year in 2015, and 7.00% for the months of the accounting year in 2016. The deposit rate payable by the employee members for calendar year 2015 and 2016 is the rate of 7.0% 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.

Actuarial assumptions:

For the County's fiscal year ending September 30, 2016, the net pension liability was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liability in the December 31, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0% per year
Overall payroll growth	4.9% per year
Investment rate of return	8.0%

The annual salary increases rates assumed for individual members vary by length of service and by entry age group. The annual rates consist of a general wage inflation component of 3.5% (made up of 3.0% inflation and 0.5% productivity increase assumptions) and a merit, promotion, and longevity component that on average approximates 1.4% per year for a career employee.

Mortality rates for depositing members were based on the RP-2000 Active Employee Mortality Table for males and females as appropriate, with adjustments, with the projection scale AA. Service retirees, beneficiaries, and non-depositing members were based on RP-2000 Combined Mortality Table for males and females as appropriate, with adjustments with the projection scale AA. Disabled retirees were based on RP-2000 Disabled Mortality Table for males and females as appropriate, with adjustments, with the projection scale AA.

The actuarial cost method was Entry Age Normal, as required by GASB 68. Straight-line amortization over Expected Working Life with a 5 year smoothing period, and a non-asymptotic recognition method with no corridor were utilized in the actuarial calculations. The actuarial assumptions used in the December 31, 2015 valuation were based on the results of an actuarial experience study for the period January 1, 2009 – December 31, 2012, except where required to be different by GASB 68. Updated mortality assumptions were adopted in 2015.

The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term Edwards returns, and reflecting expected volatility and correlation. The numbers shown are based on January 2016 information for a 7-10 year time horizon and are re-assessed at a minimum of every four years, and is set based on a 30-year time horizon; the most recent analysis was performed in 2013. The following target asset allocation was adopted by the TCDRS board in April 2016. The geometric Edwards rate of return is net of inflation, assumed at 1.6%.

EDWARDS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016

NOTE 11: EMPLOYEES' RETIREMENT PLAN- Continued

Asset Class	Benchmark	Target Allocation (1)	Geometric Real Rate of Return (Expected minus Inflation) (2)
US Equities	Dow Jones U.S. Total Stock Market Index	14.50%	5.45%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index (3)	14.00%	8.45%
Global Equities	MSCI World (net) Index	15.00%	5.75%
International Equities - Developed	MSCI World Ex USA (net)	10.00%	5.45%
International Equities - Emerging	MSCI World Ex USA (net)	8.00%	6.45%
Investment-Grade Bonds	Barclay's Capital Aggregate Bond Index	3.00%	1.00%
High Yield Bonds	Citigroup High-Yield Cash-Pay Capped Index	3.00%	5.10%
Opportunistic Credit	Citigroup High-Yield Cash-Pay Capped Index	2.00%	5.09%
Direct Lending	Citigroup High-Yield Cash-Pay Capped Index	5.00%	6.40%
Distressed Debt	Citigroup High-Yield Cash-Pay Capped Index	3.00%	8.10%
REIT Equities	67% FTSE NAREIT Equity REIT; Index + 33% FRSE EPRA/NAREIT Global Real Estate Fund	3.00%	4.00%
Master Limited Partnerships (MLPs)	Alerian MLP Index	3.00%	6.80%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index (4)	5.00%	6.90%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	25.00%	5.25%

(1) Target asset allocation adopted at the April 2016 TCDRS Board meeting.

(2) Geometric real rates of return in addition to assumed inflation of 1.6%, per Cliffwater's 2016 capital market assumptions.

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

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

Discount Rate

The discount rate used to measure the Total Pension Liability was 8.1%. This rate reflects the long-term assumed rate of return on assets for funding purposes of 8.00%, net of all expenses, increased by 0.10% to be gross of administrative expenses.

EDWARDS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016

NOTE 11: EMPLOYEES' RETIREMENT PLAN- Continued

Changes in the Net Pension Liability

	Total Pension Liability (a)	Increase (Decrease) Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
Balances as of December 31, 2014	\$ 2,785,107	\$ 2,778,704	\$ 6,403
Changes for the year:			
Service cost	127,862	-	127,862
Interest on total pension liability	226,340	-	226,340
Effect of plan changes	(19,506)	-	(19,506)
Effect of economic/demographic gains or losses	(107,883)	-	(107,883)
Effect of assumptions changes or inputs	28,755	-	28,755
Refund of Contributions	(33,112)	(33,112)	-
Benefit payments	(85,197)	(85,197)	-
Administrative expenses	-	(2,003)	2,003
Member contributions	-	71,523	(71,523)
Net investment income	-	(46,424)	46,424
Employer contributions	-	97,591	(97,591)
Other	-	533	(533)
Balances as of December 31, 2015	\$ 2,922,366	\$ 2,781,615	\$ 140,751

Sensitivity Analysis

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

	1% Decrease	Current Discount Rate	1% Increase
	7.10%	8.10%	9.10%
Total pension liability	\$ 3,292,180	\$ 2,922,368	\$ 2,614,059
Fiduciary net position	2,781,616	2,781,616	2,781,616
Net pension liability/(Asset)	\$ 510,564	\$ 140,752	\$ (167,557)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TCDRS financial report. That report may be obtained on the Internet at www.tcdrs.org.

EDWARDS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016

NOTE 11: EMPLOYEES' RETIREMENT PLAN- Continued

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

For the current year, the district recognized pension expense of \$56,810

As of December 31, 2015, the deferred inflows and outflows of resources are as follows:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ 87,895	\$ -
Changes in assumptions	-	19,170
Net difference between projected and actual earnings	-	245,750
Contributions made subsequent to measurement date	N/A	71,307
Total	<u>\$ 87,895</u>	<u>\$ 336,227</u>

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

Year ended December 31:	
2016	21,204
2017	37,177
2018	63,553
2019	55,092
2020	0
Thereafter	0

NOTE 12: CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustments by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

REQUIRED SUPPLEMENTARY INFORMATION

EDWARDS COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Budgeted Amounts		Actual Amounts		Variance With
	Original	Final	GAAP Basis	Final Budget	Positive (Negative)
REVENUES:					
Taxes					
Property Taxes	\$ 2,206,375	\$ 2,206,375	\$ 2,085,931	\$ (120,444)	
Intergovernmental	48,533	48,533	48,533		-
Licenses & Permits	-	-	25,060		25,060
Charges for services	107,200	107,200	181,694		74,494
Fines & Forfeitures	125,000	125,000	88,528		(36,472)
Interest	5,000	5,000	4,013		(987)
Grant Revenue	79,000	79,000	53,369		(25,631)
Miscellaneous	10,012	10,012	87,464		77,452
Total Revenue	<u>2,581,120</u>	<u>2,581,120</u>	<u>2,574,592</u>		<u>(6,528)</u>
EXPENDITURES:					
Current:					
General Government					
General Administration	663,107	663,107	397,340		265,767
Financial Administration	65,732	65,732	57,937		7,795
Tax Administration	107,794	107,794	104,958		2,836
Facilities Management	75,099	75,099	65,152		9,947
Judicial System	638,783	638,783	562,974		75,809
Public Safety	651,114	651,114	705,186		(54,072)
Corrections and Rehabilitation	324,337	324,337	341,742		(17,405)
Health and Human Services					
Health Care	9,830	9,830	17,057		(7,227)
Human Services	-	-	-		-
Community and Economic Development	104,421	104,421	111,358		(6,937)
Total Expenditures	<u>2,640,217</u>	<u>2,640,217</u>	<u>2,363,704</u>		<u>276,513</u>
Excess (Deficiency) Revenues Over Expenditures	<u>(59,097)</u>	<u>(59,097)</u>	<u>210,888</u>		<u>269,985</u>
OTHER FINANCING SOURCES (USES):					
Operating Transfers In	-	-	74,296		74,296
Operating Transfers Out	-	-	(36,392)		(36,392)
Proceeds from Loans	-	-	-		-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>37,904</u>		<u>37,904</u>
Net Change in Fund Balances	(59,097)	(59,097)	248,792		307,889
Fund Balance - October 1 (Beginning)	264,889	264,889	264,889		-
Fund Balance - September 30 (Ending)	<u>\$ 205,792</u>	<u>\$ 205,792</u>	<u>\$ 513,681</u>		<u>\$ 307,889</u>

The accompanying notes are an integral part of this statement.

EDWARDS COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - ROAD & BRIDGE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Budgeted Amounts		Actual Amounts GAAP Basis	Variance With Final Budget	
	Original	Final		GAAP Basis	Positive (Negative)
REVENUES:					
Taxes					
Property Taxes	\$ 470,773	\$ 470,773	\$ 459,015	\$ (11,758)	
Intergovernmental	21,000	21,000	18,560	(2,440)	
Licenses & Permits	140,000	140,000	148,424	8,424	
Charges for services	-	-	-	-	
Fines & Forfeitures	-	-	-	-	
Interest	-	-	1,709	1,709	
Miscellaneous	10,000	10,000	1,000	(9,000)	
Total Revenue	<u>641,773</u>	<u>641,773</u>	<u>628,708</u>	<u>(13,065)</u>	
EXPENDITURES:					
Current:					
Infratructure and Environmental Services	666,596	666,596	494,031	172,565	
Total Expenditures	<u>666,596</u>	<u>666,596</u>	<u>494,031</u>	<u>172,565</u>	
Excess (Deficiency) Revenues Over Expenditures	(24,823)	(24,823)	134,677	159,500	
OTHER FINANCING SOURCES (USES):					
Operating Transfers In	-	-	35,382	35,382	
Operating Transfers Out	-	-	(9,087)	(9,087)	
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>26,295</u>	<u>26,295</u>	
Net Change in Fund Balances	(24,823)	(24,823)	160,972	185,795	
Fund Balance - October 1 (Beginning)	313,931	313,931	664,162	350,231	
Fund Balance - September 30 (Ending)	<u>\$ 289,108</u>	<u>\$ 289,108</u>	<u>\$ 825,133</u>	<u>\$ 536,025</u>	

The accompanying notes are an integral part of this statement.

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EDWARDS COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
SEPTEMBER 30, 2016

	Year Ended December 31									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Total Pension Liability										
Service cost	\$ 127,862	133,968	N/A							
Interest on total pension liability	226,340	211,608	N/A							
Effect of plan changes	(19,506)	-	N/A							
Effect of assumption changes or input	28,755	-	N/A							
Effect of economic gains or losses	(107,883)	(47,920)	N/A							
Benefit payments/refund of contributions	(118,308)	(116,360)	N/A							
Net change in total pension liability	137,260	181,296	N/A							
Total pension liability, beginning	2,785,107	2,603,811	N/A							
Total pension liability, ending	\$ 2,922,367	2,785,107	N/A							
Fiduciary Net Position										
Employer contributions	\$ 97,591	101,351	N/A							
Member contributions	71,523	67,503	N/A							
Investment income net of investment expenses	(46,424)	168,941	N/A							
Benefit payments/refunds of contributions	(118,308)	(116,360)	N/A							
Administrative expenses	(2,003)	(2,056)	N/A							
Other	532	2,933	N/A							
Net change in fiduciary net position	2,911	222,312	N/A							
Fiduciary net position, beginning	2,778,704	2,556,392	N/A							
Fiduciary net position, ending	\$ 2,781,615	2,778,704	N/A							
Net pension liability/asset	\$ 140,752	6,403	N/A							
Fiduciary net position as a % of total pension liability	95.18%	99.77%	N/A							
Pension covered payroll	\$ 102,1763	96,4328	N/A							
Net pension liability as a % of covered payroll	13.78%	0.66%	N/A							

EDWARDS COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
SEPTEMBER 30, 2016

Year Ending December 31	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pension Covered Payroll (1)	Actual Contribution as a % of Covered Payroll
2006	\$ 59,199	\$ 59,199	\$ -	\$ 631,120	9.4%
2007	82,091	82,091	-	723,904	11.3%
2008	95,840	95,840	-	867,333	11.0%
2009	92,297	92,297	-	913,835	10.1%
2010	97,653	97,653	-	973,611	10.0%
2011	104,861	104,861	-	1,037,202	10.1%
2012	105,727	105,727	-	1,027,473	10.3%
2013	102,970	102,970	-	1,013,488	10.2%
2014	101,351	101,351	-	964,328	10.5%
2015	97,578	97,591	(13)	1,021,763	9.6%

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

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

EDWARDS COUNTY, TEXAS
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2016

	77 CLERK TECHNOLOGY FUND	40 CONSTABLE TRAINING FUND	45 COURTHOUSE SECURITY FUND
ASSETS			
Cash and Cash Equivalents	\$ 343	\$ 1,387	\$ 4,397
Taxes Receivable	-	-	-
Allowance for Uncollectible Taxes (Credit)	-	-	-
Receivables (Net)	-	-	-
Due from Other Governments	-	-	-
Due from Other Funds	-	-	-
Total Assets	<u>\$ 343</u>	<u>\$ 1,387</u>	<u>\$ 4,397</u>
LIABILITIES			
Accounts Payable	\$ -	\$ -	\$ -
Accrued Wages Payable	-	-	-
Bank Overdraft	-	-	-
Due to Other Funds	-	-	-
Due to Other Governments	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOW OF RESOURCES			
Unavailable Revenue- Property Taxes	<u>-</u>	<u>-</u>	<u>-</u>
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE			
Restricted For:			
Administration	343	-	-
Archives	-	-	-
Construction	-	-	-
Judicial	-	-	-
Public Safety	-	1,387	4,397
Public Transportation	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>343</u>	<u>1,387</u>	<u>4,397</u>
Total Liabilities Deferred Inflows and Fund Balances	<u>\$ 343</u>	<u>\$ 1,387</u>	<u>\$ 4,397</u>

50 JP TECHNOLOGY FUND	60 LAW ENFORCEMENT TRAINING FUND	70 LAW LIBRARY FUND	75 RECORDS MANAGEMENT FUND	63 WRIT OF EXECUTION FUND
\$ 8,782	\$ 2,853	\$ 142	\$ 67,123	\$ 120
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
\$ 8,782	\$ 2,853	\$ 142	\$ 67,123	\$ 120
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\$ -	\$ -	\$ -	\$ -	\$ -
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8,782	-	142	-	120
-	2,853	-	-	-
-	-	-	-	-
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8,782	2,853	142	67,123	120
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\$ 8,782	\$ 2,853	\$ 142	\$ 67,123	\$ 120

The accompanying notes are an integral part of this statement.

EDWARDS COUNTY, TEXAS
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS - Continued
SEPTEMBER 30, 2016

	80 CHILD SAFETY FUND	55 SHERIFF K-9 FUND	65 LAW ENFORCEMENT FORFITURE FUND
ASSETS			
Cash and Cash Equivalents	\$ 19,109	\$ 1,048	\$ 4,964
Taxes Receivable	-	-	-
Allowance for Uncollectible Taxes (Credit)	-	-	-
Receivables (Net)	38	-	-
Due from Other Governments	-	-	-
Due from Other Funds	-	-	-
Total Assets	\$ 19,147	\$ 1,048	\$ 4,964
LIABILITIES			
Accounts Payable	\$ -	\$ -	\$ -
Accrued Wages Payable	-	-	-
Bank Overdraft	-	-	-
Due to Other Funds	-	-	-
Due to Other Governments	-	-	-
Total Liabilities	-	-	-
DEFERRED INFLOW OF RESOURCES			
Unavailable Revenue- Property Taxes	-	-	-
Total Deferred Inflows of Resources	-	-	-
FUND BALANCE			
Restricted For:			
Administration	-	-	-
Archives	-	-	-
Construction	-	-	-
Judicial	-	-	-
Public Safety	19,147	1,048	4,964
Public Transportation	-	-	-
Unassigned	-	-	-
Total Fund Balances	19,147	1,048	4,964
Total Liabilities Deferred Inflows and Fund Balances	\$ 19,147	\$ 1,048	\$ 4,964

WORK ORDER FUND	67 PRE-TRIAL DIVERSION FUND	TOTAL NON-MAJOR GOVERNMENTAL FUNDS
\$ -	\$ 3,180	\$ 113,449
-	-	-
-	-	38
-	-	-
-	-	-
\$ -	\$ 3,180	\$ 113,487
\$ -	\$ -	\$ -
-	-	-
-	-	-
-	-	-
-	-	-
\$ -	\$ -	\$ -
-	-	-
-	-	343
-	-	67,123
-	-	-
-	-	9,044
-	3,180	36,977
-	-	-
-	3,180	-
<u>\$ -</u>	<u>\$ 3,180</u>	<u>\$ 113,487</u>

The accompanying notes are an integral part of this statement.

EDWARDS COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2016

	77 CLERK TECHNOLOGY FUND	40 CONSTABLE TRAINING FUND	45 COURTHOUSE SECURITY FUND
REVENUES:			
Taxes			
Property Taxes	\$ -	\$ -	\$ -
Other Taxes	- -	- -	- -
Intergovernmental	- -	- -	- -
Licenses & Permits	- -	- -	- -
Charges for services	111	- -	2,190
Fines & Forfeitures	- -	- -	- -
Interest	- -	- -	- -
Miscellaneous	- -	- -	- -
Total Revenue	111	- -	2,190
EXPENDITURES:			
Current:			
General Government			
General Administration	- -	- -	- -
Financial Administration	- -	- -	- -
Tax Administration	- -	- -	- -
Facilities Management	- -	- -	- -
Judicial System	- -	- -	11,816
Public Safety	- -	84	- -
Corrections and Rehabilitation	- -	- -	- -
Health and Human Services	- -	- -	- -
Health Care	- -	- -	- -
Public Health	- -	- -	- -
Human Services	- -	- -	- -
Community and Economic Development	- -	- -	- -
Infrastructure and Environmental Services	- -	- -	- -
Total Expenditures	- -	84	11,816
Excess (Deficiency) Revenues Over Expenditures	111	(84)	(9,626)
OTHER FINANCING SOURCES (USES):			
Operating Transfers In			
Operating Transfers Out	- -	- -	- -
Total Other Financing Sources (Uses)	- -	- -	- -
Net Change in Fund Balances	111	(84)	(9,626)
Fund Balance - October 1 (Beginning)	232	1,471	14,023
Prior Period Adjustment	- -	- -	- -
Fund Balance -September 30 (Ending)	\$ 343	\$ 1,387	\$ 4,397

The accompanying notes are an integral part of this statement.

EDWARDS COUNTY, TEXAS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS - Continued
 YEAR ENDED SEPTEMBER 30, 2016

	80 CHILD SAFETY FUND	55 SHERIFF K-9 FUND	LAW ENFORCEMENT FORFITURE FUND	65
REVENUES:				
Taxes				
Property Taxes	\$ -	\$ -	\$ -	-
Other Taxes	- -	- -	- -	-
Intergovernmental	- -	- -	- -	-
Licenses & Permits	- -	- -	- -	-
Charges for services	2,360	8,086	- -	-
Fines & Forfeitures	- -	- -	- -	-
Interest	- -	- -	- -	-
Miscellaneous	- -	- -	- -	-
Total Revenue	2,360	8,086	- -	-
EXPENDITURES:				
Current:				
General Government				
General Administration	- -	- -	- -	-
Financial Administration	- -	- -	- -	-
Tax Administration	- -	- -	- -	-
Facilities Management	- -	- -	- -	-
Judicial System	- -	- -	- -	-
Public Safety	- -	13,838	- -	-
Corrections and Rehabilitation	- -	- -	- -	-
Health and Human Services	- -	- -	- -	-
Health Care	- -	- -	- -	-
Public Health	- -	- -	- -	-
Human Services	- -	- -	- -	-
Community and Economic Development	- -	- -	- -	-
Infrastructure and Environmental Services	- -	- -	- -	-
Total Expenditures	- -	13,838	- -	-
Excess (Deficiency) Revenues Over Expenditures	2,360	(5,752)	- -	-
OTHER FINANCING SOURCES (USES):				
Operating Transfers In	- -	- -	- -	-
Operating Transfers Out	- -	- -	- -	-
Total Other Financing Sources (Uses)	- -	- -	- -	-
Net Change in Fund Balances	2,360	(5,752)	- -	-
Fund Balance - October 1 (Beginning)	16,787	6,800	4,964	
Prior Period Adjustment	- -	- -	- -	
Fund Balance -September 30 (Ending)	\$ 19,147	\$ 1,048	\$ 4,964	

WORK ORDER FUND	67 PRE-TRIAL DIVERSION FUND	TOTAL NON-MAJOR GOVERNMENTAL FUNDS
\$ -	\$ -	\$ -
-	-	-
-	-	-
-	-	-
-	-	-
-	2,170	29,212
-	-	-
-	-	-
-	-	-
—	2,170	29,212
—	—	—
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
—	—	—
—	—	13,566
-	-	13,922
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
—	—	—
—	—	27,488
—	2,170	1,724
—	1,010	1,010
(2,749)	-	(2,749)
(2,749)	1,010	(1,739)
(2,749)	3,180	(15)
2,749	-	113,502
—	—	—
\$ —	\$ 3,180	\$ 113,487

The accompanying notes are an integral part of this statement.