

COLORADO COUNTY, TEXAS
Comprehensive Annual Financial Report
For the Fiscal Year Ended December 31, 2015

Prepared by
Raymie Kana
County Auditor

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COLORADO COUNTY, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2015

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Introductory Section

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Colorado County, Texas

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County Auditor

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Columbus, Texas 78934

May 13, 2016

Honorable 25th and 2nd 25th District Judges,
the Honorable Commissioners' Court, and
the Citizens of Colorado County

State law requires that every general purpose local government publish, within six months of the close of each fiscal year, a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended December 31, 2015.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Rutledge Crain & Company, PC, a firm of licensed certified public accountants, have issued an unqualified ("clean") opinion on Colorado County's financial statements for the year ended December 31, 2015. The independent auditors' report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF COLORADO COUNTY

Colorado County, incorporated in 1836, is located in south/central Texas, midway between San Antonio and Houston on Interstate 10 and is one of 13 counties in the Gulf Coast Region. Colorado County, created in 1836, is one of the original counties established in Texas by Stephen F. Austin. The County is a rural county approximately 963 square miles in area with a 2010 census population of 20,878. The largest incorporated cities located within the County are Columbus (the County seat), Eagle Lake and Weimar. The County is empowered to levy a property tax on real property located within its boundaries.

The County is a public corporation and political subdivision of the State of Texas. The County operates as specified under the Constitution of the State of Texas and Vernon's Texas Code Annotated, which provide for a Commissioners Court consisting of the County Judge and four Commissioners, one from each of four geographical precincts. The County Judge is elected for a term of four years and the Commissioners for four-year staggered terms with two Commissioners elected every two years. Policy-making authority is vested in the Commissioners Court and the Commissioners Court is responsible, among other things, for adopting the budget and for setting the County's annual tax rate, along with setting county policies.

The County provides a full range of services authorized by statute. Such services include general government functions such as recording and licensing, maintaining the County and District Court systems, maintaining public facilities, ensuring public safety, maintaining public health and welfare, aiding conservation, and maintaining county roads and bridges. The costs associated with these services are presented within the financial statements in detail and summary form.

Budget

The annual budget serves as the foundation for Colorado County's financial planning and control. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Commissioners' Court. Activities of the General Fund, Special Revenue Funds and Debt Service Fund are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the department level within each fund. All transfers of appropriations, either between departments or within an

individual department's budget, require the approval of the Commissioners' Court. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted.

Local Economy

The County's economy is based primarily on agribusiness, oil-field services and equipment manufacturing, minerals processing and gravel mining. Rice, corn, sorghums and livestock play a major role in the area's economy. The school districts and the County also have a significant economic presence, employing in total more than 700 teachers, professionals, and support staff. One of the most important sectors of the area's economy is tourism. Tourism dollars represented by restaurant sales, hotel occupancy and specialty shop sales are a significant contributor to the overall economy.

Because of the County's location in a region with a varied economic base, unemployment had been relatively stable. During the past ten years, the unemployment rate has slightly increased from 4.1 percent (2006) to 3.9 percent for the current year (2015). Although unemployment rates have declined nationwide over the last year, the County continues to experience unemployment rates consistently lower than national averages. The County's unemployment rate as of December 2015 was 3.9 percent compared to 4.9 percent nationally. Bank deposits county-wide totaled \$393 million at December 31, 2015 compared to \$362 million at December 31, 2014.

Median household incomes within the County are slightly lower than for the state and nation as a whole. According to the year 2014 census, the County's median family income was \$45,262, while the state's was \$52,576 and the nation's was \$53,482.

The County's location within the Eagle Ford shale development in Southern Texas has led to new economic opportunities even though the oil and gas production has decreased. Although the County currently produces only minor amounts of oil and natural gas, there is potential for economic opportunities in neighboring counties and for the county to benefit from increased retail trade, housing and personnel. The renewed attraction of Colorado County as a favorable business environment, coupled with continued moderately low interest rates, continues to stimulate local construction activity. The tax base is diverse, with the 10 leading taxpayers accounting for 22% of assessed value. Countywide tax abatement plans, which give reduced property taxes for a number of years, are being offered to industries to locate in the County. The County has one existing tax abatement. The Weimar Medical Center opened its doors in late 2015 approximately 3 years from the August 2012 closing of the Colorado Fayette Medical Center. Brasher Motor Company celebrated its 100th year anniversary during business in Weimar.

Long Term Financial Planning

County strategies and plans are integrated into all departmental budgets to ensure unified efforts within County government to achieve the goals and objectives of the County. Texas county government operates under a balanced budget as required by law. This does not mean that estimated revenues must always be exactly equal to expenditures. In most of the annual operating budgets, the Commissioners' Court members usually decide to use a portion of fund balances reserves to balance the revenues to appropriations. As a sound financial management practice, members of Commissioners Court consistently emphasize maintaining sufficient unassigned fund balance levels (unrestricted net position) to meet first quarter obligations of payroll and operating costs and furthermore, this assists in maintaining financial stability and retaining or enhancing the County's bond ratings.

Fund balance refers to the excess of assets and deferred outflows of resources over liabilities and deferred inflows of resources in governmental funds. For the purpose of financial planning, fund balance is defined as the cumulative surpluses or deficits resulting from the difference between expenditures and revenues in any one fiscal year. The cumulative effect of yearly fund balance amounts is furthermore addressed as a fund balance reserve. When evaluating fund balance reserves, it is vitally important to maintain sufficient positive fund balance reserves in order to avoid borrowing to meet short term operating needs.

Finally, as a result of the trend of shifting of unfunded mandates by both federal and state levels to local government, it is anticipated that additional financial burden will continue to be experienced by the County and ultimately local taxpayers if other sources of funding are not identified. The County will be tasked with identifying new or additional revenues to counter these expenditures. At its discretion, the Court will probably continue to utilize some amount of fund balance, which is healthy in the sense that it keeps the County from building up excessive reserves and reduces a future burden on taxpayers. Based on the amount of fund balance utilized to balance the 2015 budget, the Court must remain cautious in planning for the budget in fiscal year 2016 in the absence of either continued cost containment initiatives or significant additional revenue enhancement efforts. It is imperative that County government continually strive to maintain steady increases in revenue while costs are on the rise.

Major Initiatives

The County completed several projects and made improvements throughout the year that were needed to meet citizen's demands for services. One of those major projects was the implementation of the Code Red Public Emergency Notification System at the Sheriff's Office to inform County citizens in the event of an emergency.

The County approved an agreement with the Texas Department of Transportation for a \$451,205 grant for road improvements throughout the county.

The County participated in the 2015 Great Texas Warrant Roundup to effectively collect outstanding warrants.

The County will actively pursue legal representation in regards to the pending application by Clean Harbors with TCEQ to construct and operate a Class C land disposal cell at the Altair facility.

The County received disaster assistance from FEMA to help pay for repairs to county roads damaged by flooding and heavy rains.

The County received TxCDBG assistance to upgrade the sewer and water lines in the unincorporated areas of Garwood.

The County received a \$100,000 grant from the M.G. & Lillie A. Johnson Foundation to purchase two new Ford F-350 diesel chassis and refurbish the ambulance boxes.

In order to protect and preserve the history of Colorado County, Commissioners' Court voted to start the process of restoring and preserving various indexes and record books of the County Clerk's Office.

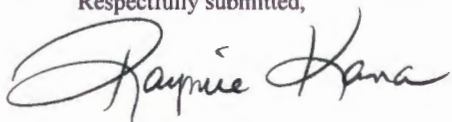
AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Colorado County for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2014. This was the twenty-first consecutive year that Colorado County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year only. However, we believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The production of this report would not have been possible without the skill, effort, and dedication of the County Auditor's staff. The preparation of this comprehensive annual financial report could not have been accomplished without the assistance from our outside auditing firm, Rutledge Crain & Company, PC. I would like to express my appreciation to all the members of the Commissioners' Court for their unfailing support in maintaining the highest standards of professionalism in the management of the Colorado County's finances. I express my sincere thanks to all other County officials, Department Heads, and employees for their assistance in providing the data necessary to prepare this report.

Respectfully submitted,



Raymie Kana
County Auditor



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Colorado County
Texas**

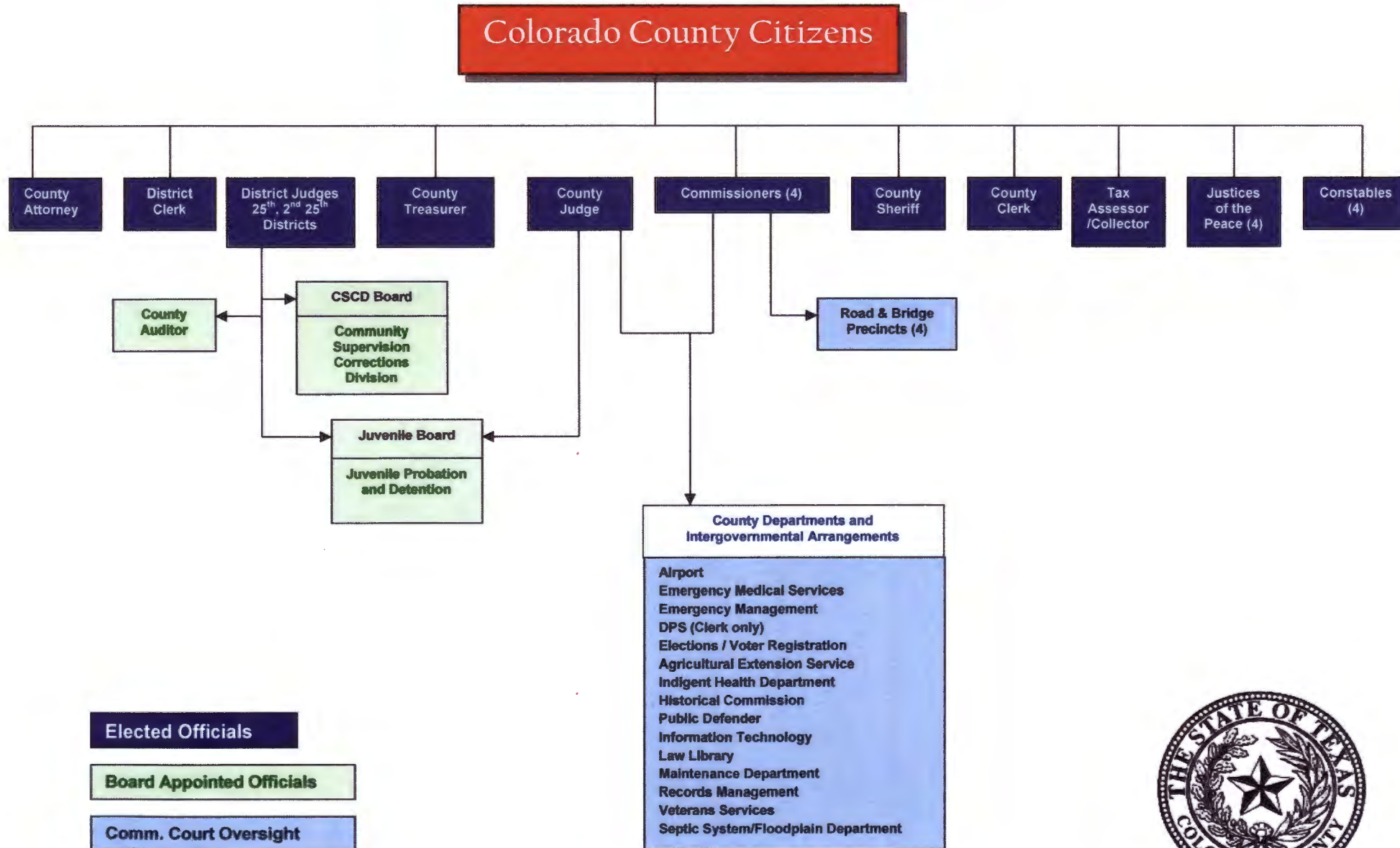
**For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended**

December 31, 2014

A handwritten signature in black ink, reading "Jeffrey R. Egan". The signature is fluid and cursive.

Executive Director/CEO

Colorado County, Texas
Organization Chart
December 31, 2015



COLORADO COUNTY, TEXAS
LIST OF Elected AND APPOINTED OFFICIALS
December 31, 2015

Elected Officials

County Judge	Daniel "Ty" Prause
Commissioners	
Precinct No. 1	Doug Wessels
Precinct No. 2	Darrell Kubesch
Precinct No. 3	Tommy Hahn
Precinct No. 4	Darrell Gertson
25th Judicial District Judge	William Old III
2nd 25th Judicial District Judge	William C Kirkendall
Tax Assessor-Collector	Mary Jane Poenitzsch
County Clerk	Kimberly Menke
County/District Attorney	Jay Johannes
District Clerk	Linda Holman
County Treasurer	Joyce Stancik
County Sheriff	R.H. "Curly" Wied, III
Justices of Peace	
Precinct No. 1	Billy Hefner
Precinct No. 2	James C. Maddux
Precinct No. 3	Francis Truchard
Precinct No. 4	Stan Warfield
Constable No. 1	Richard J. LaCourse Jr
Constable No. 2	Lonnie Hinze
Constable No. 3	Ivan Menke
Constable No. 4	Darrell Stancik
County Surveyor	Matthew Loessin
County Engineer	Robert Zajicek

COLORADO COUNTY, TEXAS**LIST OF ELECTED AND APPOINTED OFFICIALS***December 31, 2015*

Appointed Officials

Veterans' Service Officer	Eddie Hernandez
Public Defenders	Kevin Dunn Louis Gimbert
County Auditor	Raymie Kana
Adult Probation District Director	Rosann Mikes
Juvenile Probation District Director	Marty Maloney
Adult Probation Officer	Richard Wessels
Juvenile Probation Officer	Valerie Steffek
Juvenile Probation Officer	Trenessa Sewell
Local Health Authority	Alyssa Molina, M.D.
County Extension Office	
County Ag Agent	Stephen Janak
Consumer and Family Science	Janis Pfeffer
Medical Director	Alyssa Molina, M.D.

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Financial Section

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RUTLEDGE CRAIN & COMPANY, PC
CERTIFIED PUBLIC ACCOUNTANTS
2401 Garden Park Court, Suite B
Arlington, Texas 76013

INDEPENDENT AUDITORS' REPORT

To the Honorable County Judge and Commissioners
Comprising the Commissioners' Court of
Colorado County, Texas

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 of Colorado County, Texas as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 Colorado County, Texas as of December 31, 2015, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other-Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, as noted 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.

Change in Accounting Principle

As discussed in Note IV. M. to the financial statements, in 2015 the County adopted new accounting guidance, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*. Our opinion is not modified with respect to this matter.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements which collectively comprise Colorado County, Texas' basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

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

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

Rutledge Crain & Company, PC

May 13, 2016

Management's Discussion and Analysis

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As management of Colorado County (County), we offer readers of the County's financial statements this narrative overview and analysis of the financial performance of the County for the fiscal year ended December 31, 2015. Please read it in conjunction with the County's financial statements, which follow this section.

Financial Highlights

- Combined County assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$26,424,529 (net position). Of this amount, \$210,285 (restricted net position) may only be used to pay down the county's debt.
- The County's total net position decreased \$202,436 during the current fiscal year. The significance of the negative net position is attributable to the implementation of *GASB 68 Accounting and Financial Reporting for Pensions*. The implementation of these standards requires governments to calculate and report the costs and obligations associated with pensions in their basic financial statements. Employers are required to recognize amounts for all benefits provided through the plan which include the net pension asset or liability, deferred outflows of resources, deferred inflows of resources and pension expense.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$8,267,560, an increase of \$165,519 in comparison with the prior year. The amount which is available for spending at the government's discretion (unassigned fund balance) in the general fund is \$2,953,235 or 28% of total general fund expenditures which is 3% higher than last year.
- The County's total debt decreased by \$496,030 during the current fiscal year due to the implementation of GASB 68 and funding the purchase of copiers and a plotter for the County and District Clerk's offices.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Colorado County's basic financial statements. Colorado County's basic financial statements comprise four components: 1) government-wide financial statements, 2) fund financial statements, 3) fiduciary financial statements, and 4) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business. They present the financial picture of the County from an economic resources measurement focus using the accrual basis of accounting. The statements include all assets of the County (including infrastructure) as well as all liabilities (including long-term debt). Additionally, certain eliminations have occurred as prescribed by GASB Statement No. 34 in regards to interfund activity, payables and receivables.

The statement of net position presents information on all the County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between them reported as net position. Over time, increase or decrease in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other business functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities of the County include general administration, financial administration, judicial, public safety, public facilities, public transportation, conservation, and health and welfare.

The government-wide financial statements are presented on pages 27 and 28 of this report.

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

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflow of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the County's near-term financing requirements.

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 reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains a general fund, seventeen special revenue funds, a debt service fund, and two capital projects funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, which is considered to be a major fund. Data from the other nonmajor governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The County adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The County's fiduciary activities are reported in a separate Statement of Fiduciary Assets and Liabilities. These activities are excluded from the County's other financial statements since the County cannot use these assets to finance its operations. The accounting used for fiduciary funds is much like that used for proprietary funds. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The notes to the financial statements can be found on pages 35 through 53 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning budgetary comparison schedules for the General Fund.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on the General Fund Budget.

Government-wide Overall Financial Analysis

As noted earlier, net position over time, may serve as a useful indicator of a government's financial position. In the case of Colorado County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$26,424,529 at the close of the most recent fiscal year.

By far, the largest portion of the County's net position (\$17,696,723 or 67.0%) reflects its investment in capital assets (e.g., land, construction in progress, buildings and improvements, equipment, and infrastructure), less any related outstanding debt that was used to acquire those assets. The County uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Total assets of \$48,675,586 reflect an increase of \$829,583 during the fiscal year.

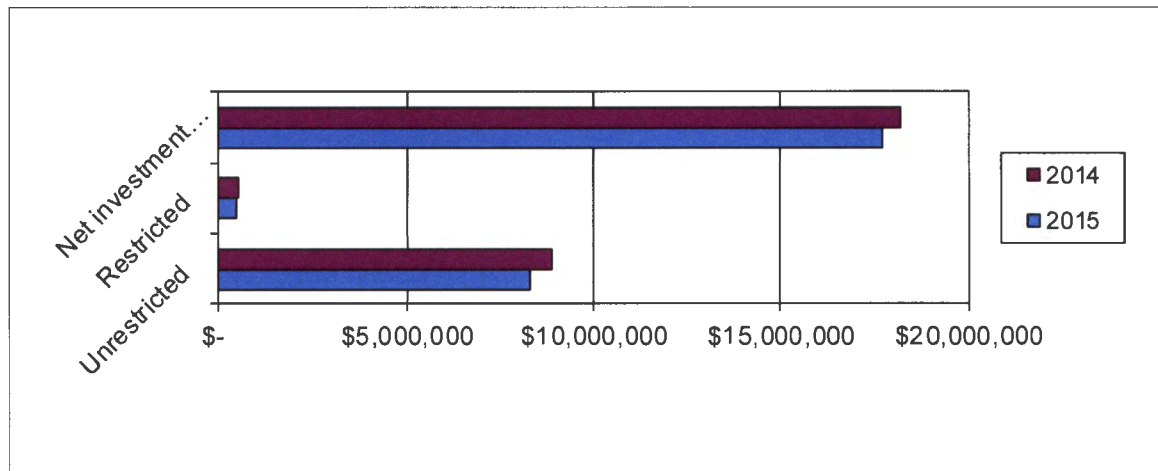
An additional portion of the County's net position (\$436,660 or 1.7%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$8,291,146 or 31.3% is unrestricted and may be used to meet the government's ongoing obligations to its citizens and creditors.

COLORADO COUNTY, TEXAS
Management's Discussion and Analysis
December 31, 2015

The County's condensed net position for the fiscal year ended December 31, 2015 is summarized as follows:

	Colorado County Net Position		
	Governmental Activities		
	2015	2014	Change
Current and other assets	\$ 23,536,583	\$ 21,948,495	\$ 1,588,088
Capital assets (net of accumulated depreciation)	25,139,003	25,897,508	(758,505)
Total assets	48,675,586	47,846,003	829,583
Deferred outflows of resources	970,388	-	970,388
Current and other liabilities	3,602,546	3,173,892	428,654
Long-term liabilities	9,276,903	7,988,588	1,288,315
Total liabilities	12,879,449	11,162,480	1,716,969
Deferred inflows of resources	10,341,996	9,103,696	1,238,300
Net position:			
Net investment in capital assets	17,696,723	18,176,143	(479,420)
Restricted	436,660	533,774	(97,114)
Unrestricted	8,291,146	8,869,910	(578,764)
Total net position	\$ 26,424,529	\$ 27,579,827	\$ (1,155,298)

Colorado County Net Position – December 31, 2014 and 2015



Governmental Activities. During the current fiscal year, net position for governmental activities decreased \$202,436 from the restated prior fiscal year for an ending balance of \$26,424,529. Key elements of this decrease are as follows:

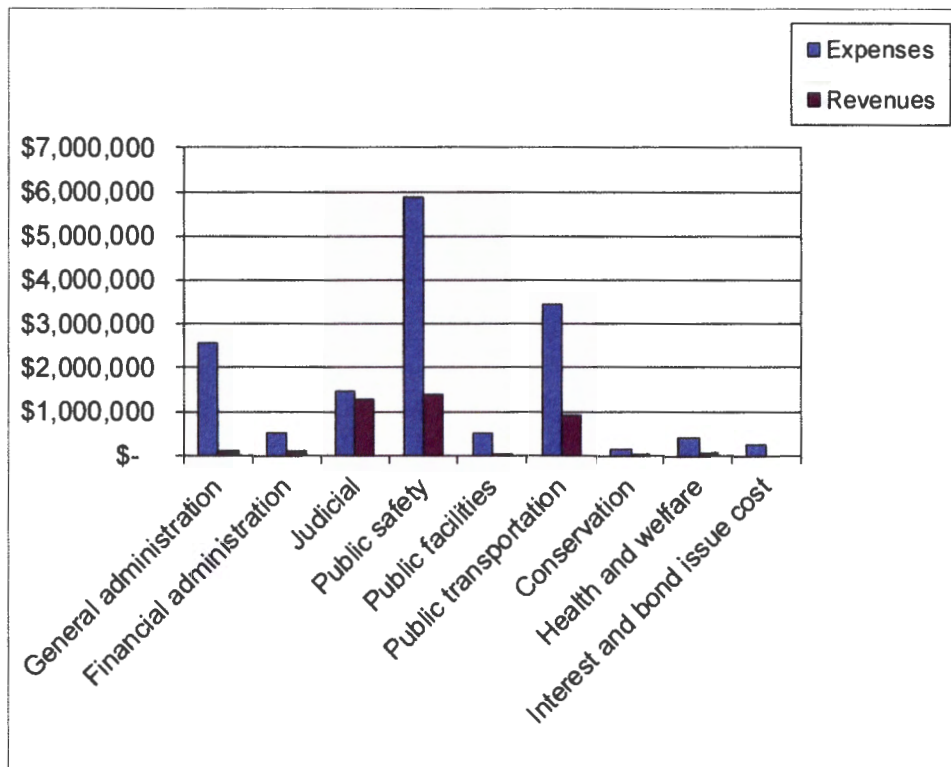
During the current fiscal year, the total reported revenues of \$14,914,185 represented a decrease of \$305,415 over the prior year mainly due to the completion of the interior restoration of the Colorado County courthouse where the county had received funds from the Texas Historical Commission. The main increase is in general revenue mainly due to an increase in property taxes attributable to increases in existing taxable property values, growth in new properties added to the tax rolls and the adoption of the same tax rate of \$0.48206.

COLORADO COUNTY, TEXAS
Management's Discussion and Analysis
December 31, 2015

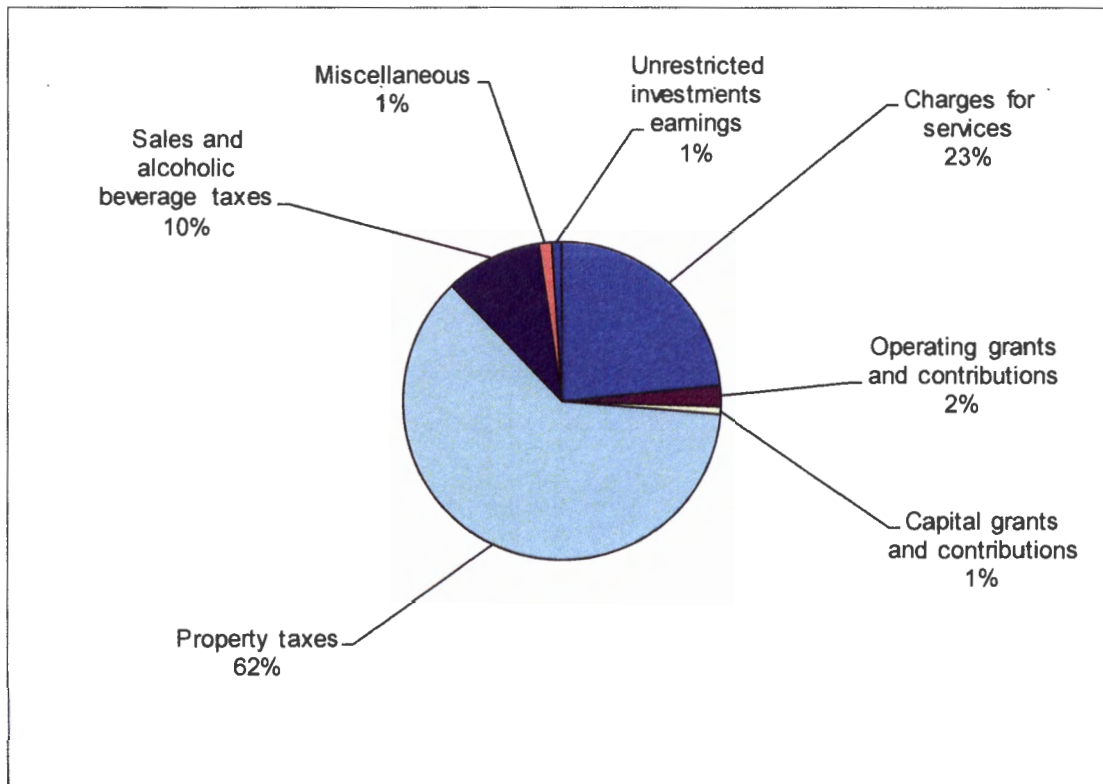
Total reported expenses of \$15,116,621 represented an increase of \$838,580 over the prior year. The largest increase in expenses was general administration of \$394,100 which was primarily due to the restoring and preserving various indexes and record books of the County Clerk's Office. Public transportation was the next largest increase due to maintaining and repairing county roads after a year of heavy rainfall and flooding.

Colorado County Changes in Net Position			
Governmental Activities			
	2015	2014	Change
Revenues:			
Net Program Revenues:			
Charges for services	\$ 3,482,814	\$ 3,571,796	\$ (88,982)
Operating grants and contributions	322,014	248,263	73,751
Capital grants and contributions	113,798	899,704	(785,906)
General Revenues:			
Property taxes	9,186,462	8,612,739	573,723
Sales and alcoholic beverage taxes	1,458,846	1,443,890	14,956
Miscellaneous	197,937	286,693	(88,756)
Unrestricted investments earnings	152,314	156,515	(4,201)
Special item inflow	-	-	-
Total revenues	14,914,185	15,219,600	(305,415)
Expenses:			
General administration	2,556,203	2,162,103	394,100
Financial administration	496,903	459,549	37,354
Judicial	1,462,381	1,416,035	46,346
Public safety	5,860,304	5,712,409	147,895
Public facilities	500,725	526,491	(25,766)
Public transportation	3,437,890	3,164,962	272,928
Conservation	147,903	133,229	14,674
Health and welfare	384,969	350,977	33,992
Debt principal and interest	269,343	352,286	(82,943)
Total expenses	15,116,621	14,278,041	838,580
Change in net position	(202,436)	941,559	\$ (1,143,995)
Net position - beginning	27,579,827	941,559	
Prior period adjustment	(952,862)	-	
Net position - ending	\$ 26,424,529	\$ 1,883,118	

Expenses and Program Revenues – Governmental Activities



Revenues by Source – Governmental Activities



Key elements of the analysis of government-wide revenues and expenses reflect the following:

Property taxes of \$9,186,462 equaled 60.8% of governmental expenses of \$15,116,621. As expected, general revenues (\$10,995,559) provided the required support and coverage for expenses.

Over one-half of the expenses are Public Safety and Public Transportation (\$9,298,194) while these categories consumed about 62.3% of total revenues of \$14,914,185.

The next largest category of expenses is General Administration \$2,556,203, or 16.9%.

Property taxes (\$9,186,462) comprised about 61.6% of total revenues. Capital grants and contributions showed the largest decrease from the previous year mainly due to the county restoring the interior of the County courthouse during 2014. Charges for Services and Miscellaneous Income showed slight decreases from the previous year.

Financial Analysis of the Government's Funds

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Fund accounting budget controls and fiscal responsibility is the framework of the County's strong fiscal management and accountability. Colorado County's bond rating was raised from A+ to AA in December of 2013.

Governmental funds. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's annual financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$8,267,560, an increase of \$165,519.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the General Fund decreased \$31,433 to \$2,953,235 from the prior year amount of \$2,850,275. Unassigned fund balance represents 28 percent of total general fund expenses.

General Fund Budgetary Highlights

Significant Differences in Original vs. Final Budget:

During the year there was a \$350,800 increase in appropriations between the original and final amended budget. Following are the main components of the increase:

\$62,500 supplemental appropriation for outside legal services for various County legal issues.

\$49,500 supplemental appropriation for the purchase of three copiers and a plotter for the County & District Clerk's Offices.

\$35,000 supplemental appropriation to replace a 40-ton air condition unit at the Annex and replace carpet and tile at the Probation Office.

\$100,000 supplemental appropriation for the purchase of two new chassis with refurbished ambulance boxes.

\$105,000 supplemental appropriation for salaries for part-time Emergency Medical Technicians.

The increase was possible because of additional anticipated receipts. Those receipts included an increase in sales tax (\$200,000), an increase in licenses and permits (\$15,000), an increase in intergovernmental (\$115,000), and an increase in miscellaneous receipts (\$104,500).

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Significant Budget Variances:

General Administration – Commissioners Court – the county saved on risk management insurance due to the carrier, Texas Association of Counties, issuing discounts and the Central Appraisal District issuing a credit for the County's portion of the CAD's budget surplus at the end of fiscal year 2014.

General Administration – Capital Outlay; the county did not spend any capital outlay designated for the courthouse after the restoration due to remaining funds in the certificates of obligation.

Public Safety - Emergency Medical Services – Personnel Services was less than budget by \$19,000 due to a scheduling change that did not require more overtime pay.

Public Safety – Emergency Medical Services – Services & Charges was less due to lower fuel prices and the billing service fees being less than anticipated.

Public Safety - County Sheriff – Personnel Services was less than budget by \$99,883; several authorized positions were not filled for most of the year.

Public Safety – County Sheriff – Supplies and Services & Charges were less due to the lower fuel prices and not outsourcing document imaging.

Public Safety – Emergency Management – Capital Outlay; the county did not spend any capital outlay designated for the radio system upgrade which took place during 2014.

Indigent Health Care – Services and Charges; diligent indigent screening resulted in fewer qualified applicants and reduced related costs.

Capital Asset and Debt Administration

Capital assets. The County's investment in capital assets for its governmental activities for the current fiscal year amounts to \$25,139,003 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, equipment, and infrastructure.

	Balance 12/31/15	Balance 12/31/14
Capital assets, not being depreciated:		
Land	\$ 501,410	\$ 501,410
Construction in progress	-	-
Capital assets, being depreciated		
Buildings and improvements	14,580,598	15,366,194
Equipment	2,530,258	2,527,711
Infrastructure	7,526,737	7,502,193
	<u>\$ 25,139,003</u>	<u>\$ 25,897,508</u>

Major capital asset events during the current fiscal year included the following:

Purchased a Case backhoe and a Broce Broom for road and bridge precincts.

Purchased a tractor and flex-wing cutter for road and bridge precincts.

Purchased two Ford ¾ ton trucks for road and bridge precincts.

Purchased three Kyocera copiers and a plotter for the County Clerk and District Clerk's office.

Purchased two new F-350 Ford Chassis and refurbished the ambulance boxes.

Purchased two new Dodge Charger's, (2) Chevrolet Tahoe's, and a Chevrolet Truck for the sheriff's department.

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Management's Discussion and Analysis
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Purchased three power stretchers and one ventilator for EMS.

Rebuilt two bridges located at CR 106 at Skull Creek and Dietrich Lane.

Additional information on Colorado County's capital assets can be found in note IV. D. of this report.

Long-term debt. At the end of the current fiscal year, the County had total bonded debt outstanding of \$7,165,000.

	12/31/15	12/31/14
GOVERNMENTAL ACTIVITIES:		
Certificates of obligation	\$ 7,165,000	\$ 7,550,000
Bond premium	-	-
Bond discount	(19,092)	(20,286)
Capital lease obligations	49,352	-
Compensated absences payable	187,378	174,510
OPEB obligation	296,372	284,364
Net pension liability	1,597,893	1,784,345
	<u>\$ 9,276,903</u>	<u>\$ 9,772,933</u>

The County's total debt decreased \$496,030 during the current fiscal year primarily due to the reduction of bonded debt and the reduction of net pension liability attributable to the implementation of *GASB 68 Accounting and Financial Reporting for Pensions*.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10 percent of its total assessed valuation. The current debt limitation for the County is \$205,589,242, which is significantly in excess of the County's outstanding general obligation debt.

Additional information on Colorado County's long-term debt may be found in Note IV. I. of this report.

Economic Factors and Next Year's Budgets and Rates

The annual budget is developed to provide efficient, effective and economic uses of the County's resources, as well as a means to accomplish the highest priority objectives. Through the budget, the Commissioners Court set the direction of the County, allocate its resources and establish its priorities.

The current year annual unemployment rate for Colorado County was 3.9 percent, up from 3.4 percent for the prior fiscal year. This compares favorably to the state's average unemployment rate of 4.2 percent and the national rate of 4.9 percent.

The Federal Reserve raised short-term interest rates after seven years at near zero.

The county's financial performance and position are very strong. Over the last four years, the county has maintained year-end general fund balances between \$2.9 and \$3.7 million or about 19% - 24% of annual expenditures.

Sales and use tax revenues has reflected positive continued growth through fiscal year 2016.

On the expenditure side, increases are expected in public transportation.

In calculating the taxes for the fiscal year 2016 budget, Colorado County had a net taxable appraised value of \$2,055,892,422, which was an increase of \$164,610,763 from the previous year. This is a result of increased oil and gas activity along with increased residential and commercial growth.

All of these factors were considered in preparing the County's budget for the 2016 fiscal year. The property tax rate for the 2016 budget was set at the same tax rate as the 2015 tax rate of \$0.48206 per hundred dollar valuation. Before the adjustment for newly added property, the effective tax rate adjusts to only allow the county to receive the same tax levy as the previous year. Therefore, additional property tax revenue is generated from new property and tax rate increases in accordance with the State of

COLORADO COUNTY, TEXAS
Management's Discussion and Analysis
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Texas' Truth-in-Taxation laws. This is the sixth consecutive year that the county adopted the same tax rate which was slightly lower than the rollback tax rate of \$0.48708.

Request for Information

This financial report is designed to provide a general overview of Colorado County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Raymie Kana, County Auditor, 318 Spring St., Suite 104, Columbus, Texas 78934.

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Basic Financial Statements

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COLORADO COUNTY, TEXAS**STATEMENT OF NET POSITION**

DECEMBER 31, 2015

	<u>Governmental Activities</u>
ASSETS	
Cash	\$ 8,139,503
Receivables (net of allowances for uncollectibles):	
Taxes	7,086,859
Accounts	4,506,097
Due from other governments	263,907
Restricted assets:	
Cash	2,102,051
Due from other governments	1,438,166
Capital assets not being depreciated:	
Land	501,410
Capital assets (net of accumulated depreciation):	
Buildings and improvements	14,580,598
Equipment	2,530,258
Infrastructure	7,526,737
Total Assets	<u>48,675,586</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred charges	<u>970,388</u>
Total Outflows of Resources	<u>970,388</u>
LIABILITIES	
Accounts payable	232,298
Due to others	1,752,256
Due to other governments	1,440,599
Noncurrent liabilities:	
Due within one year	1,360,599
Due in more than one year	7,916,304
Total Liabilities	<u>12,702,056</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred revenue	<u>10,519,389</u>
Total Deferred Inflows of Resources	<u>10,519,389</u>
NET POSITION:	
Net Investment in Capital Assets	17,696,723
Restricted For:	
Debt Service	210,285
Capital Projects	226,375
Unrestricted	8,291,146
Total Net Position	<u>\$ 26,424,529</u>

The accompanying notes are an integral part of this statement.

COLORADO COUNTY, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2015

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities:				
General administration	\$ 2,556,203	\$ 36,108	\$ 58,585	\$ --
Financial administration	496,903	112,138	--	--
Judicial	1,462,381	1,115,887	181,063	--
Public safety	5,860,304	1,326,355	54,656	--
Public facilities	500,725	26,100	--	2,688
Public transportation	3,437,890	811,047	--	111,110
Conservation	147,903	1,898	--	--
Health and welfare	384,969	53,283	27,710	--
Interest on long-term debt	269,343	--	--	--
Total Governmental Activities	<u>15,116,621</u>	<u>3,482,814</u>	<u>322,014</u>	<u>113,798</u>
Total Primary Government	<u>\$ 15,116,621</u>	<u>\$ 3,482,814</u>	<u>\$ 322,014</u>	<u>\$ 113,798</u>

General Revenues:

Ad valorem taxes, penalty and interest
Sales taxes
Alcoholic beverage taxes
Miscellaneous
Unrestricted investment earnings
Total General Revenues and Transfers
Change in Net Position

Net Position - Beginning
Prior Period Adjustment
Net Position - Ending

The accompanying notes are an integral part of this statement.

Net (Expense)
Revenue and
Changes in
Net Position

Governmental
Activities

\$ (2,461,512)
(384,765)
(165,431)
(4,479,293)
(471,937)
(2,515,733)
(146,005)
(303,976)
(269,343)
(11,197,995)
(11,197,995)

9,186,462
1,441,541
17,305
197,937
152,314
10,995,559
(202,436)
27,579,827
(952,862)
\$ 26,424,529

COLORADO COUNTY, TEXAS
BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2015

	General Fund	Other Governmental Funds	Total Governmental Funds
Assets:			
Cash	\$ 2,758,709	\$ 5,318,481	\$ 8,077,190
Receivables (net of allowances for uncollectibles):			
Taxes	4,646,678	2,440,181	7,086,859
Accounts	4,456,857	49,240	4,506,097
Due from other governments	263,907	--	263,907
Restricted assets:			
Cash	1,382,519	719,532	2,102,051
Due from other governments	945,882	492,284	1,438,166
Total Assets	\$ 14,454,552	\$ 9,019,718	\$ 23,474,270
Liabilities:			
Accounts payable	\$ 117,365	\$ 12,637	\$ 130,002
Due to others	1,689,943	--	1,689,943
Due to other governments	1,440,599	--	1,440,599
Total Liabilities	3,247,907	12,637	3,260,544
Deferred Inflows of Resources			
Deferred revenue	8,253,410	3,692,756	11,946,166
Total Deferred Inflows of Resources	8,253,410	3,692,756	11,946,166
Fund Balances:			
Restricted	--	960,496	960,496
Committed	--	4,353,829	4,353,829
Unassigned	2,953,235	--	2,953,235
Total Fund Balances	2,953,235	5,314,325	8,267,560
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 14,454,552	\$ 9,019,718	\$ 23,474,270

The accompanying notes are an integral part of this statement.

COLORADO COUNTY, TEXAS

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
 TO THE STATEMENT OF NET POSITION
 DECEMBER 31, 2015

Total fund balances - governmental funds balance sheet	\$ 8,267,560
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not reported in the funds.	25,139,003
Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds.	372,962
Payables for bond principal which are not due in the current period are not reported in the funds.	(7,145,908)
Payables for capital leases which are not due in the current period are not reported in the funds.	(49,352)
Payables for bond interest which are not due in the current period are not reported in the funds.	(102,296)
Payables for compensated absences which are not due in the current period are not reported in the funds.	(187,378)
Court fines receivable unavailable to pay for current period expenditures are deferred in the funds.	1,048,064
Ambulance receivables unavailable to pay for current period expenditures are deferred in the funds.	289,556
Recognition of the County's other post employment benefits is not reported in the funds.	(296,374)
Recognition of the County's net pension liability is not reported in the funds.	(1,597,893)
Deferred Resource Inflows related to the pension plan are not reported in the funds.	(283,803)
Deferred Resource Outflows related to the pension plan are not reported in the funds.	970,388
Net position of governmental activities - Statement of Net Position	\$ <u>26,424,529</u>

The accompanying notes are an integral part of this statement.

COLORADO COUNTY, TEXAS
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015**

	General Fund	Other Governmental Funds	Total Governmental Funds
Revenues:			
<i>Ad valorem taxes, penalty and interest</i>	\$ 5,958,780	\$ 3,223,321	\$ 9,182,101
<i>Other taxes</i>	1,458,846	—	1,458,846
<i>Licenses and permits</i>	25,932	772,832	798,764
<i>Fines and forfeitures</i>	825,788	22,939	848,727
<i>Charges for services</i>	1,774,590	194,531	1,969,121
<i>Intergovernmental</i>	247,350	178,771	426,121
<i>Contributions</i>	—	30	30
<i>Miscellaneous</i>	259,389	111,237	370,626
Total revenues	<u>10,550,675</u>	<u>4,503,661</u>	<u>15,054,336</u>
Expenditures:			
Current:			
<i>General administration</i>	1,889,317	200,332	2,089,649
<i>Financial administration</i>	504,408	—	504,408
<i>Judicial</i>	1,420,270	51,093	1,471,363
<i>Public safety</i>	5,770,717	58,371	5,829,088
<i>Public facilities</i>	489,495	766	490,261
<i>Public transportation</i>	—	3,316,986	3,316,986
<i>Conservation</i>	149,665	—	149,665
<i>Health and welfare</i>	338,236	39,150	377,386
Capital outlay	—	12,837	12,837
Debt service:			
<i>Principal</i>	—	393,064	393,064
<i>Interest and fiscal charges</i>	—	254,110	254,110
Total expenditures	<u>10,562,108</u>	<u>4,326,709</u>	<u>14,888,817</u>
Excess (deficiency) of revenues over (under) expenditures	(11,433)	176,952	165,519
Other financing sources (uses):			
<i>Transfers in</i>	—	55,757	55,757
<i>Transfers out</i>	(20,000)	(35,757)	(55,757)
Total other financing sources (uses)	<u>(20,000)</u>	<u>20,000</u>	<u>—</u>
Net change in fund balance	(31,433)	196,952	165,519
Fund balances, January 1	2,850,275	5,117,373	7,967,648
Prior period adjustment	<u>134,393</u>	—	<u>134,393</u>
Fund balances, December 31	<u>\$ 2,953,235</u>	<u>\$ 5,314,325</u>	<u>\$ 8,267,560</u>

The accompanying notes are an integral part of this statement.

COLORADO COUNTY, TEXAS

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2015

Net change in fund balances - total governmental funds	\$ 165,519
Amounts reported for governmental activities in the Statement of Activities ("SOA") are different because:	
Capital outlays are not reported as expenses in the SOA.	1,265,082
The depreciation of capital assets used in governmental activities is not reported in the funds.	(2,021,787)
The gain or loss on the sale of capital assets is not reported in the funds.	(1,800)
Certain property tax revenues are deferred in the funds. This is the change in these amounts this year.	4,359
Repayment of bond principal is an expenditure in the funds but is not an expense in the SOA.	385,000
(Increase) decrease in accrued interest from beginning of period to end of period.	(7,169)
Compensated absences are reported as the amount earned in the SOA but as the amount paid in the funds.	(12,775)
Certain fine revenues are deferred in the funds. This is the change in these amounts this year.	15,609
Certain ambulance receivables are deferred in the funds. This is the change in these amounts this year.	(104,037)
Proceeds of leases do not provide revenue in the SOA, but are reported as current resources in the funds.	(49,352)
Change in OPEB liability is not reported in the funds.	(12,106)
Change in the County's net pension liability is not reported in the funds.	171,021
Change in net position of governmental activities - Statement of Activities	\$ <u>(202,436)</u>

The accompanying notes are an integral part of this statement.

COLORADO COUNTY, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2015

	Agency Funds
ASSETS	
Cash	\$ 1,238,390
Total Assets	\$ 1,238,390
LIABILITIES	
Accounts payable	\$ 5,551
Due to others	780,488
Due to other governments	452,351
Total Liabilities	\$ 1,238,390

The accompanying notes are an integral part of this statement.

COLORADO COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the government-wide financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. All fiduciary activities are reported only in the fund financial statements. Governmental activities normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions. The County has no legally separate component units.

B. Reporting Entity

The County is governed by an elected judge and four county commissioners which comprise the commissioners court.

The Colorado County Commissioners' Court is the level of government which has oversight responsibility and control over all activities of the County. The Court is composed of four commissioners, one elected from each of the four precincts in the County, and the County Judge elected from the entire County. The members are elected by the public and have decision making authority, the power to designate management, the ability to significantly influence operations, and primary accountability for fiscal matters. The County's operational activities include general and financial administration, judicial, public safety, public facilities, construction and maintenance of roads, conservation and health and welfare assistance. Although the County receives funding from local, state and federal government entities, it is not included in any other government's "reporting entity."

For financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The criteria used are as follows:

Financial Accountability - The primary government is deemed to be financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits or impose specific financial burdens on the primary government. Additionally, the primary government may be financially accountable if an organization is fiscally dependent on the primary government regardless of whether the organization has a separately elected governing board, a governing board appointed by a higher level of government or a jointly appointed board. There are no component units which satisfy requirements for blending or discrete presentation within the County's financial statements. Accordingly, the financial statements present the County only.

C. Basis of presentation – government-wide financial statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

D. Basis of presentation – fund financial statements

The fund financial statements provide information about the government's funds, including its fiduciary funds. Separate statements for each fund category—governmental and fiduciary—are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The government reports the following major governmental funds:

The *general* fund is the County's primary operating fund and is always classified as a major fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

COLORADO COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2015

Major revenue sources include property and other taxes, intergovernmental revenues, charges for services, and investment of idle funds. Primary expenditures are for general and financial administration, judicial, public safety, public facilities, conservation and health and welfare assistance,

Additionally, the County reports the following fund types:

Sixteen nonmajor *special revenue* funds account for specific revenue sources that are legally restricted to expenditures for specialized purposes.

The *debt service* fund is used to account for the payment of principal and interest on general long-term bonded debt of the City. Payments of principal and interest on equipment, financing used in general activities of the City and other financing are serviced by the General Fund.

The *capital projects* fund is used to account for revenues and expenditures related to the acquisition and/or the restoration of public facilities and infrastructure improvements.

Ten *agency* funds account for assets held by the County as an agent for individuals, private organizations, other governments and other fiduciary funds. Agency funds do not involve a formal trust agreement. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations; these funds are used by the County Clerk, District Clerk, JP #1, JP #2, JP #3, JP #4, County Sheriff, County Attorney, County Tax Assessor/Collector, County Attorney, and for Payroll Clearing.

During the course of operations the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

E. Measurement focus and basis of accounting

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability has been 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.

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

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

COLORADO COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

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have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

Agency funds have no measurement focus but utilize the accrual basis of accounting for reporting their assets and liabilities.

F. Budgetary information

1. Budgetary basis of accounting

Annual budgets are adopted on the cash basis for the general fund, debt service fund and certain special revenue funds. Other special revenue funds do not have appropriated budgets since other means control the use of these resources (e.g. state law or specific authorization by the Commissioners Court). The capital projects funds are appropriated on a project-length basis. Cash received in the current year, representing collection of the tax levy intended to finance the subsequent fiscal year's operations, is not included in revenue.

Cash representing property tax collected/received in advance of the fiscal year it is intended to finance is omitted from beginning and ending cash balances on budgetary schedules.

Annual budgets were not adopted for the following special revenue funds: County Attorney Forfeiture, Sheriff Forfeiture, LEOSE, Historical Commission, Hot Check, and the County Attorney Salary Supplement.

The County Judge is, by statute, the Budget Officer of the County and has the responsibility of preparing the County's budget. Under the County's budgeting procedures, each department submits a budget request to the County Judge. The County Judge reviews budget requests and holds informal hearings when needed. Before October 1, a proposed budget is presented to the Commissioners' Court. A public hearing is then held and the Commissioners' Court takes action on the proposed budget. Before determining the final budget, the Commissioners' Court may increase or decrease the amounts requested by the various departments. Amounts finally budgeted may not exceed the estimate of revenues and available cash.

Once the budget has been adopted by the Commissioners' Court, the County Auditor is responsible for monitoring the expenditures of the various departments of the County to prevent expenditures from exceeding budgeted appropriations and for keeping members of the Commissioners' Court advised of the conditions of the various funds and accounts.

The appropriated budget is prepared by fund, department and category. Any transfers of appropriations are first approved by the Commissioners' Court. Department heads may approve line item transfers for expenditures of their respective departments. However, no amendments for the personnel services category may be made without Commissioners' Court approval to the total budget. Thus, the legal level of budgetary control is at the personnel services category level within each department and the department level overall. Expenditures can exceed appropriations as long as they do not exceed available revenues and cash balances.

The Commissioners' Court made several supplemental budgetary appropriations throughout the year. Supplementary budgetary appropriations were made for the general fund and certain special revenue funds. Approximate changes were as follows:

General Fund	\$ 350,800	*/***
Special Revenue Funds		
County Attorney Forfeiture	23,500	*
Sheriff Forfeiture	800	*
Road & Bridge Precinct No. 1	126,200	***/**
Road & Bridge Precinct No. 2	52,800	**
Road & Bridge Precinct No. 3	121,100	*/**
Road & Bridge Precinct No. 4	12,500	**
LEOSE	13,327	*
Records Preservation	150,000	*
* Funded with available fund balance and/or additional miscellaneous income.		
** Funded with available fund balance and charges for services.		
*** Funded with grant proceeds.		

COLORADO COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

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3. Budget/GAAP reconciliation

The following is a reconciliation of budget basis to GAAP basis for the General Fund:

	General Fund
Change in net unrestricted cash and investments	
- Budget Basis	\$ 71,708
Adjustments to GAAP basis	
Revenue recognition differences	(64,053)
Expenditure recognition differences	(39,088)
Net change in fund balance - GAAP Basis	<u>\$ (31,433)</u>

G. Use of Estimates

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

H. Assets, liabilities, deferred outflows/inflows of resources and net position/fund balance

1. Cash and cash equivalents

The County's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Restricted cash is reported in funds receiving ad valorem tax revenue for taxes levied for use in fiscal year 2016.

2. Investments

The County's investment policy authorizes the County to invest in (1) obligations of the United States or its agencies and instrumentalities; (2) direct obligations of the State of Texas or its agencies; (3) other obligations, the principal of and interest on which are unconditionally guaranteed or insured by the State of Texas or the United States; (4) obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent; (5) certificates of deposit by state and national banks domiciled in this state that are (A) guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor; or, (B) secured by obligations that are described by (1) - (4); (6) money market mutual funds regulated by the Securities and Exchange Commission with a dollar weighted average portfolio maturity of 90 days or less; (7) eligible investment pools organized and operating in compliance with the Public Funds Investment Act that have been authorized by the Commissioner's Court, and whose investment philosophy and strategy are consistent with the Policy and the County's ongoing investment strategy.

Investments maturing within one year of date of purchase are stated at cost or amortized cost; all other investments are stated at fair value which is based on quoted market prices. All investment income is recognized in the appropriate fund's statement of activity and or statement of revenues, expenditures and changes in fund balance.

3. Receivables and Payables

Due from Other Governments - Due from other governments include amounts due from grantors for approved grants for specific programs and reimbursements for services performed by the County. Program grants are recorded as receivables and revenues at the time all eligibility requirements established by the grantor have been met.

Reimbursements for services performed are recorded as receivables and revenue when they are earned in the government-wide statements. Included are fines and costs assessed by court action and billable services for certain

COLORADO COUNTY, TEXAS

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contracts. Revenues received in advance of the costs being incurred are recorded as deferred revenue in the fund statements. Receivables are shown net of an allowance for uncollectibles.

4. *Capital assets*

Capital assets, which include land, buildings and improvements, equipment, and infrastructure assets (e.g., roads and bridges), are reported in the government-wide financial statements. Capital assets (except for grant assets with lower thresholds) are defined as assets with a cost of \$5,000 or more. Infrastructure assets include County-owned roads and bridges. Capital assets are recorded at historical costs if purchased or constructed.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the government chose to include all such items regardless of their acquisition date or amount. The government was able to estimate the historical cost for the initial reporting of these assets through back trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). As the government constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life.

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

Land and construction in progress are not depreciated. The other property, plant, equipment, and infrastructure of the primary government are depreciated using the straight line method over the following estimated useful lives:

Buildings and improvements	30 years
Equipment	3 - 10 years
Infrastructure	20 - 45 years

5. *Deferred outflows/inflows of resources*

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Within this category, the County reports deferred charge on refunding and deferred pension outflows in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price and is amortized over the shorter of the life of the refunded or refunding debt. The deferred pension outflows represents pension related investment and economic/demographic losses and pension contributions subsequent to the last measurement date.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Within this category, the County reports deferred ad valorem taxes receivable, taxes collected in advance of the fiscal year they may be used to finance activities, and pension experience gains. has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes, special assessments, and deferred pension inflows. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

6. *Net position flow assumption*

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

COLORADO COUNTY, TEXAS

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8. Fund balance flow assumptions

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

9. Fund balance policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the County's highest level of decision-making authority. The Commissioners Court is the highest level of decision-making authority for the County that can, by adoption of a court order prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the court order remains in place until a similar action is taken (the adoption of another court order) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the County for specific purposes but do not meet the criteria to be classified as committed. The Commissioners Court has by court order authorized the county auditor to assign fund balance. The Commissioners Court may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

The County has adopted a minimum fund balance policy as follows:

- General Fund – Unassigned fund balance of approximately 18 – 25% of current year budgeted expenditures.
- Road and Bridge Funds – Assigned fund balance of approximately 18 – 25% of current year budgeted expenditures.
- Debt Service Fund – Restricted fund balance of approximately 25 – 50% of the following year's debt service requirements.

All funds had fund balance above their respective required minimum amounts.

I. Revenues and expenditures/expenses

1. Program revenues

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

2. Property taxes

The appraisal of property within the County is the responsibility of the Colorado County Appraisal District as required by legislation passed by the Texas Legislature. The Appraisal District is required under such legislation 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. The value of property within the appraisal district must be reviewed every five 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.

The County's property tax is levied and recorded as a receivable each October 1, on the assessed value listed as of the prior January 1, for all real and business property located in the County. Taxes are delinquent on February 1 following

COLORADO COUNTY, TEXAS

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the October 1 levy date. A statutory lien becomes effective on all property with unpaid taxes as of January 1 of the year following the assessment. The County is prohibited from using taxes collected between October 1 and December 31 until the first day of the budget year for which the taxes are levied. As a result, taxes collected between these dates are shown as restricted cash and deferred revenue on the balance sheets of the General and Debt Service Funds.

3. Compensated absences

Vacation

The County's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment upon separation from government service. The liability for such leave is reported as incurred in the government-wide financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Sick Leave

Accumulated sick leave lapses when employees leave the employ of the County and, upon separation from service, no monetary obligation exists.

Liabilities for compensated absences are liquidated by the General fund and the four Road and Bridge funds.

II. Reconciliation of government-wide and fund financial statements

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position

The governmental fund balance sheet includes a reconciliation between fund balances for total governmental funds and net position as reported in the government-wide statement of net position. The details of the difference are as follows:

Court fines receivable are unavailable to pay for current period expenditures

Deferred fines and fee revenue	
County clerk fines	\$ 159,089
District clerk fines	207,762
Justice of peace fines	<u>681,213</u>
	\$ <u>1,048,064</u>

III. Stewardship, compliance, and accountability

Excess of expenditures over appropriations

The following funds had excess of expenditures over appropriations for personnel services within a department or for a department/fund:

General Fund	
County Judge - Personnel services	\$ 530
Commissioners Court - Personnel services	612
County Treasurer - Personnel services	104
Public Safety	3

IV. Detailed notes on all activities and funds

A. Cash deposits with financial institutions

Custodial Credit Risk – Deposits. In the case of deposits this is the risk, that in the event of a bank failure, the County's deposits may not be returned to it. The County requires all deposits to be covered by Federal Depository

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Insurance Corporation (FDIC) insurance and/or collateralized by qualified securities pledged by the County's depository in the County's name and held by the depository's agent.

State statutes require that all deposits in financial institutions be fully collateralized by U.S. Government obligations or its agencies and instrumentalities or direct obligations of Texas or its agencies and instrumentalities that have a market value of not less than the principal amount of the deposits. The County's deposits, including certificates of deposit, were fully insured or collateralized as required by the state statutes at December 31, 2015. At year end, the carrying amount of the County's deposits was \$11,479,944 (including \$2,102,251 restricted) and the respective bank balance was \$12,069,971. The bank balance was collateralized with securities held by the pledging financial institution's agent in the County's name. At year end, the County's depository had pledged securities, with a par value of \$16,550,327 and fair value of \$16,786,088.

B. Investments

State statutes, County bond ordinances and Commissioners Court orders authorize the County's investments. Although the County was actively investing during the year, there were no investments at December 31, 2015. The County has elected to disclose the various investment risks it is exposed to along with deposit risk.

Interest Rate Risk. – In accordance with its investment policy, the County manages its exposure to declines in fair value by limiting the weighted average maturity of its portfolios as follows:

- Operating portfolio - less than 270 days.
- Surplus funds portfolio – up to 5 years.
- Construction and capital improvements portfolios – up to 5 years.
- Special revenue fund portfolios – up to 2 years.
- Registry and state agency funds – up to 90 days.

Credit Risk – The County's investment policy limits investments as described previously in Note I.H.2.

Concentration of Credit Risk – With the exception of U.S. Government securities (100%), as authorized, and authorized local government investment pools (up to 60%), no more than 50% of the total investment portfolio may be invested in any one security type or with a single financial institution. Investments in money market mutual funds are limited to 10% of the County's total portfolio.

Custodial Credit Risk – Investments. For an investment, this is the risk that, in the event of a failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of the outside party.

C. Receivables

Governmental fund type receivables consist of amounts due for property taxes or amounts due for services (net of allowance for uncollectibles). Any portion of receivables that does not meet the criteria for revenue recognition is recorded as deferred revenue.

Concentrations of Credit Risk. - Governmental fund type accounts and taxes receivable are due from citizens and businesses within the County's boundaries. Risk of loss is immaterial due to wide dispersion of receivables and because of policies which address procedures for approving credit and filing property tax liens.

COLORADO COUNTY, TEXAS*NOTES TO FINANCIAL STATEMENTS**Year Ended December 31, 2015*

Receivables for individual major funds and nonmajor funds in the aggregate at December 31, 2015 were as follows:

	Major Fund General	Non-Major Funds	Total
Taxes receivable	\$ 4,646,678	\$ 2,440,181	\$ 7,086,859
Accounts receivable:			
Ambulance receivable	3,950,054	-	3,950,054
Allowance for uncollectible accounts	(3,660,498)	-	(3,660,498)
	<u>289,556</u>	<u>-</u>	<u>289,556</u>
Fines receivable	6,882,948	177,913	7,060,861
Allowance for uncollectible accounts	(2,752,765)	(130,386)	(2,883,151)
	<u>4,130,183</u>	<u>47,527</u>	<u>4,177,710</u>
Other receivables	37,118	1,713	38,831
Total Accounts Receivable	<u>4,456,857</u>	<u>49,240</u>	<u>4,506,097</u>
Total	<u>\$ 4,936,234</u>	<u>\$ 2,440,181</u>	<u>\$ 7,376,415</u>

Governmental funds report *deferred inflows of resources* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *unavailable revenue* and *unearned revenue* reported in the governmental funds were as follows:

	Unavailable	Deferred	Difference
Governmental Activities			
Deferred pension inflows	\$ -	\$ 283,800	\$ (283,800)
General Fund			
Ambulance receivable	289,555	-	289,555
Fines and fees receivable	1,000,534	-	1,000,534
Taxes collected in advance	2,328,401	2,328,401	-
Current ad valorem taxes receivable	4,634,920	4,403,125	231,795
	<u>8,253,410</u>	<u>6,731,526</u>	<u>1,521,884</u>
Non-Major Funds			
Fines and fees receivable	47,527	-	47,527
Taxes collected in advance	1,211,817	1,211,817	-
Current ad valorem taxes receivable	2,433,412	2,292,246	141,166
	<u>3,692,756</u>	<u>3,504,063</u>	<u>188,693</u>
Total	<u>\$ 11,946,166</u>	<u>\$ 10,519,389</u>	<u>\$ 1,426,777</u>

The current ad valorem taxes receivable represent taxes levied on October 1 to be used to finance activities for the following fiscal year beginning on January 1.

D. Capital assets

Capital assets are recorded at cost or, if donated, at fair market value at the date of receipt. In accordance with GASB-34, depreciation policies were adopted to include useful lives and classification by function. Infrastructure assets are listed at estimated or actual historical costs. General capital assets are not capitalized in the funds used to acquire or

COLORADO COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2015

construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in governmental-type activities. Donated capital assets are valued at their estimated fair market value on the date of donation.

The County uses the following criteria to classify capital assets:

Useful life exceeds one year, and cost equals \$5,000 or more for assets acquired by governmental funds.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Depreciation and amortization of capital assets are estimated using the straight line method over estimated useful lives and are charged as an expense against operations. Accumulated depreciation and amortization are reported for governmental activities.

The following is a summary of capital asset activity for the year ended December 31, 2015:

	Balance 12/31/14	Additions	Retirements	Transfers and Completed Construction	Balance 12/31/15
GOVERNMENTAL ACTIVITIES:					
Capital assets, not being depreciated:					
Land	\$ 501,410	\$ -	\$ -	\$ -	\$ 501,410
Total capital assets not being depreciated	501,410	-	-	-	501,410
Capital assets, being depreciated					
Buildings and improvements	25,161,289	7,500	-	-	25,168,789
Equipment	9,464,722	664,223	(465,448)	-	9,663,497
Infrastructure	98,403,109	593,359	(458,215)	-	98,538,253
Total capital assets being depreciated	133,029,120	1,265,082	(923,663)	-	133,370,539
Less accumulated depreciation for:					
Buildings and improvements	(9,795,095)	(793,096)	-	-	(10,588,191)
Equipment	(6,937,010)	(659,877)	463,648	-	(7,133,239)
Infrastructure	(90,900,917)	(568,814)	458,215	-	(91,011,516)
Total accumulated depreciation	(107,633,022)	(2,021,787)	921,863	-	(108,732,946)
Total capital assets being depreciated, net	25,396,098	(756,705)	(1,800)	-	24,637,593
Governmental activities capital assets, net	\$ 25,897,508	\$ (756,705)	\$ (1,800)	\$ -	\$ 25,139,003

Depreciation expense was charged to governmental activities functions/programs of the primary government as follows:

Functions/Programs

General administration	\$ 492,571
Judicial	505,816
Public safety	15,482
Public transportation	11,667
Health and welfare	996,251
	<u>\$ 2,021,787</u>

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E. Pension obligations

Texas County and District Retirement System (TCDRS)

1. Plan Description.

The County provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional defined benefit plan in the state-wide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multi-employer public employee retirement system consisting of nontraditional defined benefit pension plans. TCDRS in the aggregate issues a comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas, 7876820343.

The plan provisions are adopted by the County commissioners' court, within the options available in the state statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with 8 or more years of service or with 30 years regardless of age or when the sum of their age and years of service equals 75 or more. Members are vested after 8 years but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump-sum are not entitled to any amounts contributed by their employer.

Benefit amounts are determined by the sum of the employee's contributions to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the County commissioners' court within the 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 contribution and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

2. Benefits.

TCDRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the County, within the options available in the state statutes governing TCDRS.

At the December 31, 2014 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees (or their beneficiaries) currently receiving benefits	63
Inactive employees entitled to but not yet receiving benefits	66
Active employees	183
	<hr/>
	312

3. Contributions.

The contribution rate for employees in TCDRS is 7% of employee gross earnings, and the County percentage is 12.04%, both as adopted by the governing body of the County. Under the state law governing TCDRS, the contribution rate for each County is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

The County's contributions to TCDRS for the year ended December 31, 2015, were \$748,789 and were equal to the required contributions.

4. Net Pension Liability.

The County's Net Pension Liability (NPL) was measured as of December 31, 2014, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

COLORADO COUNTY, TEXAS

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The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. 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	Dow Jones U.S. Total Stock Market Index	16.50%	5.35%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index	12.00%	8.35%
Global Equities	MSCI World (net) Index	1.50%	5.65%
	50% MSCI World Ex USE (net) + 50% MSCI		
International Equities - Developed	World ex USA 100% Hedged to USD (net) Index	11.00%	5.35%
	50% MSCI EM Standard (net) Index + 50% MSCI		
International Equities - Emerging	EM 100% Hedged to USD (net) Index	9.00%	6.35%
Investment Grade Bonds	Barclays Capital Aggregate Bond Index	3.00%	0.55%
High-Yield Bonds	Citigroup High-Yield Cash-Pay Capped Index	3.00%	3.75%
Opportunistic Credit	Citigroup High-Yield Cash-Pay Capped Index	5.00%	5.54%
Direct Lending	Citigroup High-Yield Cash-Pay Capped Index	2.00%	5.80%
Distress Debt	Citigroup High-Yield Cash-Pay Capped Index	3.00%	6.75%
REIT Equities	Citigroup High-Yield Cash-Pay Capped Index	2.00%	4.00%
Commodities	Bloomberg Commodities Index	2.00%	-0.20%
Master Limited Partnerships (MLPs)	Alerian MLP Index	2.00%	5.30%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index	3.00%	7.20%
	Hedge Fund Research, Inc. (HFRI) Fund of Funds		
Hedge Funds	Composite Index	25.00%	5.15%
		100.00%	

5. Discount Rate

The discount rate used to measure the Total Pension Liability (Asset) was 8.1%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability (Asset).

COLORADO COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2015

6. Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(c)
Balance at 12/31/2013	\$ 21,037,191	\$ 19,252,846	\$ 1,784,345
Changes for the year:			
Service cost	761,630	-	761,630
Interest	1,710,490	-	1,710,490
Change of benefit terms	-	-	-
Difference between expected and actual experience	(378,403)	-	(378,403)
Changes of assumptions	-	-	-
Contributions - employer	-	402,904	(402,904)
Contributions - employee	-	697,017	(697,017)
Net investment income	-	1,312,625	(1,312,625)
Benefit payments, including refunds of employee contributions	(598,521)	(598,521)	-
Amortization of prior year assets	-	-	-
Administrative expense	-	(15,490)	15,490
Other changes	-	(116,887)	116,887
Net changes	1,495,196	1,681,648	(186,452)
Balance at 12/31/2014	\$ 22,532,387	\$ 20,934,494	\$ 1,597,893

7. Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the County, calculated using the discount rate of 8.1%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (7.1%) or 1 percentage point higher (9.1%) than the current rate:

	1% Decrease 7.1%	Current Discount Rate 8.1%	1% Increase 9.1%
Total Pension Liability	\$ 25,380,445	\$ 22,532,387	\$ 20,178,924
Fiduciary Net Position	20,934,494	20,934,494	20,934,494
Net Pension Liability / (Asset)	\$ 4,445,951	\$ 1,597,893	\$ (755,570)

8. 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.

COLORADO COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2015

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

For the year ended September 30, 2015, the County recognized pension expense of \$572,768. At December 31, 2015, the County reported deferred outflows and inflows of resources related to pensions from the following sources:

	Original Amount	Date Established	Original Recognition Period	Amount Recognized in 12/30/14 Expense	Balance of Deferred (Inflows)/Outflow 12/31/2014
Investment (gains) or losses	\$ 165,140	12/31/2014	5.0	\$ 33,028	\$ 132,112
Economic/demographic (gains)	9,847	12/31/2014	4.0	2,462	7,385
Employer contributions made	697,091	1/1/2015	1.0	(51,698)	748,789
				<u>\$ (16,208)</u>	<u>\$ 888,286</u>

\$748,789 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2015. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

2015	\$ 784,278
2016	35,490
2017	35,490
2018	33,028
	<u>\$ 888,286</u>

F. Other postemployment benefit (OPEB) obligations

Colorado County Retiree Health Care Plan

Plan Description. The Colorado County Retiree Health Care Plan is not a formal document detailing the specific terms of the plan, but is a substantive plan - loosely defined as the benefits covered by the plan as understood by the employer and plan members at the time of each actuarial valuation.

Plan Eligibility. Permanent full-time employees who retire drawing a monthly county pension from the Texas County & District Retirement System (TCDRS) are eligible to participate in the Texas Association of Counties HEBP health care plan at the expense of the retiree.

Members are eligible for retirement in TCERS at age 60 with 8 years of service credit or at any age with 20 years of service credit or when member's age plus service credit totals 75. Members terminating before normal retirement conditions are not eligible. Benefits include dental/vision coverage, and life insurance.

Retirees who terminate employment before normal retirement conditions are not eligible.

Retiree's surviving spouses are eligible for death-in-service benefits if the spouse was enrolled in the TAC HEBP health care plan at the time of the retiree's death at the expense of the surviving spouse.

Employees who become eligible for disability retirement also are eligible to participate in the plan at the expense of the retiree.

COLORADO COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2015

TAC HEBP health care coverage terminates once the retiree is eligible for Medicare. The retiree is then eligible for the County Silver Choice Plan at the retiree's expense. Spouses and dependents of a Medicare eligible retiree may continue TAC HEBP health care coverage for up to 18 months through COBRA.

Health Care and Other Benefits. Retiree medical coverage for retirees is the same as coverage provided to active County employees in accordance with the terms and conditions of the current TAC HEBP health care coverage if they were enrolled at the time of death. Benefits include medical and prescription drug, vision/dental coverage, and life insurance (\$10,000 without AD&D until age 65). All benefits are provided at the expense of the retiree.

Funding Policies. The County does not make annual contributions to the plan, but it records as expense, the change in the Net OPEB Obligation.

Under this funding policy, GASB 45 requires the use of a discount rate consistent with the investment return on the employer's general assets. In the valuation, the discount rate is 4.5%.

The actuarially determined contribution requirement for the County's fiscal year is computed through an interim actuarial projection performed as of December 31, 2015. The actuarial projection is performed to determine the adequacy of the contribution rate, to describe the current financial condition of OPEB and to analyze changes in conditions.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress presented as required supplementary information (initiated in 2008) provides multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Projections of benefits are based on the plan and include the types of benefits in force at the valuations date and the pattern of sharing benefit costs between the County and the plan members to that point. Actuarial calculations reflect a long term perspective and employ methods and assumptions that are designed to reduce short term volatility in actuarial accrued liabilities and the actuarial value of assets. Significant methods and assumptions are as follows:

Significant Actuarial Assumptions

Actuarially assumed investment rate	4.0% net of expenses
Mortality rates for males and females	RP 2000 Projection AA 2015
Retirement, disability and separation rates	Graduated rates based on age (detailed in actuary's report).
Actuarial cost method	The projected unit credit cost method.
General inflation	3.0% per annum
Payroll growth rate	3.0% per annum
Health cost increase	5.0% per annum
Method used for determining actuarial value of assets	Market value of assets
Amortization method	Level percentage of compensation
Amortization period	Open 30 year period

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

Year Ended December 31, 2015

The County's net OPEB liability for fiscal years ended December 31, 2015, 2014, and 2013 are as follows:

	2015	2014	2013
Annual Required Contribution (ARC)	\$ 17,616	\$ 17,426	\$ 17,733
Interest on net OPEB (NOPEB)	12,796	12,242	11,407
Adjustment to ARC	(11,858)	(11,343)	(10,569)
Annual OPEB cost	18,554	18,325	18,571
Participant contributions	(6,546)	(6,014)	-
Change in OPEB	12,008	12,311	18,571
NOPEB - January 1	284,364	272,053	253,482
NOPEB - December 31	<u>\$ 296,372</u>	<u>\$ 284,364</u>	<u>\$ 272,053</u>

Funded status and funding progress. As of December 31, 2014, the most recent actuarial valuation date, the funded status of the plan was as follows:

Year Ended	Annual OPEB Cost	County Contribution	Percentage Contributed	Net OPEB Cost
December 31, 2015	\$ 18,555	\$ -	0.0%	\$ 296,372
December 31, 2014	18,325	-	0.0%	284,364
December 31, 2013	18,571	-	0.0%	272,053

G. Risk management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; injuries to employees; employee health benefits; and other claims of various natures. The County participates in the Texas Association of Counties Intergovernmental Risk Pool (Pool) which provides protection for risks of loss. Premiums are paid to the Pool which retains the risk of loss beyond the County's policy deductibles. Any losses reported but unsettled or incurred and not reported, are believed to be insignificant to the County's basic financial statements. For the last three years, there have been no significant reductions of insurance coverage or insurance settlements in excess insurance coverage. Any losses reported but unsettled or incurred and not reported, are believed to be insignificant to the County's basic financial statements.

H. Lease obligations

Operating Leases. The County has entered into operating leases for copy machines for various offices which monthly payments are made by the general fund.

<u>FY</u>	<u>Amount</u>
2016	\$ 9,684
2017	8,719
2018	4,821

I. Long-term liabilities

The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the County. These bonds generally are repaid by the debt service funds.

COLORADO COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2015

At December 31, 2015, the County had the following outstanding bonded debt:

Purpose	Original Amount	Year of Issue	Final Maturity	Average Annual Payment	Interest Rate	Balance 12/31/2015
GOVERNMENTAL ACTIVITIES DEBT						
Certificates of Obligation:						
Building restoration	\$ 5,000,000	2008	2028	424,500	1.25% - 3.92%	\$ 4,540,000
Building restoration	2,750,000	2012	2031	187,000	3.92%	2,625,000
Bond premium/discount						-
Total Governmental Activities Debt						<u>\$ 7,165,000</u>

Annual debt service requirements to maturity for general debt are as follows:

Year Ending December 31,	Principal	Interest	Total
2016	\$ 425,000	\$ 240,918	\$ 665,918
2017	435,000	227,138	662,138
2018	445,000	212,966	657,966
2019	455,000	198,402	653,402
2020	470,000	183,446	653,446
2021 - 2025	2,550,000	672,357	3,222,357
2026 - 2030	2,185,000	208,342	2,393,342
2031	200,000	5,750	205,750
	<u>\$ 7,165,000</u>	<u>\$ 1,949,319</u>	<u>\$ 9,114,319</u>

Interest incurred and charged to expense totaled \$248,342. Payments for this debt are made by the debt service fund.

Capital Lease Obligation

Capitalized lease obligations are comprised of leases which terms provide for a bargain purchase options at the end of the lease period or provide the rights of ownership during the economic useful life of the assets. The general fund is used to make payments as due.

\$49,352 due in monthly instalments of \$621 including interest accruing at 5.85%,
maturing in August, 2016 and secured by equipment with an original cost
and net book value of \$49,352

\$ 49,352

COLORADO COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2015

Annual scheduled lease payments are as follows:

Year Ending December 31,	Amount
2016	\$ 10,790
2017	10,790
2018	10,790
2019	10,789
2020	10,789
	<u>53,948</u>
Less interest	<u>(4,596)</u>
	<u>\$ 49,352</u>

Changes in long-term liabilities for the year ended December 31, 2015 are as follows:

	12/31/2014	Additions	Retirements	12/31/2015	Due in One Year
GOVERNMENTAL ACTIVITIES:					
Certificates of obligation	\$ 7,550,000	\$ -	\$ (385,000)	\$ 7,165,000	\$ 425,000
Bond premium	-	-	-	-	-
Bond discount	(20,286)	-	1,193	(19,093)	(1,193)
Capital lease obligation	-	49,352	-	49,352	10,068
Compensated absences payable	174,510	261,273	(248,405)	187,378	178,009
OPEB obligation	284,364	12,008	-	296,372	-
Net pension obligation	1,784,345	2,604,497	(2,790,948)	1,597,894	748,715
	<u>\$ 9,772,933</u>	<u>\$ 2,927,130</u>	<u>\$ (3,423,160)</u>	<u>\$ 9,276,903</u>	<u>\$ 1,360,599</u>

J. Fund balance

In government-wide statements, Net position is classified into three categories as follows:

1. *Net investment in capital assets* – This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, leases, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
2. *Restricted* – This component of net position consists of assets whose use is restricted by contributors, laws or regulations of other governments, or by laws through constitutional provisions or enabling legislation.
3. *Unrestricted* – This component of net position consists of those assets that do not meet the definition of “restricted” or “net investment in capital assets.”

Governmental funds classify fund balances as follows:

1. *Nonspendable Fund Balances* – Amounts that cannot be spent because they are either not in a spendable form or are legally or contractually required to be maintained intact.
2. *Restricted Fund Balance* – Amounts that can be spent only for specific purposes because of constraints imposed by external providers, or imposed by constitutional provisions or enabling legislation.
3. *Committed Fund Balance* – Amounts that can only be used for specific purposes pursuant to constraints imposed by the Commissioners Court (the “Court”) by formal action through adoption of a resolution, unless the Court removes or changes the specified use by taking the same type of action used to commit the amounts.
4. *Assigned Fund Balance* – Amounts assigned to a specific purpose to which the Court has delegated authority to the County Auditor to determine the assigned amounts of each fund.
5. *Unassigned Fund Balance* – Amounts that are available for any purpose; these amounts can be reported only in the County’s General Fund or as deficits in other governmental funds.

COLORADO COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2015

Fund balance amounts represent the nature of the net resources that are reported in a governmental fund. The County fund balance classifications include non-spendable resources, restricted, and non-restricted (committed, assigned and unassigned) amounts. When the County incurs an expenditure for an unrestricted amount, committed amounts are reduced first, followed by assigned amounts and then unassigned amounts for purposes in which any of those unrestricted fund balance classifications could be used.

	General Fund	Other Funds	Total
Fund Balances:			
Restricted for:			
Debt service	\$ -	\$ 188,564	\$ 188,564
Justice administration	-	370,443	370,443
Preservation	-	345,582	345,582
County administration facilities	-	8,628	8,628
Capital projects	-	47,279	47,279
Committed to:			
Airport operations	-	1,172	1,172
County administration facilities	-	179,096	179,096
Road & bridge maintenance	-	4,171,801	4,171,801
Preservation	-	1,760	1,760
Unassigned:	2,953,235	-	2,953,235
	<u>\$ 2,953,235</u>	<u>\$ 5,314,325</u>	<u>\$ 8,267,560</u>

K. Interfund transfers

The composition of interfund transfers for the current fiscal year is as follows:

	Transfers In	Transfers Out
General Fund	\$ -	\$ 20,000
Nonmajor governmental funds	55,757	35,757
Total	<u>\$ 55,757</u>	<u>\$ 55,757</u>

Transfers were made primarily to support and courthouse preservation.

L. Commitments and Contingencies

Amounts received or receivable from grantor agencies are subject to audit and adjustment. 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 County expects such amounts, if any, to be immaterial.

From time to time, the County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of County's legal counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the County.

M. Change in Generally Accepted Accounting Principles

The County has implemented new accounting guidance from Government Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*. Certain assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenses are now recognized by governmental type activities and proprietary funds.

COLORADO COUNTY, TEXAS**NOTES TO FINANCIAL STATEMENTS***Year Ended December 31, 2015***N. Effect of Prior Period Adjustment**

The implementation of GASB68 requires that the current period beginning net position be adjusted for the amount of the net pension obligation and deferred outflows at 12/31/14. Accordingly, beginning net position has been adjusted to reflect those amounts and a underreported long-term liability.

Description	Governmental Activities	General Fund
Net Position/Fund Balance As Previously Reported - 12/31/14	<u>\$ 27,579,827</u>	<u>\$ 4,098,106</u>
Elements of Restatement		
Due to Other Gov'ts Overstated	134,393	134,393
Adjustments Due to Implementation of GASB-68		
Report Beginning Net Pension	<u>(1,087,255)</u>	<u>-</u>
	<u>(952,862)</u>	<u>134,393</u>
Net Position Restated - 12/31/14	<u><u>\$ 26,626,965</u></u>	<u><u>\$ 4,232,499</u></u>

Required Supplementary Information

Required supplementary information includes financial information and disclosures required by the Governmental Accounting Standards Board but not considered a part of the basic financial statements.

COLORADO COUNTY, TEXAS**GENERAL FUND****BUDGETARY COMPARISON SCHEDULE****FOR THE YEAR ENDED DECEMBER 31, 2015****EXHIBIT B-1**

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	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts:				
Ad valorem taxes, penalty and interest	\$ 5,987,656	\$ 5,987,656	\$ 5,958,553	\$ (29,103)
Other taxes	1,315,350	1,515,350	1,551,125	35,775
Licenses and permits	24,000	28,000	24,932	(3,068)
Fines and forfeitures	893,200	893,200	825,182	(68,018)
Charges for services	1,594,300	1,696,100	1,744,650	48,550
Intergovernmental	162,000	277,000	215,246	(61,754)
Miscellaneous	333,494	263,494	295,040	31,546
Total receipts	10,310,000	10,660,800	10,614,728	(46,072)
Disbursements:				
Current:				
General Administration				
County Judge				
Personnel services	188,115	194,415	194,945	(530)
Supplies	2,500	2,500	1,878	622
Services and charges	6,650	6,650	3,978	2,672
Capital outlay	2,500	2,500	1,713	787
Total County Judge	199,765	206,065	202,514	3,551
Commissioners' Court				
Personnel services	292,865	292,865	293,477	(612)
Supplies	70,000	73,300	73,131	169
Services and charges	481,750	543,150	485,914	57,236
Total Commissioners' Court	844,615	909,315	852,522	56,793
County Clerk				
Personnel services	361,445	361,445	344,286	17,159
Supplies	14,000	14,000	11,872	2,128
Services and charges	18,000	19,000	15,124	3,876
Capital outlay	5,000	46,000	42,489	3,511
Total County Clerk	398,445	440,445	413,771	26,674
Elections				
Supplies	10,000	6,500	5,180	1,320
Services and charges	19,600	23,100	16,147	6,953
Total Elections	29,600	29,600	21,327	8,273
Veteran Service Officer				
Personnel services	18,590	18,590	18,586	4
Supplies	1,000	1,000	127	873
Services and charges	1,750	1,750	697	1,053
Total Veteran Service Officer	21,340	21,340	19,410	1,930
Information Technology				
Personnel services	65,870	65,870	51,675	14,195
Supplies	1,500	1,500	2,122	(622)
Services and charges	89,000	83,000	81,803	1,197
Capital outlay	2,000	8,000	5,145	2,855
Total Information Technology	158,370	158,370	140,745	17,625

COLORADO COUNTY, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT B-1
Page 2 of 6

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<i>Nondepartmental</i>				
Personnel services	\$ 113,855	\$ 103,855	\$ 79,312	\$ 24,543
Supplies	38,500	38,500	30,325	8,175
Services and charges	146,150	128,750	84,675	44,075
Capital outlay	200,000	49,750	—	49,750
Total Nondepartmental	498,505	320,855	194,312	126,543
<i>Total General Administration</i>	2,150,640	2,085,990	1,844,601	241,389
<i>Financial Administration</i>				
County Auditor				
Personnel services	186,515	186,515	185,197	1,318
Supplies	3,450	3,450	2,660	790
Services and charges	5,700	6,000	6,236	(236)
Capital outlay	2,000	2,000	—	2,000
Total County Auditor	197,665	197,965	194,093	3,872
County Treasurer				
Personnel services	45,190	45,190	45,294	(104)
Supplies	1,560	1,560	1,195	365
Services and charges	1,750	1,750	1,196	554
Capital outlay	1,500	1,500	—	1,500
Total County Treasurer	50,000	50,000	47,685	2,315
Tax Assessor - Collector				
Personnel services	254,085	254,085	251,398	2,687
Supplies	2,500	2,500	1,805	695
Services and charges	8,000	8,000	7,670	330
Capital outlay	1,200	1,200	—	1,200
Total Tax Assessor - Collector	265,785	265,785	260,873	4,912
<i>Total Financial Administration</i>	513,450	513,750	502,651	11,099
<i>Judicial</i>				
County Court				
Services and charges	32,000	32,000	19,908	12,092
Total County Court	32,000	32,000	19,908	12,092
Public Defender				
Personnel services	164,800	164,800	162,351	2,449
Supplies	3,000	3,000	3,059	(59)
Services and charges	4,000	4,700	4,097	603
Capital outlay	1,000	1,000	—	1,000
Total Public Defender	172,800	173,500	169,507	3,993
25th Judicial District				
Supplies	250	250	—	250
Services and charges	25,150	25,150	19,693	5,457
Total 25th Judicial District	25,400	25,400	19,693	5,707

COLORADO COUNTY, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT B-1
Page 3 of 6

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<i>2nd 25th Judicial District</i>				
Supplies	\$ 250	\$ 250	\$ —	\$ 250
Services and charges	25,150	25,150	19,718	5,432
Total 2nd 25th Judicial District	25,400	25,400	19,718	5,682
<i>District Court</i>				
Services and charges	76,000	76,000	59,534	16,466
Total District Court	76,000	76,000	59,534	16,466
<i>District Clerk</i>				
Personnel services	168,770	168,770	153,629	15,141
Supplies	6,000	6,000	5,138	862
Services and charges	2,700	3,100	3,125	(25)
Capital outlay	5,000	13,500	10,135	3,365
Total District Clerk	182,470	191,370	172,027	19,343
<i>Justice of the Peace Number 1</i>				
Personnel services	139,130	139,130	129,988	9,142
Supplies	4,000	4,000	1,822	2,178
Services and charges	9,250	9,250	6,467	2,783
Capital outlay	2,000	2,000	1,999	1
Total Justice of the Peace Number 1	154,380	154,380	140,276	14,104
<i>Justice of the Peace Number 2</i>				
Personnel services	132,445	132,445	132,150	295
Supplies	4,000	4,000	2,571	1,429
Services and charges	11,500	11,500	9,474	2,026
Capital outlay	2,000	2,000	—	2,000
Total Justice of the Peace Number 2	149,945	149,945	144,195	5,750
<i>Justice of the Peace Number 3</i>				
Personnel services	134,425	134,425	132,490	1,935
Supplies	5,500	5,500	5,012	488
Services and charges	6,450	6,450	3,812	2,638
Capital outlay	3,000	3,000	—	3,000
Total Justice of the Peace Number 3	149,375	149,375	141,314	8,061
<i>Justice of the Peace Number 4</i>				
Personnel services	90,855	90,855	81,484	9,371
Supplies	4,200	4,200	2,223	1,977
Services and charges	13,700	13,700	12,387	1,313
Capital outlay	2,000	2,000	719	1,281
Total Justice of the Peace Number 4	110,755	110,755	96,813	13,942
<i>County Attorney</i>				
Personnel services	407,500	408,700	405,991	2,709
Services and charges	26,000	26,000	24,882	1,118
Capital outlay	2,000	2,000	2,626	(626)
Total County Attorney	435,500	436,700	433,499	3,201
Total Judicial	1,514,025	1,524,825	1,416,484	108,341

COLORADO COUNTY, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT B-1
Page 4 of 6

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<i>Public Safety</i>				
<i>Emergency Management</i>				
Personnel services	\$ 40,385	\$ 40,385	\$ 40,388	\$ (3)
Supplies	3,000	3,000	246	2,754
Services and charges	39,950	39,950	31,229	8,721
Capital outlay	20,000	20,000	1,406	18,594
Other	40,000	40,000	17,989	22,011
Total Emergency Management	143,335	143,335	91,258	52,077
<i>EMS Director/Ambulance</i>				
Personnel services	1,114,300	1,239,300	1,220,291	19,009
Supplies	140,000	142,500	127,877	14,623
Services and charges	142,700	147,700	122,174	25,526
Capital outlay	115,000	230,000	190,100	39,900
Total EMS Director/Ambulance	1,512,000	1,759,500	1,680,442	99,058
<i>Constables</i>				
Personnel services	115,600	115,600	115,118	482
Services and charges	14,750	14,750	7,095	7,655
Capital outlay	8,000	8,000	1,835	6,165
Total Constables	138,350	138,350	124,048	14,302
<i>911 Rural Addressing</i>				
Personnel services	95,915	95,915	94,502	1,413
Supplies	6,500	6,500	6,541	(41)
Services and charges	12,400	12,400	6,683	5,717
Capital outlay	8,000	8,000	4,043	3,957
Total 911 Rural Addressing	122,815	122,815	111,769	11,046
<i>County Sheriff</i>				
Personnel services	1,743,890	1,743,890	1,644,008	99,882
Supplies	162,760	165,260	109,205	56,055
Services and charges	204,600	208,500	151,012	57,488
Capital outlay	190,000	215,000	192,055	22,945
Total County Sheriff	2,301,250	2,332,650	2,096,280	236,370
<i>Operation of Jail</i>				
Personnel services	1,069,085	1,069,085	1,054,513	14,572
Supplies	153,500	153,500	161,598	(8,098)
Services and charges	288,000	314,100	284,497	29,603
Capital outlay	5,000	5,000	3,200	1,800
Total Operation of Jail	1,515,585	1,541,685	1,503,808	37,877
<i>Correction - Probation Juvenile</i>				
Personnel services	13,888	13,888	13,884	4
Services and charges	113,552	123,552	120,126	3,426
Total Correction - Probation Juvenile	127,440	137,440	134,010	3,430

COLORADO COUNTY, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT B-1
Page 5 of 6

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<i>Department of Public Safety</i>				
<i>Personnel services</i>	\$ 44,935	\$ 44,935	\$ 44,575	\$ 360
<i>Supplies</i>	500	750	734	16
<i>Services and charges</i>	2,000	2,000	1,760	240
<i>Total Department of Public Safety</i>	47,435	47,685	47,069	616
<i>Total Public Safety</i>	5,908,210	6,223,460	5,768,684	454,776
<i>Public Facilities</i>				
<i>Courthouse Building</i>				
<i>Personnel services</i>	166,550	176,550	171,806	4,744
<i>Supplies</i>	31,000	39,100	38,241	859
<i>Services and charges</i>	291,500	326,500	298,497	28,003
<i>Capital outlay</i>	3,000	4,000	4,095	(95)
<i>Total Courthouse Building</i>	492,050	546,150	512,639	33,511
<i>Total Public Facilities</i>	492,050	546,150	512,639	33,511
<i>Conservation</i>				
<i>Agriculture Extension Service</i>				
<i>Personnel services</i>	131,950	131,950	126,615	5,335
<i>Supplies</i>	6,000	6,000	4,686	1,314
<i>Services and charges</i>	20,650	20,650	16,359	4,291
<i>Capital outlay</i>	2,000	2,000	1,500	500
<i>Total Agriculture Extension Service</i>	160,600	160,600	149,160	11,440
<i>Total Conservation</i>	160,600	160,600	149,160	11,440
<i>Health and Welfare</i>				
<i>Septic System - Flood Plain</i>				
<i>Personnel services</i>	28,051	28,051	25,298	2,753
<i>Supplies</i>	3,400	3,400	482	2,918
<i>Services and charges</i>	11,064	11,064	1,262	9,802
<i>Capital outlay</i>	2,000	2,000	—	2,000
<i>Total Septic System - Flood Plain</i>	44,515	44,515	27,042	17,473
<i>Mental Health and Alcohol</i>				
<i>Services and charges</i>	19,180	19,180	17,915	1,265
<i>Total Mental Health and Alcohol</i>	19,180	19,180	17,915	1,265
<i>Contract Services</i>				
<i>Services and charges</i>	108,880	143,880	135,749	8,131
<i>Other</i>	25,000	25,000	25,000	—
<i>Total Contract Services</i>	133,880	168,880	160,749	8,131
<i>Indigent Health Care</i>				
<i>Personnel services</i>	42,450	42,450	41,571	879
<i>Supplies</i>	1,000	1,000	842	158
<i>Services and charges</i>	279,500	279,500	78,132	201,368
<i>Capital outlay</i>	1,000	1,000	620	380
<i>Total Indigent Health Care</i>	323,950	323,950	121,165	202,785

COLORADO COUNTY, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT B-1
Page 6 of 6

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<i>Parks and Recreation</i>				
<i>Services and charges</i>	\$ 4,500	\$ 4,500	\$ 1,930	\$ 2,570
<i>Total Parks and Recreation</i>	<u>4,500</u>	<u>4,500</u>	<u>1,930</u>	<u>2,570</u>
 <i>Total Health and Welfare</i>	 <u>526,025</u>	 <u>561,025</u>	 <u>328,801</u>	 <u>232,224</u>
 Total disbursements	 <u>11,265,000</u>	 <u>11,615,800</u>	 <u>10,523,020</u>	 <u>1,092,780</u>
 Excess (deficiency) of receipts over (under) disbursements	 (955,000)	 (955,000)	 91,708	 1,046,708
 Other financing sources (uses):				
<i>Transfers out</i>	<u>(20,000)</u>	<u>(20,000)</u>	<u>(20,000)</u>	<u>--</u>
<i>Total other financing sources (uses)</i>	<u>(20,000)</u>	<u>(20,000)</u>	<u>(20,000)</u>	<u>--</u>
 Net change in cash	 (975,000)	 (975,000)	 71,708	 1,046,708
 Cash, January 1	 <u>2,675,238</u>	 <u>2,675,238</u>	 <u>2,675,238</u>	 <u>--</u>
 Cash, December 31	 <u>\$ 1,700,238</u>	 <u>\$ 1,700,238</u>	 <u>\$ 2,746,946</u>	 <u>\$ 1,046,708</u>

COLORADO COUNTY, TEXAS

*SCHEDULE OF CHANGES IN THE COUNTY'S
NET PENSION LIABILITY AND RELATED RATIOS
COLORADO COUNTY PENSION PLAN
LAST TEN PLAN YEARS **

	Plan Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Total pension liability:										
Service cost	\$ 761,630	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Interest	1,710,490	--	--	--	--	--	--	--	--	--
Changes of benefit terms	--	--	--	--	--	--	--	--	--	--
Differences between expected and actual experience	(378,403)	--	--	--	--	--	--	--	--	--
Changes of assumptions	--	--	--	--	--	--	--	--	--	--
Benefit payments, including refunds of employee contributions	(598,521)	--	--	--	--	--	--	--	--	--
Net change in total pension liability	1,495,196	--	--	--	--	--	--	--	--	--
Total pension liability - beginning	21,037,191	--	--	--	--	--	--	--	--	--
Total pension liability - ending (a)	<u>\$ 22,532,387</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
Plan fiduciary net position:										
Contributions - employer	\$ 697,017	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Contributions - employee	402,904	--	--	--	--	--	--	--	--	--
Net investment income	1,312,625	--	--	--	--	--	--	--	--	--
Benefit payments, including refunds of employee contributions	(598,521)	--	--	--	--	--	--	--	--	--
Administrative expense	(15,490)	--	--	--	--	--	--	--	--	--
Other	(116,887)	--	--	--	--	--	--	--	--	--
Net change in plan fiduciary net position	1,681,648	--	--	--	--	--	--	--	--	--
Plan fiduciary net position - beginning	19,252,846	--	--	--	--	--	--	--	--	--
Plan fiduciary net position - ending (b)	<u>\$ 20,934,494</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
County's net pension liability - ending (a) - (b)	<u>\$ 1,597,893</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
Plan fiduciary net position as a percentage of the total pension liability	92.91%	--	--	--	--	--	--	--	--	--
Covered-employee payroll	\$ 5,755,766	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
County's net pension liability as a percentage of covered-employee payroll	27.76%	--	--	--	--	--	--	--	--	--

Notes to Schedule:

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information only for those years for which information is available.

COLORADO COUNTY, TEXAS
SCHEDULE OF COUNTY CONTRIBUTIONS
COLORADO COUNTY PENSION PLAN
LAST TEN PLAN YEARS *

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Actuarially determined contribution	\$ 697,017	\$ 686,155	\$ 586,614	\$ 542,091	\$ 556,516	\$ 387,201	\$ 352,340	\$ 298,391	\$ 294,377	N/A
Contributions in relation to the actuarially determined contribution	697,017	686,155	586,614	542,091	556,516	387,201	352,340	313,436	302,029	N/A
Contribution deficiency (excess)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ (15,045)</u>	<u>\$ (7,652)</u>	<u>N/A</u>
Covered-employee payroll	\$ 5,755,766	\$ 5,722,796	\$ 5,555,102	\$ 5,268,191	\$ 5,345,978	\$ 5,088,053	\$ 4,599,743	\$ 4,179,142	\$ 4,027,051	N/A
Contributions as a percentage of covered-employee payroll	12.1%	12.0%	10.6%	10.3%	10.4%	7.6%	7.7%	7.5%	7.5%	N/A

Notes to Schedule

Valuation date:

Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of the fiscal year in which contributions 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	15 years
Asset valuation method	5-year smoothed market
Inflation	3.0%
Salary increases	3.5%, average, including inflation
Investment rate of return	8.1%, net of pension plan investment expense, including inflation
Retirement age	Experience based table of rates that are specific to the County's plan of benefits. Last updated for the 2010 valuation pursuant to an experience study of the period 2005-2009.
Mortality	In the 2014 actuarial valuation, assumed life expectancies were adjusted as a result of adopting the RP-2000 Healthy Annuitant Mortality Table. In prior years, those assumptions were based on the 1994 Group Annuity Mortality Table.

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information for those years for which information is available.

COLORADO COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
Year Ended December 31, 2015

1. Budget/GAAP reconciliation

The following is a reconciliation of budget basis to GAAP basis for the General Fund:

	General Fund
Change in net unrestricted cash and investments	
- Budget Basis	\$ 71,708
Adjustments to GAAP basis	
Revenue recognition differences	(64,053)
Expenditure recognition differences	(39,088)
Net change in fund balance - GAAP Basis	<u>\$ (31,433)</u>

2. Employee Other Post Employment Benefit Plan Funding Progress

Colorado County, Texas
Colorado County Retiree Health Care Plan
Schedule of Funding Progress

Valuation Date	Actuarial Valuation of Assets (AVA)	Actuarial Accrued Liability (AAL)	((2)-(3)) Unfunded Actuarial Accrued Asset (Liability) (UAAL)	((2)/(3)) Funded Ratio	Annual Covered Payroll	((4)/(6)) UAAL as % of Payroll
December 31, 2015	\$ -	\$ 184,419	\$ 184,419	0.0%	\$ 6,219,184	3.0%
December 31, 2014	-	181,072	181,072	0.0%	5,801,302	3.1%
December 31, 2013	-	163,146	163,146	0.0%	5,722,796	2.9%

Combining Statement and Budget Comparisons as Other Supplementary Information

This supplementary information includes financial statements and schedules not required by the Governmental Accounting Standards Board and considered a part of the basic financial statements, but are presented for purposes of additional analysis.

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SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted or committed to expenditures for particular purposes.

County Attorney Forfeiture Fund – This fund is used to account for forfeitures awarded as part of Article 59.06 of the Code of Criminal Procedure and may be expended solely for expenses of office.

Records Preservation Fund – This fund is used to account for the records management and preservation fee received by the County Clerk. Funds generated from this fee may only be used for special records preservation and automation projects.

Airport Fund – This fund is used to account for the County's revenues (user fees and fuel commissions) and expenditures related to the maintenance of the Robert R. Wells, Jr. Airport.

Sheriff Forfeiture Fund – This fund is used to account for forfeitures awarded as part of Article 59.06 of the Texas Code of Criminal Procedure and may be expended solely for law enforcement purposes.

Garwood Water & Sewer Project Fund – This fund is used to account for the receipts and expenditures of the Texas Community Development Program Grant passed through Texas Department of Agriculture – Office of Rural Affairs. This grant will provide water and sewer improvements to the unincorporated community of Garwood by replacing water valves and hydrants and sewer lines and rehabilitate manholes to prevent frequent maintenance issues and disruptions in service.

Road and Bridge Precinct Number 1 Fund – This fund is used to account for the County's revenues and expenditures related to the construction and maintenance of roads and bridges within County Precinct #1.

Road and Bridge Precinct Number 2 Fund – This fund is used to account for the County's revenues and expenditures related to the construction and maintenance of roads and bridges within County Precinct #2.

Road and Bridge Precinct Number 3 Fund – This fund is used to account for the County's revenues and expenditures related to the construction and maintenance of roads and bridges within County Precinct #3.

Road and Bridge Precinct Number 4 Fund – This fund is used to account for the County's revenues and expenditures related to the construction and maintenance of roads and bridges within County Precinct #4.

LEOSE - This fund is used to account for revenues and expenditures related to the continuing education of persons licensed under Chapter 1701, Occupations Code.

Security Fund – This fund is used to account for revenues and expenditures related to improving and maintaining courtroom and general courthouse security.

Law Library Fund – This fund is used to account for revenues and expenditures related to the maintenance of a library for use by members of the Texas Bar Association

Justice Court Technology – This fund is used to account for revenues and expenditures related to the purchase and maintenance of technology enhancements for justice courts.

County and District Court Technology Fund - This fund is used to account for revenues and expenditures related to the purchase and maintenance of technology enhancements for county and district courts.

Historical Commission Fund – This fund is used to account for programs conducted to preserve the historical heritage of the County.

Hot Check Fund – This fund is used to account for "hot check" fees received by the County Attorney and County Clerk.

County Attorney Salary Supplement – This fund is used to account for state source revenues use to supplement salaries and other expenditures of the County Attorney's office.

DEBT SERVICE FUND

Debt Service Fund – This fund is used to account for and report financial resources that are restricted to expenditures for principal and interest.

CAPITAL PROJECTS FUND

Capital Projects Fund – This fund is used to account for revenues and expenditures related to the acquisition and/or restoration of public facilities and infrastructure improvements.

THC/Courthouse Preservation Fund – This fund is used to account for receipts and expenditures of the Texas Historic Courthouse Preservation Program passed through the State Comptroller – Texas Historical Commission. This grant will preserve and/or restore the interior of the historic county courthouse.

AGENCY FUNDS

County Clerk - This fund is used to account for receipts pending disposition to individuals and entities, the County or other governments.

District Clerk - This fund is used to account for receipts pending disposition to individuals and entities, the County or other governments.

Justice of the Peace Number 2 - This fund is used to account for receipts pending disposition to individuals and entities, the County or other governments.

Justice of the Peace Number 4 - This fund is used to account for receipts pending disposition to individuals and entities, the County or other governments.

Sheriff - This fund is used to account for receipts pending disposition to individuals and entities, the County or other governments.

County Attorney - This fund is used to account for receipts pending disposition to individuals and entities, the County or other governments.

Tax Collector - This fund is used to account for receipts pending disposition to individuals and entities, the County or other governments.

County Attorney Seizure Fund – This fund is used to account for seizures pending final judgment rendered concerning contraband seized as part of Article 59.06 of the Texas Code of Criminal Procedure.

Payroll Clearing - This fund is used to account for amounts deposited for payment of net payroll checks, and withholding and County contributions for payroll taxes and employee benefits.

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COLORADO COUNTY, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

DECEMBER 31, 2015

	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Total Nonmajor Governmental Funds (See Exhibit A-3)
Assets:				
<i>Cash</i>	\$ 4,904,876	\$ 187,230	\$ 226,375	\$ 5,318,481
Receivables (net of allowances for uncollectibles):				
<i>Taxes</i>	2,070,159	370,022	--	2,440,181
<i>Accounts</i>	49,024	216	--	49,240
Restricted assets:				
<i>Cash</i>	610,436	109,096	--	719,532
<i>Due from other governments</i>	417,643	74,641	--	492,284
Total Assets	<u>\$ 8,052,138</u>	<u>\$ 741,205</u>	<u>\$ 226,375</u>	<u>\$ 9,019,718</u>
Liabilities:				
<i>Accounts payable</i>	\$ 12,637	\$ --	\$ --	\$ 12,637
Total Liabilities	<u>12,637</u>	<u>--</u>	<u>--</u>	<u>12,637</u>
Deferred Inflows of Resources				
<i>Deferred revenue</i>	3,140,115	552,641	--	3,692,756
Total Deferred Inflows of Resources	<u>3,140,115</u>	<u>552,641</u>	<u>--</u>	<u>3,692,756</u>
Fund Balances:				
<i>Restricted</i>	724,653	188,564	47,279	960,496
<i>Committed</i>	4,174,733	--	179,096	4,353,829
Total Fund Balances	<u>4,899,386</u>	<u>188,564</u>	<u>226,375</u>	<u>5,314,325</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 8,052,138</u>	<u>\$ 741,205</u>	<u>\$ 226,375</u>	<u>\$ 9,019,718</u>

COLORADO COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Total Nonmajor Governmental Funds (See Exhibit A-5)
Revenues:				
<i>Ad valorem taxes, penalty and interest</i>	\$ 2,669,379	\$ 553,942	\$ --	\$ 3,223,321
<i>Licenses and permits</i>	772,832	--	--	772,832
<i>Fines and forfeitures</i>	22,939	--	--	22,939
<i>Charges for services</i>	194,531	--	--	194,531
<i>Intergovernmental</i>	176,083	--	2,688	178,771
<i>Contributions</i>	30	--	--	30
<i>Miscellaneous</i>	105,048	5,015	1,174	111,237
Total revenues	<u>3,940,842</u>	<u>558,957</u>	<u>3,862</u>	<u>4,503,661</u>
Expenditures:				
Current:				
<i>General administration</i>	200,332	--	--	200,332
<i>Judicial</i>	51,093	--	--	51,093
<i>Public safety</i>	58,371	--	--	58,371
<i>Public facilities</i>	766	--	--	766
<i>Public transportation</i>	3,316,986	--	--	3,316,986
<i>Health and welfare</i>	39,150	--	--	39,150
Capital outlay	--	--	12,837	12,837
Debt service:				
<i>Principal</i>	--	385,000	8,064	393,064
<i>Interest and fiscal charges</i>	--	254,110	--	254,110
Total expenditures	<u>3,666,698</u>	<u>639,110</u>	<u>20,901</u>	<u>4,326,709</u>
Excess (deficiency) of revenues over (under) expenditures	274,144	(80,153)	(17,039)	176,952
Other financing sources (uses):				
<i>Transfers in</i>	20,000	--	35,757	55,757
<i>Transfers out</i>	--	--	(35,757)	(35,757)
Total other financing sources (uses)	<u>20,000</u>	<u>--</u>	<u>--</u>	<u>20,000</u>
Net change in fund balance	294,144	(80,153)	(17,039)	196,952
Fund balances, January 1	<u>4,605,242</u>	<u>268,717</u>	<u>243,414</u>	<u>5,117,373</u>
Fund balances, December 31	<u>\$ 4,899,386</u>	<u>\$ 188,564</u>	<u>\$ 226,375</u>	<u>\$ 5,314,325</u>

COLORADO COUNTY, TEXAS**COMBINING BALANCE SHEET****NONMAJOR SPECIAL REVENUE FUNDS****DECEMBER 31, 2015**

	County Attorney Forfeiture	Records Preservation	Airport	Sheriff Forfeiture
Assets:				
<i>Cash</i>	\$ 239,793	\$ 345,582	\$ 870	\$ 24,579
Receivables (net of allowances for uncollectibles):				
<i>Taxes</i>	--	--	--	--
<i>Accounts</i>	--	16,619	302	--
Restricted assets:				
<i>Cash</i>	--	--	--	--
<i>Due from other governments</i>	--	--	--	--
Total Assets	<u>\$ 239,793</u>	<u>\$ 362,201</u>	<u>\$ 1,172</u>	<u>\$ 24,579</u>
Liabilities:				
<i>Accounts payable</i>	\$ --	\$ --	\$ --	\$ --
Total Liabilities	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Deferred Inflows of Resources				
<i>Deferred revenue</i>	--	16,619	--	--
Total Deferred Inflows of Resources	<u>--</u>	<u>16,619</u>	<u>--</u>	<u>--</u>
Fund Balances:				
<i>Restricted</i>	239,793	345,582	--	24,579
<i>Committed</i>	--	--	1,172	--
Total Fund Balances	<u>239,793</u>	<u>345,582</u>	<u>1,172</u>	<u>24,579</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 239,793</u>	<u>\$ 362,201</u>	<u>\$ 1,172</u>	<u>\$ 24,579</u>

Garwood Water & Sewer Project	Road & Bridge Precinct Number 1	Road & Bridge Precinct Number 2	Road & Bridge Precinct Number 3	Road & Bridge Precinct Number 4
\$ --	\$ 932,379	\$ 975,324	\$ 1,023,228	\$ 1,246,662
--	517,283	522,665	601,531	428,680
--	403	267	309	216
--	152,548	154,135	177,393	126,360
--	104,369	105,455	121,367	86,452
<u>\$ --</u>	<u>\$ 1,706,982</u>	<u>\$ 1,757,846</u>	<u>\$ 1,923,828</u>	<u>\$ 1,888,370</u>
\$ --	\$ 6,883	\$ 1,482	\$ 2,299	\$ 1,973
--	6,883	1,482	2,299	1,973
--	772,837	780,883	898,697	640,171
--	772,837	780,883	898,697	640,171
--	--	--	--	--
--	927,262	975,481	1,022,832	1,246,226
--	927,262	975,481	1,022,832	1,246,226
<u>\$ --</u>	<u>\$ 1,706,982</u>	<u>\$ 1,757,846</u>	<u>\$ 1,923,828</u>	<u>\$ 1,888,370</u>

COLORADO COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2015

	<u>LEOSE</u>	<u>Security</u>	<u>Law Library</u>	<u>Justice Court Technology</u>
Assets:				
<i>Cash</i>	\$ 8,628	\$ 7,331	\$ 53,817	\$ 17,301
Receivables (net of allowances for uncollectibles):				
<i>Taxes</i>	--	--	--	--
<i>Accounts</i>	--	16,702	--	14,206
Restricted assets:				
<i>Cash</i>	--	--	--	--
<i>Due from other governments</i>	--	--	--	--
Total Assets	<u>\$ 8,628</u>	<u>\$ 24,033</u>	<u>\$ 53,817</u>	<u>\$ 31,507</u>
Liabilities:				
<i>Accounts payable</i>	\$ --	\$ --	\$ --	\$ --
Total Liabilities	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Deferred Inflows of Resources				
<i>Deferred revenue</i>	--	16,702	--	14,206
Total Deferred Inflows of Resources	<u>--</u>	<u>16,702</u>	<u>--</u>	<u>14,206</u>
Fund Balances:				
<i>Restricted</i>	8,628	7,331	53,817	17,301
<i>Committed</i>	--	--	--	--
Total Fund Balances	<u>8,628</u>	<u>7,331</u>	<u>53,817</u>	<u>17,301</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 8,628</u>	<u>\$ 24,033</u>	<u>\$ 53,817</u>	<u>\$ 31,507</u>

County and District Court Technology	Historical Commission	Hot Check	County Attorney Salary Supplement	Total Nonmajor Special Revenue Funds (See Exhibit C-1)
\$ 10,730	\$ 1,760	\$ 12,131	\$ 4,761	\$ 4,904,876
--	--	--	--	2,070,159
--	--	--	--	49,024
--	--	--	--	610,436
--	--	--	--	417,643
<u>\$ 10,730</u>	<u>\$ 1,760</u>	<u>\$ 12,131</u>	<u>\$ 4,761</u>	<u>\$ 8,052,138</u>
\$ --	\$ --	\$ --	\$ --	\$ 12,637
--	--	--	--	12,637
--	--	--	--	3,140,115
--	--	--	--	3,140,115
10,730	--	12,131	4,761	724,653
--	1,760	--	--	4,174,733
<u>10,730</u>	<u>1,760</u>	<u>12,131</u>	<u>4,761</u>	<u>4,899,386</u>
<u>\$ 10,730</u>	<u>\$ 1,760</u>	<u>\$ 12,131</u>	<u>\$ 4,761</u>	<u>\$ 8,052,138</u>

COLORADO COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

	County Attorney Forfeiture	Records Preservation	Airport	Sheriff Forfeiture
Revenues:				
Ad valorem taxes, penalty and interest	\$ --	\$ --	\$ --	\$ --
Licenses and permits	--	--	--	--
Fines and forfeitures	1,898	--	--	--
Charges for services	--	116,860	34,841	--
Intergovernmental	--	--	1,524	--
Contributions	--	--	--	--
Miscellaneous	2,889	4,748	132	279
Total revenues	<u>4,787</u>	<u>121,608</u>	<u>36,497</u>	<u>279</u>
Expenditures:				
Current:				
General administration	--	200,332	--	--
Judicial	23,446	--	--	--
Public safety	--	--	--	--
Public facilities	--	--	--	766
Public transportation	--	--	47,991	--
Health and welfare	--	--	--	--
Debt service:				
Total expenditures	<u>23,446</u>	<u>200,332</u>	<u>47,991</u>	<u>766</u>
Excess (deficiency) of revenues over (under) expenditures	(18,659)	(78,724)	(11,494)	(487)
Other financing sources (uses):				
Transfers in	--	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balance	(18,659)	(78,724)	(11,494)	(487)
Fund balances, January 1	<u>258,452</u>	<u>424,306</u>	<u>12,666</u>	<u>25,066</u>
Fund balances, December 31	<u>\$ 239,793</u>	<u>\$ 345,582</u>	<u>\$ 1,172</u>	<u>\$ 24,579</u>

Garwood Water & Sewer Project	Road & Bridge Precinct Number 1	Road & Bridge Precinct Number 2	Road & Bridge Precinct Number 3	Road & Bridge Precinct Number 4
\$ --	\$ 667,149	\$ 674,033	\$ 775,882	\$ 552,315
--	190,775	194,746	224,979	162,332
--	--	--	--	--
--	--	--	--	--
27,710	109,586	--	--	3,374
--	--	--	--	--
--	14,667	15,607	27,773	35,715
<u>27,710</u>	<u>982,177</u>	<u>884,386</u>	<u>1,028,634</u>	<u>753,736</u>
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	883,968	900,244	907,908	576,875
27,710	--	--	--	--
<u>27,710</u>	<u>883,968</u>	<u>900,244</u>	<u>907,908</u>	<u>576,875</u>
--	98,209	(15,858)	120,726	176,861
--	--	--	--	--
--	--	--	--	--
--	98,209	(15,858)	120,726	176,861
--	829,053	991,339	902,108	1,069,365
<u>\$ --</u>	<u>\$ 927,262</u>	<u>\$ 975,481</u>	<u>\$ 1,022,832</u>	<u>\$ 1,246,226</u>

COLORADO COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

	LEOSE	Security	Law Library	Justice Court Technology
Revenues:				
Ad valorem taxes, penalty and interest	\$ --	\$ --	\$ --	\$ --
Licenses and permits	--	--	--	--
Fines and forfeitures	--	--	--	17,089
Charges for services	4,930	26,557	11,343	--
Intergovernmental	6,389	--	--	--
Contributions	--	--	--	--
Miscellaneous	128	33	--	169
Total revenues	<u>11,447</u>	<u>26,590</u>	<u>11,343</u>	<u>17,258</u>
Expenditures:				
Current:				
General administration	--	--	--	--
Judicial	--	--	540	--
Public safety	13,327	45,044	--	--
Public facilities	--	--	--	--
Public transportation	--	--	--	--
Health and welfare	--	--	--	11,440
Debt service:				
Total expenditures	<u>13,327</u>	<u>45,044</u>	<u>540</u>	<u>11,440</u>
Excess (deficiency) of revenues over (under) expenditures	(1,880)	(18,454)	10,803	5,818
Other financing sources (uses):				
Transfers in	--	20,000	--	--
Total other financing sources (uses)	<u>--</u>	<u>20,000</u>	<u>--</u>	<u>--</u>
Net change in fund balance	(1,880)	1,546	10,803	5,818
Fund balances, January 1	<u>10,508</u>	<u>5,785</u>	<u>43,014</u>	<u>11,483</u>
Fund balances, December 31	<u>\$ 8,628</u>	<u>\$ 7,331</u>	<u>\$ 53,817</u>	<u>\$ 17,301</u>

County and District Court Technology	Historical Commission	Hot Check	County Attorney Salary Supplement	Total Nonmajor Special Revenue Funds (See Exhibit C-2)
\$ --	\$ --	\$ --	\$ --	\$ 2,669,379
--	--	--	--	772,832
3,952	--	--	--	22,939
--	--	--	--	194,531
--	--	--	27,500	176,083
--	30	--	--	30
100	570	2,238	--	105,048
<u>4,052</u>	<u>600</u>	<u>2,238</u>	<u>27,500</u>	<u>3,940,842</u>
--	--	--	--	200,332
--	--	748	26,359	51,093
--	--	--	--	58,371
--	--	--	--	766
--	--	--	--	3,316,986
--	--	--	--	39,150
<u>--</u>	<u>--</u>	<u>748</u>	<u>26,359</u>	<u>3,666,698</u>
4,052	600	1,490	1,141	274,144
--	--	--	--	20,000
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>20,000</u>
4,052	600	1,490	1,141	294,144
6,678	1,160	10,641	3,620	4,605,242
<u>\$ 10,730</u>	<u>\$ 1,760</u>	<u>\$ 12,131</u>	<u>\$ 4,761</u>	<u>\$ 4,899,386</u>

COLORADO COUNTY, TEXAS**EXHIBIT C-5**

RECORDS PRESERVATION

SPECIAL REVENUE FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED DECEMBER 31, 2015

	Budget	Actual	Variance Positive (Negative)
Receipts:			
Charges for services	\$ 124,350	\$ 116,860	\$ (7,490)
Miscellaneous	5,000	4,748	(252)
Total receipts	<u>129,350</u>	<u>121,608</u>	<u>(7,742)</u>
Disbursements:			
Current:			
General Administration			
Records Preservation			
Services and charges	205,000	200,332	4,668
Capital outlay	8,000	--	8,000
Total Records Preservation	<u>213,000</u>	<u>200,332</u>	<u>12,668</u>
Total General Administration	<u>213,000</u>	<u>200,332</u>	<u>12,668</u>
Total disbursements	<u>213,000</u>	<u>200,332</u>	<u>12,668</u>
Net change in cash	(83,650)	(78,724)	4,926
Cash, January 1	<u>424,306</u>	<u>424,306</u>	--
Cash, December 31	<u>\$ 340,656</u>	<u>\$ 345,582</u>	<u>\$ 4,926</u>

COLORADO COUNTY, TEXAS
EXHIBIT C-6

AIRPORT FUND

SPECIAL REVENUE FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED DECEMBER 31, 2015

	Budget	Actual	Variance Positive (Negative)
Receipts:			
Charges for services	\$ 45,000	\$ 34,540	\$ (10,460)
Intergovernmental	5,000	1,524	(3,476)
Miscellaneous	200	132	(68)
Total receipts	<u>50,200</u>	<u>36,196</u>	<u>(14,004)</u>
Disbursements:			
Current:			
Public Transportation			
Airport			
Personnel services	7,200	7,182	18
Supplies	20,400	19,466	934
Services and charges	16,600	13,844	2,756
Other	6,000	7,500	(1,500)
Total Airport	<u>50,200</u>	<u>47,992</u>	<u>2,208</u>
Total Public Transportation	<u>50,200</u>	<u>47,992</u>	<u>2,208</u>
Total disbursements	<u>50,200</u>	<u>47,992</u>	<u>2,208</u>
Net change in cash	—	(11,796)	(11,796)
Cash, January 1	<u>12,666</u>	<u>12,666</u>	<u>—</u>
Cash, December 31	<u>\$ 12,666</u>	<u>\$ 870</u>	<u>\$ (11,796)</u>

COLORADO COUNTY, TEXAS
ROAD & BRIDGE PRECINCT NUMBER 1
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT C-7

	Budget	Actual	Variance Positive (Negative)
Receipts:			
<i>Ad valorem taxes, penalty and interest</i>	\$ 669,774	\$ 666,892	\$ (2,882)
<i>Licenses and permits</i>	195,076	190,665	(4,411)
<i>Intergovernmental</i>	109,500	109,586	86
<i>Miscellaneous</i>	25,850	14,667	(11,183)
Total receipts	<u>1,000,200</u>	<u>981,810</u>	<u>(18,390)</u>
Disbursements:			
Current:			
<i>Public Transportation</i>			
<i>Road and Bridge</i>			
<i>Personnel services</i>	386,075	381,876	4,199
<i>Supplies</i>	273,325	215,021	58,304
<i>Services and charges</i>	276,300	239,430	36,870
<i>Capital outlay</i>	64,500	53,847	10,653
<i>Total Road and Bridge</i>	<u>1,000,200</u>	<u>890,174</u>	<u>110,026</u>
<i>Total Public Transportation</i>	<u>1,000,200</u>	<u>890,174</u>	<u>110,026</u>
Total disbursements	<u>1,000,200</u>	<u>890,174</u>	<u>110,026</u>
Net change in cash	--	91,636	91,636
Cash, January 1	<u>839,558</u>	<u>839,558</u>	--
Cash, December 31	<u>\$ 839,558</u>	<u>\$ 931,194</u>	<u>\$ 91,636</u>

COLORADO COUNTY, TEXAS
ROAD & BRIDGE PRECINCT NUMBER 2
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT C-8

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Receipts:			
Ad valorem taxes, penalty and interest	\$ 676,741	\$ 673,770	\$ (2,971)
Licenses and permits	197,075	193,549	(3,526)
Miscellaneous	14,984	15,607	623
Total receipts	<u>888,800</u>	<u>882,926</u>	<u>(5,874)</u>
Disbursements:			
Current:			
Public Transportation			
Road and Bridge			
Personnel services	401,050	373,844	27,206
Supplies	306,750	303,870	2,880
Services and charges	144,000	136,416	7,584
Capital outlay	87,000	86,620	380
Total Road and Bridge	<u>938,800</u>	<u>900,750</u>	<u>38,050</u>
Total Public Transportation	<u>938,800</u>	<u>900,750</u>	<u>38,050</u>
Total disbursements	<u>938,800</u>	<u>900,750</u>	<u>38,050</u>
Net change in cash	(50,000)	(17,824)	32,176
Cash, January 1	<u>991,952</u>	<u>991,952</u>	<u>--</u>
Cash, December 31	<u>\$ 941,952</u>	<u>\$ 974,128</u>	<u>\$ 32,176</u>

COLORADO COUNTY, TEXAS
ROAD & BRIDGE PRECINCT NUMBER 3
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT C-9

	Actual	Actual	Variance Positive (Negative)
Receipts:			
Ad valorem taxes, penalty and interest	\$ 778,856	\$ 775,586	\$ (3,270)
Licenses and permits	227,680	223,602	(4,078)
Miscellaneous	27,564	27,773	209
Total receipts	<u>1,034,100</u>	<u>1,026,961</u>	<u>(7,139)</u>
Disbursements:			
Current:			
Public Transportation			
Road and Bridge			
Personnel services	436,975	361,591	75,384
Supplies	374,575	298,595	75,980
Services and charges	206,050	139,062	66,988
Capital outlay	116,500	112,695	3,805
Total Road and Bridge	<u>1,134,100</u>	<u>911,943</u>	<u>222,157</u>
Total Public Transportation	<u>1,134,100</u>	<u>911,943</u>	<u>222,157</u>
Total disbursements	<u>1,134,100</u>	<u>911,943</u>	<u>222,157</u>
Net change in cash	(100,000)	115,018	215,018
Cash, January 1	<u>906,834</u>	<u>906,834</u>	<u>--</u>
Cash, December 31	<u>\$ 806,834</u>	<u>\$ 1,021,852</u>	<u>\$ 215,018</u>

COLORADO COUNTY, TEXAS

ROAD & BRIDGE PRECINCT NUMBER 4

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT C-10

	Budget	Actual	Variance Positive (Negative)
Receipts:			
Ad valorem taxes, penalty and interest	\$ 554,795	\$ 552,310	\$ (2,485)
Licenses and permits	164,269	161,351	(2,918)
Intergovernmental	3,300	3,374	74
Miscellaneous	20,136	35,715	15,579
Total receipts	<u>742,500</u>	<u>752,750</u>	<u>10,250</u>
Disbursements:			
Current:			
Public Transportation			
Road and Bridge			
Personnel services	363,300	342,206	21,094
Supplies	241,450	175,994	65,456
Services and charges	93,250	60,749	32,501
Capital outlay	44,500	--	44,500
Total Road and Bridge	<u>742,500</u>	<u>578,949</u>	<u>163,551</u>
Total Public Transportation	<u>742,500</u>	<u>578,949</u>	<u>163,551</u>
Total disbursements	<u>742,500</u>	<u>578,949</u>	<u>163,551</u>
Net change in cash	--	173,801	173,801
Cash, January 1	<u>1,071,879</u>	<u>1,071,879</u>	--
Cash, December 31	<u>\$ 1,071,879</u>	<u>\$ 1,245,680</u>	<u>\$ 173,801</u>

COLORADO COUNTY, TEXAS
EXHIBIT C-11

SECURITY FUND

SPECIAL REVENUE FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED DECEMBER 31, 2015

	Budget	Actual	Variance Positive (Negative)
Receipts:			
Charges for services	\$ 35,000	\$ 26,557	\$ (8,443)
Miscellaneous	100	33	(67)
Total receipts	<u>35,100</u>	<u>26,590</u>	<u>(8,510)</u>
Disbursements:			
Current:			
Public Safety			
Security			
Personnel services	11,900	7,857	4,043
Services and charges	2,000	480	1,520
Total Security	<u>13,900</u>	<u>8,337</u>	<u>5,563</u>
Courthouse Security			
Personnel services	38,200	35,329	2,871
Services and charges	1,500	240	1,260
Capital outlay	1,500	1,224	276
Total Courthouse Security	<u>41,200</u>	<u>36,793</u>	<u>4,407</u>
Total Public Safety	<u>55,100</u>	<u>45,130</u>	<u>9,970</u>
Total disbursements	<u>55,100</u>	<u>45,130</u>	<u>9,970</u>
Excess (deficiency) of receipts over (under) disbursements	(20,000)	(18,540)	1,460
Other financing sources (uses):			
Transfers in	20,000	20,000	--
Total other financing sources (uses)	<u>20,000</u>	<u>20,000</u>	<u>--</u>
Net change in cash	--	1,460	1,460
Cash, January 1	<u>5,871</u>	<u>5,871</u>	<u>--</u>
Cash, December 31	<u>\$ 5,871</u>	<u>\$ 7,331</u>	<u>\$ 1,460</u>

COLORADO COUNTY, TEXAS**EXHIBIT C-12**

LAW LIBRARY

SPECIAL REVENUE FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED DECEMBER 31, 2015

	Budget	Actual	Variance Positive (Negative)
Receipts:			
Charges for services	\$ 12,500	\$ 11,343	\$ (1,157)
Total receipts	<u>12,500</u>	<u>11,343</u>	<u>(1,157)</u>
Disbursements:			
Current:			
Judicial			
Law Library			
Services and charges	12,500	540	11,960
Total Law Library	<u>12,500</u>	<u>540</u>	<u>11,960</u>
Total Judicial	<u>12,500</u>	<u>540</u>	<u>11,960</u>
Total disbursements	<u>12,500</u>	<u>540</u>	<u>11,960</u>
Net change in cash	--	10,803	10,803
Cash, January 1	<u>43,014</u>	<u>43,014</u>	--
Cash, December 31	<u>\$ 43,014</u>	<u>\$ 53,817</u>	<u>\$ 10,803</u>

COLORADO COUNTY, TEXAS
JUSTICE COURT TECHNOLOGY FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT C-13

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Receipts:			
<i>Fines and forfeitures</i>	\$ 20,000	\$ 17,085	\$ (2,915)
<i>Miscellaneous</i>	100	173	73
Total receipts	<u>20,100</u>	<u>17,258</u>	<u>(2,842)</u>
Disbursements:			
Current:			
<i>Health and Welfare</i>			
<i>Tobacco Settlement</i>			
<i>Services and charges</i>	20,100	11,440	8,660
Total Tobacco Settlement	<u>20,100</u>	<u>11,440</u>	<u>8,660</u>
Total Health and Welfare	<u>20,100</u>	<u>11,440</u>	<u>8,660</u>
Total disbursements	<u>20,100</u>	<u>11,440</u>	<u>8,660</u>
Net change in cash	--	5,818	5,818
Cash, January 1	<u>11,479</u>	<u>11,479</u>	--
Cash, December 31	<u>\$ 11,479</u>	<u>\$ 17,297</u>	<u>\$ 5,818</u>

COLORADO COUNTY, TEXAS

COUNTY AND DISTRICT COURT TECHNOLOGY FUND

SPECIAL REVENUE FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT C-14

	Budget	Actual	Variance Positive (Negative)
Receipts:			
<i>Fines and forfeitures</i>	\$ 3,050	\$ 3,952	\$ 902
<i>Miscellaneous</i>	50	100	50
Total receipts	<u>3,100</u>	<u>4,052</u>	<u>952</u>
Disbursements:			
Current:			
<i>Public Transportation</i>			
<i>Road and Bridge</i>			
<i>Services and charges</i>	5,000	--	5,000
Total Road and Bridge	<u>5,000</u>	<u>--</u>	<u>5,000</u>
Total Public Transportation	<u>5,000</u>	<u>--</u>	<u>5,000</u>
Total disbursements	<u>5,000</u>	<u>--</u>	<u>5,000</u>
Net change in cash	(1,900)	4,052	5,952
Cash, January 1	<u>6,678</u>	<u>6,678</u>	<u>--</u>
Cash, December 31	<u>\$ 4,778</u>	<u>\$ 10,730</u>	<u>\$ 5,952</u>

COLORADO COUNTY, TEXAS**EXHIBIT C-15**

DEBT SERVICE FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Receipts:			
<i>Ad valorem taxes, penalty and interest</i>	\$ 556,948	\$ 553,728	\$ (3,220)
<i>Miscellaneous</i>	8,052	5,015	(3,037)
Total receipts	<u>565,000</u>	<u>558,743</u>	<u>(6,257)</u>
Disbursements:			
Debt service:			
Principal	385,000	385,000	--
Interest and fiscal charges	<u>254,350</u>	<u>254,110</u>	<u>240</u>
Total disbursements	<u>639,350</u>	<u>639,110</u>	<u>240</u>
Net change in cash	(74,350)	(80,367)	(6,017)
Cash, January 1	<u>267,597</u>	<u>267,597</u>	<u>--</u>
Cash, December 31	\$ <u>193,247</u>	\$ <u>187,230</u>	\$ <u>(6,017)</u>

COLORADO COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2015

	THC / Courthouse Preservation	Capital Projects	Total Nonmajor Capital Projects Funds (See Exhibit C-1)
Assets:			
Cash	\$ 179,096	\$ 47,279	\$ 226,375
Total Assets and Deferred Outflows of Resources	<u>\$ 179,096</u>	<u>\$ 47,279</u>	<u>\$ 226,375</u>
Fund Balances:			
Restricted	\$ --	\$ 47,279	\$ 47,279
Committed	<u>179,096</u>	<u>--</u>	<u>179,096</u>
Total Fund Balances	<u>\$ 179,096</u>	<u>\$ 47,279</u>	<u>\$ 226,375</u>

COLORADO COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

	THC / Courthouse Preservation	Capital Projects	Total Nonmajor Capital Projects Funds (See Exhibit C-2)
Revenues:			
Intergovernmental	\$ 2,688	\$ --	\$ 2,688
Miscellaneous	--	1,174	1,174
Total revenues	<u>2,688</u>	<u>1,174</u>	<u>3,862</u>
Expenditures:			
Capital outlay	12,837	8,064	20,901
Total expenditures	<u>12,837</u>	<u>8,064</u>	<u>20,901</u>
Excess (deficiency) of revenues over (under) expenditures	(10,149)	(6,890)	(17,039)
Other financing sources (uses):			
Transfers in	35,757	--	35,757
Transfers out	--	(35,757)	(35,757)
Total other financing sources (uses)	<u>35,757</u>	<u>(35,757)</u>	<u>--</u>
Net change in fund balance	25,608	(42,647)	(17,039)
Fund balances, January 1	<u>153,488</u>	<u>89,926</u>	<u>243,414</u>
Fund balances, December 31	<u>\$ 179,096</u>	<u>\$ 47,279</u>	<u>\$ 226,375</u>

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COLORADO COUNTY, TEXAS**COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES****AGENCY FUNDS****DECEMBER 31, 2015**

	County Clerk	District Clerk	Justice of the Peace Number 1	Justice of the Peace Number 2
ASSETS				
Cash	\$ 131,492	\$ 568,831	\$ 300	\$ --
Total Assets	\$ 131,492	\$ 568,831	\$ 300	\$ --
LIABILITIES				
Accounts payable	\$ --	\$ --	\$ --	\$ --
Due to others	131,492	568,831	300	--
Due to other governments	--	--	--	--
Total Liabilities	\$ 131,492	\$ 568,831	\$ 300	\$ --

Justice of the Peace Number 3	Justice of the Peace Number 4	Sheriff	County Attorney	Tax Collector
\$ --	\$ --	\$ 15,998	\$ --	\$ 452,700
\$ --	\$ --	\$ 15,998	\$ --	\$ 452,700
\$ --	\$ --	\$ --	\$ --	\$ --
\$ --	\$ --	\$ 15,998	\$ --	\$ 349
\$ --	\$ --	\$ --	\$ --	\$ 452,351
\$ --	\$ --	\$ 15,998	\$ --	\$ 452,700

COLORADO COUNTY, TEXAS

COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES

AGENCY FUNDS

DECEMBER 31, 2015

	County Attorney Seizure	Payroll Clearing Fund	Total Agency Funds (See Exhibit A-7)
ASSETS			
Cash	\$ 62,313	\$ 6,756	\$ 1,238,390
Total Assets	<u>\$ 62,313</u>	<u>\$ 6,756</u>	<u>\$ 1,238,390</u>
LIABILITIES			
Accounts payable	\$ --	\$ 5,551	\$ 5,551
Due to others	62,313	1,205	780,488
Due to other governments	--	--	452,351
Total Liabilities	<u>\$ 62,313</u>	<u>\$ 6,756</u>	<u>\$ 1,238,390</u>

COLORADO COUNTY, TEXAS

EXHIBIT C-19

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

ALL AGENCY FUNDS

YEAR ENDED DECEMBER 31, 2015

	Balance January 1, 2015	Additions	Deductions	Balance December 31, 2015
COUNTY CLERK				
ASSETS				
Cash and cash equivalents	\$ 129,330	\$ 725,456	\$ 723,294	\$ 131,492
Total Assets	<u>\$ 129,330</u>	<u>\$ 725,456</u>	<u>\$ 723,294</u>	<u>\$ 131,492</u>
LIABILITIES				
Due to Others	\$ 129,330	\$ 725,456	\$ 723,294	\$ 131,492
Total Liabilities	<u>\$ 129,330</u>	<u>\$ 725,456</u>	<u>\$ 723,294</u>	<u>\$ 131,492</u>
DISTRICT CLERK				
ASSETS				
Cash and cash equivalents	\$ 510,916	\$ 282,433	\$ 224,518	\$ 568,831
Total Assets	<u>\$ 510,916</u>	<u>\$ 282,433</u>	<u>\$ 224,518</u>	<u>\$ 568,831</u>
LIABILITIES				
Due to Others	\$ 510,916	\$ 282,433	\$ 224,518	\$ 568,831
Total Liabilities	<u>\$ 510,916</u>	<u>\$ 282,433</u>	<u>\$ 224,518</u>	<u>\$ 568,831</u>
JUSTICE OF THE PEACE NUMBER 1				
ASSETS				
Cash and cash equivalents	\$ --	\$ 300	\$ --	\$ 300
Total Assets	<u>\$ --</u>	<u>\$ 300</u>	<u>\$ --</u>	<u>\$ 300</u>
LIABILITIES				
Due to Others	\$ --	\$ 300	\$ --	\$ 300
Total Liabilities	<u>\$ --</u>	<u>\$ 300</u>	<u>\$ --</u>	<u>\$ 300</u>
JUSTICE OF THE PEACE NUMBER 2				
ASSETS				
Cash and cash equivalents	\$ --	\$ 319,045	\$ 319,045	\$ --
Total Assets	<u>\$ --</u>	<u>\$ 319,045</u>	<u>\$ 319,045</u>	<u>\$ --</u>
LIABILITIES				
Due to Others	\$ --	\$ 319,045	\$ 319,045	\$ --
Total Liabilities	<u>\$ --</u>	<u>\$ 319,045</u>	<u>\$ 319,045</u>	<u>\$ --</u>
JUSTICE OF THE PEACE NUMBER 4				
ASSETS				
Cash and cash equivalents	\$ --	\$ 114,374	\$ 114,374	\$ --
Total Assets	<u>\$ --</u>	<u>\$ 114,374</u>	<u>\$ 114,374</u>	<u>\$ --</u>
LIABILITIES				
Due to Others	\$ --	\$ 114,374	\$ 114,374	\$ --
Total Liabilities	<u>\$ --</u>	<u>\$ 114,374</u>	<u>\$ 114,374</u>	<u>\$ --</u>
SHERIFF				
ASSETS				
Cash and cash equivalents	\$ 16,619	\$ 150,163	\$ 150,784	\$ 15,998
Total Assets	<u>\$ 16,619</u>	<u>\$ 150,163</u>	<u>\$ 150,784</u>	<u>\$ 15,998</u>
LIABILITIES				
Due to Others	\$ 16,619	\$ 150,163	\$ 150,784	\$ 15,998
Total Liabilities	<u>\$ 16,619</u>	<u>\$ 150,163</u>	<u>\$ 150,784</u>	<u>\$ 15,998</u>

COLORADO COUNTY, TEXAS

EXHIBIT C-19

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

ALL AGENCY FUNDS

YEAR ENDED DECEMBER 31, 2015

	Balance January 1, 2015	Additions	Deductions	Balance December 31, 2015
COUNTY ATTORNEY				
ASSETS				
Cash and cash equivalents	\$ --	\$ 21,020	\$ 21,020	\$ --
Total Assets	<u>\$ --</u>	<u>\$ 21,020</u>	<u>\$ 21,020</u>	<u>\$ --</u>
LIABILITIES				
Due to Others	\$ --	\$ 21,020	\$ 21,020	\$ --
Total Liabilities	<u>\$ --</u>	<u>\$ 21,020</u>	<u>\$ 21,020</u>	<u>\$ --</u>
TAX COLLECTOR				
ASSETS				
Cash and cash equivalents	\$ 504,080	\$ 5,229,185	\$ 5,280,565	\$ 452,700
Total Assets	<u>\$ 504,080</u>	<u>\$ 5,229,185</u>	<u>\$ 5,280,565</u>	<u>\$ 452,700</u>
LIABILITIES				
Due to Others	\$ 437	\$ 1,039	\$ 1,127	\$ 349
Due to Other Governments	503,643	5,228,146	5,279,438	452,351
Total Liabilities	<u>\$ 504,080</u>	<u>\$ 5,229,185</u>	<u>\$ 5,280,565</u>	<u>\$ 452,700</u>
COUNTY ATTORNEY SEIZURE				
ASSETS				
Cash and cash equivalents	\$ 467	\$ 71,558	\$ 9,712	\$ 62,313
Total Assets	<u>\$ 467</u>	<u>\$ 71,558</u>	<u>\$ 9,712</u>	<u>\$ 62,313</u>
LIABILITIES				
Due to Others	\$ 467	\$ 71,558	\$ 9,712	\$ 62,313
Total Liabilities	<u>\$ 467</u>	<u>\$ 71,558</u>	<u>\$ 9,712</u>	<u>\$ 62,313</u>
PAYROLL CLEARING FUND				
ASSETS				
Cash and cash equivalents	\$ (138)	\$ 8,973,484	\$ 8,966,590	\$ 6,756
Total Assets	<u>\$ (138)</u>	<u>\$ 8,973,484</u>	<u>\$ 8,966,590</u>	<u>\$ 6,756</u>
LIABILITIES				
Accounts payable	\$ --	\$ 5,851	\$ 300	\$ 5,551
Due to Others	(138)	8,967,633	8,966,290	1,205
Total Liabilities	<u>\$ (138)</u>	<u>\$ 8,973,484</u>	<u>\$ 8,966,590</u>	<u>\$ 6,756</u>
TOTAL AGENCY FUNDS:				
ASSETS				
Cash and cash equivalents	\$ 1,161,274	\$ 15,887,018	\$ 15,809,902	\$ 1,238,390
Accounts receivable (net)	--	--	--	--
Total Assets	<u>\$ 1,161,274</u>	<u>\$ 15,887,018</u>	<u>\$ 15,809,902</u>	<u>\$ 1,238,390</u>
LIABILITIES				
Accounts payable	\$ --	\$ 5,851	\$ 300	\$ 5,551
Due to Others	657,631	10,653,021	10,530,164	780,488
Due to Other Governments	503,643	5,228,146	5,279,438	452,351
Total Liabilities	<u>\$ 1,161,274</u>	<u>\$ 15,887,018</u>	<u>\$ 15,809,902</u>	<u>\$ 1,238,390</u>

STATISTICAL SECTION

This part of Colorado County, Texas' comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health. The tables herein, are unaudited.

Contents	Page
Financial Trends	100
These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	
Revenue Capacity	108
These schedules contain trend information to help the reader assess the factors affecting the County's ability to generate its property and sales taxes.	
Debt Capacity	118
These schedules contain trend information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	
Demographic and Economic Information	124
The schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help make comparisons over time with other governments	
Operating Information	127
The schedules contain information about the County's operations and resources to help the reader understand how the County's financial information relates to the services the County provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from comprehensive annual financial reports for the relevant year. The County began implementing Statement 34 in fiscal year 2004.

COLORADO COUNTY, TEXAS**NET POSITION BY COMPONENT****LAST TEN FISCAL YEARS****(ACCRUAL BASIS OF ACCOUNTING)***(Unaudited)*

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Governmental Activities				
Net Investment in Capital Assets	\$ 13,322,684	\$ 13,474,958	\$ 14,460,052	\$ 16,110,062
Restricted	385,351	415,883	436,063	2,096,369
Unrestricted	2,028,146	2,859,339	2,577,292	(295,621)
Total Governmental Activities Net Position	<u>\$ 15,736,181</u>	<u>\$ 16,750,180</u>	<u>\$ 17,473,407</u>	<u>\$ 17,910,810</u>

Note

(1) 2011 has been restated for implementation of GASB Statement No. 65

(2) 2013 has been restated.

TABLE D-1

	Fiscal Year					
2010	2011 (1)	2012	2013 (2)	2014	2015	
\$ 16,147,180	\$ 16,537,203	\$ 16,794,252	\$ 18,220,825	\$ 18,176,143	\$ 17,696,723	
1,165,307	426,104	947,852	1,350,657	533,774	436,660	
2,303,419	4,520,767	8,227,087	7,066,786	8,869,910	8,291,146	
<u>\$ 19,615,906</u>	<u>\$ 21,484,074</u>	<u>\$ 25,969,191</u>	<u>\$ 26,638,268</u>	<u>\$ 27,579,827</u>	<u>\$ 26,424,529</u>	

COLORADO COUNTY, TEXAS

EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
 LAST TEN FISCAL YEARS
 (ACCRUAL BASIS OF ACCOUNTING)
 (Unaudited)

	2006	2007	2008
Expenses			
Governmental Activities:			
General administration	\$ 1,303,159	\$ 1,475,136	\$ 1,697,451
Financial administration	345,323	365,362	378,346
Judicial	1,018,680	1,091,521	1,177,418
Public safety	4,253,876	4,424,034	4,669,271
Public facilities	392,554	669,316	371,383
Public transportation	2,170,587	2,655,519	3,090,878
Conservation	113,944	119,156	120,115
Health and welfare	556,319	411,551	503,328
Interest and bond issue costs	68,122	60,785	135,314
Total Governmental Activities Expenses	10,222,564	11,272,380	12,143,504
Total Primary Government Expenses	<u>\$ 10,222,564</u>	<u>\$ 11,272,380</u>	<u>\$ 12,143,504</u>
Program Revenues			
Governmental Activities:			
Charges for Services:			
General administration	\$ 392,322	\$ 364,480	\$ 298,926
Financial administration	94,402	87,510	88,795
Judicial	936,224	1,361,126	1,178,098
Public safety	1,668,802	1,160,797	1,370,697
Public facilities	4,050	61,700	12,510
Public transportation	716,434	697,661	774,468
Conservation	--	--	--
Health and welfare	28,884	28,548	54,769
Operating Grants and Contributions	829,985	419,083	358,008
Capital Grants and Contributions	818,413	89,797	862,865
Total Governmental Activities Program Revenues	5,489,516	4,270,702	4,999,136
Total Primary Government Program Revenues	<u>\$ 5,489,516</u>	<u>\$ 4,270,702</u>	<u>\$ 4,999,136</u>
Net (Expense)/Revenue			
Governmental Activities	\$ (4,733,048)	\$ (7,001,678)	\$ (7,144,368)
Total Primary Government Net Expense	<u>\$ (4,733,048)</u>	<u>\$ (7,001,678)</u>	<u>\$ (7,144,368)</u>

Note:

- (1) 2011 has been restated for implementation of GASB Statement No. 65
 (2) 2013 has been restated.

TABLE D-2

Fiscal Year						
2009	2010	2011 (1)	2012	2013	2014	2015
\$ 2,047,697	\$ 1,814,630	\$ 2,007,277	\$ 2,083,952	\$ 1,980,651	\$ 2,162,103	\$ 2,556,203
403,415	414,065	384,320	399,197	428,606	459,549	496,903
1,230,495	1,348,735	1,350,510	1,454,783	1,415,006	1,416,035	1,462,381
5,535,790	5,513,286	5,492,809	5,353,159	5,307,790	5,712,409	5,860,304
369,030	699,848	119,597	449,457	393,525	526,491	500,725
3,105,659	3,169,758	2,991,089	3,428,401	3,374,189	3,164,962	3,437,890
118,288	132,958	132,340	140,262	172,892	133,229	147,903
335,413	374,564	344,277	362,306	610,479	350,977	384,969
250,796	243,718	238,683	293,583	276,323	352,286	269,343
13,396,583	13,711,562	13,060,902	13,965,100	13,959,461	14,278,041	15,116,621
<u>\$ 13,396,583</u>	<u>\$ 13,711,562</u>	<u>\$ 13,060,902</u>	<u>\$ 13,965,100</u>	<u>\$ 13,959,461</u>	<u>\$ 14,278,041</u>	<u>\$ 15,116,621</u>
\$ 994,088	\$ 221,373	\$ 280,616	\$ 291,444	\$ 76,229	\$ 80,075	\$ 36,106
91,083	93,955	97,003	99,516	102,282	107,592	112,138
1,457,621	1,126,978	1,503,738	1,772,298	1,178,373	1,269,336	1,115,887
348,185	1,056,623	1,153,802	1,183,791	1,189,935	1,229,594	1,326,355
6,471	80,465	--	--	--	30,000	26,100
920,786	886,243	828,858	810,469	815,162	827,116	811,047
1,560	2,380	2,020	2,300	2,280	2,180	1,898
48,185	49,118	23,582	36,909	17,051	25,903	53,283
908,277	1,971,857	585,262	380,257	987,162	248,263	322,014
24,913	863,716	1,045,526	741,783	1,708,987	899,704	113,798
4,801,169	6,352,708	5,520,407	5,318,767	6,077,461	4,719,763	3,918,626
<u>\$ 4,801,169</u>	<u>\$ 6,352,708</u>	<u>\$ 5,520,407</u>	<u>\$ 5,318,767</u>	<u>\$ 6,077,461</u>	<u>\$ 4,719,763</u>	<u>\$ 3,918,626</u>
\$ (8,595,414)	\$ (7,358,854)	\$ (7,540,495)	\$ (8,646,333)	\$ (7,882,000)	\$ (9,558,278)	\$ (11,197,995)
<u>\$ (8,595,414)</u>	<u>\$ (7,358,854)</u>	<u>\$ (7,540,495)</u>	<u>\$ (8,646,333)</u>	<u>\$ (7,882,000)</u>	<u>\$ (9,558,278)</u>	<u>\$ (11,197,995)</u>

COLORADO COUNTY, TEXAS

GENERAL REVENUES AND TOTAL CHANGE IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(Unaudited)

	2005	2006	2007
Net (Expense)/Revenue			
Governmental Activities	\$ (5,875,863)	\$ (4,733,048)	\$ (7,001,678)
Total Primary Government Net Expense	<u>(5,875,863)</u>	<u>(4,733,048)</u>	<u>(7,001,678)</u>
General Revenues and Other Changes in Net Position			
Governmental Activities:			
General Revenues:			
Ad valorem taxes, penalty and interest	4,945,688	5,330,769	6,050,215
Sales taxes	835,531	910,110	1,101,018
Alcoholic beverage taxes	4,643	7,831	10,385
Miscellaneous	47,040	183,624	163,477
Unrestricted investment earnings	209,061	379,776	406,938
Special and Extraordinary Items			
Special item outflow	<u>(403,750)</u>	<u>(2,550,000)</u>	<u>--</u>
Total Governmental Activities	<u>5,638,213</u>	<u>4,262,110</u>	<u>7,732,033</u>
Total Primary Government	<u>5,638,213</u>	<u>4,262,110</u>	<u>7,732,033</u>
Change in Net Position			
Governmental Activities	<u>(237,650)</u>	<u>(470,938)</u>	<u>730,355</u>
Total Primary Government	<u>\$ (237,650)</u>	<u>\$ (470,938)</u>	<u>\$ 730,355</u>

Note:

- (1) 2011 has been restated for implementation of GASB Statement No. 65
(2) 2013 has been restated.

TABLE D-3

Fiscal Year						
2008	2009	2010	2011 (1)	2012	2013	2014
\$ (7,144,368)	\$ (8,595,414)	\$ (7,358,854)	\$ (7,540,495)	\$ (8,646,333)	\$ (7,882,000)	\$ (11,197,995)
(7,144,368)	(8,595,414)	(7,358,854)	(7,540,495)	(8,646,333)	(7,882,000)	(11,197,995)
6,606,623	7,665,967	7,787,259	7,891,027	7,861,818	8,405,951	9,186,462
944,413	1,138,789	877,256	1,259,778	1,625,828	1,309,716	1,441,541
8,796	16,047	14,369	12,223	12,283	14,360	17,305
103,068	161,253	356,086	209,875	522,535	284,860	197,937
204,695	50,758	32,550	90,845	155,236	167,337	152,314
--	--	--	--	2,953,750	--	--
7,867,595	9,032,814	9,067,520	9,463,748	13,131,450	10,182,224	10,995,559
7,867,595	9,032,814	9,067,520	9,463,748	13,131,450	10,182,224	10,995,559
723,227	437,400	1,708,666	1,923,253	4,485,117	2,300,224	(202,436)
\$ 723,227	\$ 437,400	\$ 1,708,666	\$ 1,923,253	\$ 4,485,117	\$ 2,300,224	\$ (202,436)

TABLE D-4

COLORADO COUNTY, TEXAS**FUND BALANCES OF GOVERNMENTAL FUNDS****LAST TEN FISCAL YEARS****(MODIFIED ACCRUAL BASIS OF ACCOUNTING)****(Unaudited)**

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund										
Unreserved	\$ 2,444,410	\$ 2,806,959	\$ 2,787,641	\$ 3,087,737	\$ 3,527,545	\$ —	\$ —	\$ —	\$ —	\$ —
Unassigned	—	—	—	—	—	3,651,382	3,610,885	3,294,449	2,850,275	2,953,235
Total General Fund	\$ 2,444,410	\$ 2,806,959	\$ 2,787,641	\$ 3,087,737	\$ 3,527,545	\$ 3,651,382	\$ 3,610,885	\$ 3,294,449	\$ 2,850,275	\$ 2,953,235
All Other Governmental Funds										
Reserved	\$ 364,412	\$ 395,552	\$ 406,890	\$ 417,573	\$ 429,394	\$ —	\$ —	\$ —	\$ —	\$ —
Restricted	—	—	—	—	—	1,020,851	3,201,585	2,035,578	1,158,194	960,496
Committed	—	—	—	—	—	2,997,236	3,318,283	3,515,477	3,959,176	4,353,829
Unreserved, Reported In:										
Special Revenue Funds	1,828,272	2,306,330	2,012,440	2,606,026	3,169,564	—	—	—	—	—
Capital Projects Funds	—	—	4,487,128	1,653,477	710,684	—	—	—	—	—
Unassigned	—	—	—	—	—	(435,150)	(248,262)	(50,179)	—	—
Total All Other Governmental Funds	\$ 2,192,684	\$ 2,701,882	\$ 6,906,458	\$ 4,677,076	\$ 4,309,642	\$ 3,582,937	\$ 6,271,606	\$ 5,500,876	\$ 5,117,370	\$ 5,314,325

Note - The County implemented the requirements of GASB-54 in 2011 and reports fund balances are classified as Unavailable, Restricted, Committed, Assigned, or Unassigned

TABLE D-5

COLORADO COUNTY, TEXAS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

(Unaudited)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues										
Ad valorem taxes, penalty and interest	\$ 5,347,199	\$ 6,037,131	\$ 6,553,813	\$ 7,608,212	\$ 7,808,743	\$ 7,881,735	\$ 7,988,688	\$ 8,432,290	\$ 8,617,884	\$ 9,182,101
Other taxes	917,941	1,111,404	953,209	1,154,836	891,625	1,272,001	1,638,111	1,324,076	1,443,890	1,458,846
Licenses and permits	689,037	671,260	1,808,777	717,529	703,860	770,434	766,528	791,578	810,512	798,764
Fines and forfeitures	563,323	831,018	778,051	1,151,733	860,300	1,190,194	915,819	917,154	958,975	848,727
Charges for services	2,217,088	2,205,370	1,293,732	2,017,391	1,957,617	1,537,031	1,647,438	1,895,844	1,856,271	1,989,121
Intergovernmental	864,120	524,254	501,675	935,203	2,493,799	1,801,414	1,119,320	2,687,035	1,127,556	426,121
Contributions	—	—	—	—	225,000	—	—	15	20	30
Miscellaneous	603,679	634,693	345,116	242,144	490,453	327,823	549,510	440,448	465,111	370,626
Total Revenues	11,202,367	12,015,130	12,034,173	13,827,048	15,431,397	14,580,632	14,625,414	16,288,440	15,278,219	15,054,336
Expenditures										
Current:										
General administration	1,278,855	1,508,540	1,660,709	2,003,653	1,761,732	1,756,389	1,813,876	1,710,465	1,766,747	2,089,649
Financial administration	346,194	365,266	376,001	401,786	413,859	378,969	398,867	428,520	457,817	504,408
Judicial	1,016,937	1,087,482	1,167,298	1,224,696	1,343,507	1,322,302	1,433,191	1,388,484	1,397,120	1,471,363
Public safety	4,305,993	4,152,415	4,422,495	5,225,402	5,355,639	5,050,307	5,094,424	6,039,035	5,364,351	5,829,088
Public facilities	391,741	669,557	372,502	407,591	1,418,701	462,216	470,733	396,052	437,625	490,261
Public transportation	2,851,918	2,581,118	3,647,309	2,877,580	3,104,217	2,964,294	3,202,011	3,282,479	3,252,792	3,316,986
Conservation	133,551	119,202	119,555	140,451	132,192	132,509	139,870	170,716	132,459	149,665
Health and Welfare	555,981	401,394	490,952	321,289	361,119	356,603	369,379	598,227	338,955	377,386
Capital outlay	—	—	249,035	2,674,091	944,365	2,235,848	1,261,713	2,774,747	1,551,057	12,837
Debt Service										
Principal	210,000	220,000	230,000	235,000	285,000	295,000	305,000	310,000	325,000	393,064
Interest	63,659	58,409	52,909	244,792	237,264	229,285	231,357	276,881	266,403	254,110
Bond issue costs	—	—	60,150	—	1,410	—	41,522	—	—	—
Total Expenditures	11,154,829	11,143,383	12,848,915	15,756,333	15,359,025	15,183,502	14,761,943	17,375,606	15,290,326	14,888,817
Excess of Revenues										
Over (Under) Expenditures	47,558	871,747	(814,742)	(1,929,285)	72,372	(602,870)	(136,529)	(1,087,166)	(12,107)	165,519
Other Financing Sources (Uses)										
Bonds Issued	—	—	5,000,000	—	—	—	2,750,000	—	—	—
Refunding Bonds Issued	—	—	—	—	—	—	—	—	—	—
Payments to Escrow Agent	—	—	—	—	—	—	—	—	—	—
Bond Premium	—	—	—	—	—	—	—	—	—	—
Bond Discount	—	—	—	—	—	—	(22,672)	—	—	—
Note proceeds	—	—	—	—	—	—	57,375	—	—	—
Transfers In	365,000	20,000	313,371	221,479	310,526	164,112	731,988	1,268,673	884,338	55,757
Transfers Out	(365,000)	(20,000)	(313,371)	(221,479)	(310,526)	(164,112)	(731,988)	(1,268,673)	(884,338)	(55,757)
Total Other Financing Sources (Uses)	—	—	5,000,000	—	—	—	2,764,703	—	—	—
Net Change in Fund Balances	\$ 47,558	\$ 871,747	\$ 4,185,258	\$ (1,929,285)	\$ 72,372	\$ (602,870)	\$ 2,648,174	\$ (1,087,166)	\$ (12,107)	\$ 165,519
Debt Service As A Percentage										
Of Noncapital Expenditures	2.5%	2.5%	2.2%	4.6%	3.9%	4.2%	4.8%	3.9%	4.6%	4.8%

Note

(2) 2013 has been restated.

COLORADO COUNTY, TEXAS

TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

(Unaudited)

Fiscal Year	Property Tax	Sales & Use Tax	Amusement Tax	Mixed Drink Tax	Total
2006	\$ 5,347,199	p 910,825	\$ 292	\$ 6,824	\$ 6,265,140
2007	6,037,131	1,100,663	356	10,385	7,148,535
2008	6,553,613	944,121	292	8,796	7,506,822
2009	7,608,212	1,138,476	313	16,047	8,763,048
2010	7,808,743	876,957	299	14,369	8,700,368
2011	7,881,735	1,259,436	342	12,223	9,153,736
2012	7,988,688	1,625,486	342	12,283	9,626,799
2013	8,432,290	1,309,345	371	14,360	9,756,366
2014	8,617,884	1,427,836	413	15,641	10,061,774
2015	9,182,101	1,441,121	420	17,305	10,640,947
Percent Change 2006-2015	71.7%	58.2%	N/A	153.6%	69.8%

TABLE D-7

COLORADO COUNTY, TEXAS

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS

(Unaudited)

Fiscal Year	Real Property	Personal Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable Value
2006	\$ 2,072,490,160	\$ 585,653,591	\$ 1,252,969,173	\$ 1,405,174,578	0.4189	\$ 1,405,174,578	100.0%
2007	2,464,948,080	621,753,636	1,554,483,426	1,532,218,290	0.4300	1,532,218,290	100.0%
2008	2,877,840,686	656,114,063	1,874,464,422	1,659,490,327	0.4490	1,659,490,327	100.0%
2009	2,935,171,180	620,446,966	1,912,826,055	1,642,792,091	0.4643	1,642,792,091	100.0%
2010	3,061,113,616	551,083,041	2,001,464,653	1,610,732,004	0.4821	1,610,732,004	100.0%
2011	3,183,995,868	525,486,273	2,077,634,596	1,631,847,545	0.4821	1,631,847,545	100.0%
2012	3,301,378,915	555,948,288	2,141,101,802	1,716,225,401	0.4821	1,716,225,401	100.0%
2013	3,425,319,785	541,275,904	2,207,514,602	1,759,081,087	0.4821	1,759,081,087	100.0%
2014	3,680,161,570	565,338,064	2,354,217,975	1,891,281,659	0.4821	1,891,281,659	100.0%
2015	4,067,529,999	562,004,867	2,573,642,444	2,055,892,422	0.4821	2,055,892,422	100.0%

Source: Colorado County Central Appraisal District

COLORADO COUNTY, TEXAS

DIRECT AND OVERLAPPING PROPERTY TAX RATES

LAST TEN FISCAL YEARS

(Unaudited)

Fiscal Year	County Direct Rates			School Districts			Overlapping Rates Municipalities	
	Operating Rate	General Obligation Debt Service	Total Direct Rate	Columbus ISD	Rice ISD	Weimar ISD	City of Columbus	City of Eagle Lake
2006	\$ 0.3994	\$ 0.0195	\$ 0.4189	\$ 1.4975	\$ 1.3703	\$ 1.4574	\$ 0.2331	\$ 0.7549
2007	0.4117	0.0183	0.4300	1.1900	1.2980	1.2200	0.2331	0.7783
2008	0.4201	0.0289	0.4490	1.1900	1.2845	1.2200	0.2731	0.7759
2009	0.4325	0.0318	0.4643	1.1900	1.2845	1.2200	0.2731	0.8428
2010	0.4521	0.0300	0.4821	1.1900	1.2403	1.2200	0.2731	0.8248
2011	0.4521	0.0300	0.4821	1.1900	1.2575	1.2800	0.2731	0.8252
2012	0.4510	0.0311	0.4821	1.1900	1.2411	1.2800	0.2731	0.8105
2013	0.4530	0.0291	0.4821	1.1800	1.2311	1.2800	0.2731	0.8117
2014	0.4530	0.0290	0.4820	1.1800	1.2071	1.2600	0.2731	0.7851
2015	0.4571	0.0250	0.4821	1.1700	1.2125	1.2600	0.2731	0.7790

Source: Colorado County Central Appraisal District

TABLE D-8

City of Weimar	Rice Hospital District	Glidden Water Supply District	Colorado County WCID #2	Falls Municipal Utility District	Colorado County Grnd Water District	Total
\$ 0.2535	\$ 0.1268	\$ 0.0789	\$ 0.2915	\$ 0.3000	\$ —	\$ 6.7828
0.2535	0.1329	0.0726	0.3059	0.3000	—	6.2143
0.2617	0.1431	0.1699	0.2868	0.3000	0.0200	6.3741
0.2880	0.1630	0.2265	0.2934	0.3150	0.0200	6.5806
0.2905	0.1820	0.2446	0.2649	0.3150	0.0185	6.5458
0.2905	0.1958	0.2667	0.2717	0.3150	0.0165	6.6641
0.2905	0.1823	0.1932	0.2776	0.3150	0.0150	6.5504
0.2905	0.1784	0.1858	0.2809	0.3150	0.0145	6.5231
0.2905	0.1596	0.1583	0.2673	0.3478	0.0145	6.4252
0.2905	0.1530	0.1473	0.2696	0.3781	0.0125	6.4277

COLORADO COUNTY, TEXAS

PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)

Taxpayer	2015			2006		
	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value
Copano Field Services	\$ 252,313,600	1	12.27%	\$ 15,623,870	4	1.11%
Union Pacific Railroad	37,922,510	2	1.84%	17,018,831	3	1.21%
LCRA Transmission Svcs Corp	29,650,800	3	1.44%			
Exterran Energy Solutions LP	29,587,230	4	1.44%	14,979,460	5	1.07%
Utex Industries Inc.	24,515,360	5	1.19%			
Square Mile Energy LLC	17,300,416	6	0.84%			
XTO Energy Inc	16,566,339	7	0.81%			
Enterprise Crude Pipeline LLC	16,030,270	8	0.78%			
Inland Environmental & Remediation	14,498,990	9	0.71%	10,751,890	9	0.77%
AEP Central Power & Light	12,731,640	10	0.62%	13,793,980	6	0.98%
Dominion Exploration & Production				130,729,810	1	9.30%
Jamex II LTD, LLP				25,694,570	2	1.83%
Southwestern Bell Telephone Co				13,274,880	7	0.94%
Peoples Energy Prod TX LP				12,704,890	8	0.90%
Great Southern Wood Preserving				10,660,720	10	0.76%
	<u>451,097,155</u>		<u>21.94%</u>	<u>265,232,901</u>		<u>18.88%</u>
All other	<u>1,604,795,267</u>		<u>78.06%</u>	<u>1,139,941,677</u>		<u>81.12%</u>
Total	<u>\$ 2,055,892,422</u>		<u>100.00%</u>	<u>\$ 1,405,174,578</u>		<u>100.00%</u>

Source: Colorado County Central Appraisal District

TABLE D-10

COLORADO COUNTY, TEXAS*PROPERTY TAX LEVIES AND COLLECTIONS**LAST TEN FISCAL YEARS**(Unaudited)*

Fiscal Year	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections In Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2006	\$ 5,886,284	2,662,999	45.24%	3,211,691	5,875,699	99.82%
2007	6,588,540	2,360,373	35.83%	4,213,368	6,575,648	99.80%
2008	7,571,356	2,498,221	33.00%	5,045,290	7,548,539	99.70%
2009	7,632,707	2,643,784	34.64%	4,959,366	7,605,163	99.64%
2010	7,764,704	3,015,522	38.84%	4,720,652	7,739,446	99.67%
2011	7,866,492	3,323,275	42.25%	4,506,139	7,834,320	99.59%
2012	8,273,819	3,532,658	42.70%	4,688,111	8,231,236	99.49%
2013	8,485,357	3,331,818	39.27%	5,039,140	8,425,829	99.30%
2014	9,119,183	3,469,916	38.05%	5,530,005	8,999,921	98.69%
2015	9,915,531	3,540,217	35.70%	—	3,540,217	35.70%

Source: Colorado County Central Appraisal District

COLORADO COUNTY, TEXAS

TAXABLE SALES BY CATEGORY
LAST TEN CALENDAR YEARS
(Unaudited)

Category (1)	Calendar Year					
	2006	2007	2008	2009	2010	2011
Agriculture, Forestry, Fishing	\$ 638,860	\$ 695,806	\$ 661,698	\$ 614,552	\$ 778,347	\$ 669,497
Mining	350,814	1,713,216	2,615,311	1,525,315	1,262,729	954,773
Construction	3,685,478	3,761,468	4,188,611	6,364,106	3,243,601	3,831,884
Manufacturing	13,284,937	14,332,028	14,201,785	10,059,489	11,063,355	12,953,765
Transportation, Utilities & Communications	182,018	516,740	830,175	492,022	1,326,496	541,986
Wholesale Trade	4,392,311	5,197,200	5,857,772	5,070,318	5,226,897	6,227,154
Retail Trade	70,503,245	69,936,981	69,927,001	66,816,459	65,800,088	72,323,172
Finance, Insurance, Real Estate	8,392,851	10,293,410	12,452,886	7,411,654	6,620,588	13,496,055
Accommodations/ Food Services	17,994,287	18,396,074	19,415,232	19,644,873	20,806,731	22,563,650
Arts/Entertainment/ Recreation	1,982,640	1,995,317	2,116,838	2,491,612	1,758,850	2,322,773
Public Administration	1,253,606	1,259,292	1,276,531	1,279,567	1,275,138	1,347,588
Services	9,270,942	10,073,750	11,204,077	11,363,138	11,956,298	14,194,354
Other	--	--	--	--	--	--
Total	\$ 131,931,989	\$ 138,171,282	\$ 144,747,917	\$ 133,133,105	\$ 131,119,118	\$ 151,426,651
Direct Sales Tax Rate	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%

Source: Texas State Comptroller

Notes:

(1) Texas State Comptroller collects and remits sales taxes collected to the County. The state does not disclose information on identities of sales tax remitters.

TABLE D-11

2012	2013	2014	2015
\$ 822,297	\$ 1,004,196	\$ 1,106,605	\$ 964,714
860,198	1,276,172	4,733,722	7,308,454
6,016,120	6,095,204	5,279,829	5,433,929
16,998,336	20,898,675	28,161,189	28,033,627
1,642,214	3,007,518	4,670,811	4,029,110
7,754,632	8,582,231	10,849,153	9,273,222
78,404,626	80,753,584	86,445,355	87,714,657
20,961,229	15,894,213	16,838,001	13,367,115
24,639,821	26,048,046	27,155,365	27,358,625
2,543,020	3,432,539	4,282,332	5,138,273
1,580,604	1,691,554	1,867,442	1,989,001
15,345,604	13,788,464	14,118,353	14,719,728
--	--	--	--
<u>\$ 177,568,701</u>	<u>\$ 182,472,396</u>	<u>\$ 205,508,157</u>	<u>\$ 205,330,455</u>
0.50%	0.50%	0.50%	0.50%

COLORADO COUNTY, TEXAS

DIRECT AND OVERLAPPING SALES TAX RATES

LAST TEN FISCAL YEARS

(Unaudited)

Fiscal Year	County Direct Rate	City of Columbus	City of Eaglelake	City of Weimar	Rice Hospital District
2006	0.50%	1.50%	1.00%	1.50%	0.50%
2007	0.50%	1.50%	1.00%	1.50%	0.50%
2008	0.50%	1.50%	1.00%	1.50%	0.50%
2009	0.50%	1.50%	1.00%	1.50%	0.50%
2010	0.50%	1.50%	1.00%	1.50%	0.50%
2011	0.50%	1.50%	1.00%	1.50%	0.50%
2012	0.50%	1.50%	1.00%	1.50%	0.50%
2013	0.50%	1.50%	1.00%	1.50%	0.50%
2014	0.50%	1.50%	1.00%	1.50%	0.50%
2015	0.50%	1.50%	1.00%	1.50%	0.50%

Sources: Texas State Comptroller

COLORADO COUNTY, TEXAS**TAXABLE SALES BY CATEGORY****CURRENT YEAR AND NINE YEARS AGO***(Unaudited)*

Category (1)	2015			2006		
	Taxable Sales	Percentage of Total	# Remitters	Taxable Sales	Percentage of Total	# Remitters
Agriculture, Forestry, Fishing	\$ 964,714	0.47%	21	\$ 638,860	0.48%	17
Mining	7,308,454	3.56%	17	350,814	0.27%	15
Construction	5,433,929	2.65%	91	3,685,478	2.79%	83
Manufacturing	28,033,627	13.65%	93	13,284,937	10.07%	65
Transportation, Utilities & Communications	4,029,110	1.96%	18	182,018	0.14%	19
Wholesale Trade	9,273,222	4.52%	52	4,392,311	3.33%	50
Retail Trade	87,714,657	42.72%	379	70,503,245	53.44%	410
Finance, Insurance, Real Estate	13,367,115	6.51%	21	8,392,851	6.36%	23
Accommodation & Food Service	27,358,625	13.32%	88	17,994,287	13.64%	87
Arts, Entertainment, Recreation	5,138,273	2.50%	22	1,982,640	1.50%	22
Public Administration	1,989,001	0.97%	5	1,253,606	0.95%	5
Services	14,719,728	7.17%	204	9,270,942	7.03%	234
	<u>\$ 205,330,455</u>	<u>100.00%</u>	<u>1,011</u>	<u>\$ 131,931,989</u>	<u>100.00%</u>	<u>1,030</u>

Source: Texas State Comptroller

Notes:

- (1) Texas State Comptroller collects and remits sales taxes collected to the County. The state does not disclose information on identities of sales tax remitters.

TABLE D-14

COLORADO COUNTY, TEXAS*RATIOS OF OUTSTANDING DEBT BY TYPE**LAST TEN FISCAL YEARS**(Unaudited)*

Fiscal Year	General Bonded Debt Outstanding			Total Primary Government	Percentage Actual Taxable Value of Property	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Contractual Obligations	Capital Lease Obligations				
2006	2,005,000	2,953,750	—	4,958,750	0.35%	0.76%	241
2007	1,785,000	2,953,750	—	4,738,750	0.31%	0.67%	230
2008	6,555,000	2,953,750	—	9,508,750	0.57%	1.22%	457
2009	6,320,000	2,953,750	—	9,273,750	0.56%	1.19%	447
2010	6,035,000	2,953,750	—	8,988,750	0.56%	1.17%	431
2011	5,740,000	2,953,750	—	8,693,750	0.53%	1.01%	419
2012	8,185,000	—	38,035	8,223,035	0.48%	0.91%	397
2013	7,852,525	—	17,834	7,870,359	0.45%	0.79%	377
2014	7,529,714	—	—	7,529,714	0.40%	0.76%	361
2015	7,145,907	—	—	7,145,907	0.35%	782.24%	342

Notes:

- (1) General obligation bonds presented net of unamortized premium and/or discount.
- (2) See the Schedule of Assessed and Estimated Actual Values of Taxable Property on Table D-7 for property value data.
- (3) Population data can be found in the Schedule of Demographics and Economic Statistics on Table D-18.

COLORADO COUNTY, TEXAS**RATIOS OF GENERAL BONDED DEBT OUTSTANDING****LAST TEN FISCAL YEARS***(Unaudited)*

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Less: Amounts Restricted to Repaying Principal</u>	<u>Total</u>	<u>Percentage of Actual Taxable Value of Property</u>	<u>Per Capita</u>
2006	\$ 2,005,000	\$ (364,412)	\$ 1,640,588	0.12%	\$ 80
2007	1,785,000	(395,552)	1,389,448	0.09%	67
2008	6,555,000	(406,890)	6,148,110	0.37%	295
2009	6,320,000	(417,573)	5,902,427	0.36%	285
2010	6,035,000	(429,394)	5,605,606	0.35%	268
2011	5,740,000	(400,291)	5,339,709	0.33%	257
2012	8,185,000	(369,204)	7,815,796	0.46%	378
2013	7,852,525	(332,823)	7,519,702	0.43%	360
2014	7,529,714	(268,717)	7,260,997	0.38%	348
2015	7,145,907	(188,564)	6,957,343	0.34%	333

Notes:

- (1) General obligation bonds presented net of unamortized premium and/or discount.
- (2) See the Schedule of Assessed and Estimated Actual Values of Taxable Property on page for property value data.
- (3) Population data can be found in the Schedule of Demographics and Economic Statistics on Table D-18.

COLORADO COUNTY, TEXAS

*DIRECT AND OVERLAPPING
GOVERNMENTAL ACTIVITIES DEBT
(Unaudited)*

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Cities:			
Eagle Lake	\$ 1,193,192	100.00%	\$ 1,193,192
Columbus	868,222	100.00%	868,222
School Districts			
Columbus	11,603,747	97.01%	11,256,795
Rice Consolidated	19,602,801	100.00%	19,602,801
Weimar	7,707,947	91.60%	7,060,479
Special Districts			
Glidden Fresh Water Supply District #1	516,081	100.00%	516,081
Subtotal, Overlapping Debt			40,497,570
County Direct Debt (net of unamortized premium/discount)			7,145,907
Total Direct and Overlapping Debt			<u>\$ 47,643,477</u>

Sources: Assessed value data used to estimate applicable percentages provided by the Colorado County Central Appraisal District. Debt outstanding data provided by each governmental unit.

Estimated percentage applicable is the ratio of the value of taxable property overlapping government vs. the value of taxable property for the County.

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COLORADO COUNTY, TEXAS**LEGAL DEBT MARGIN INFORMATION****LAST TEN FISCAL YEARS***(Unaudited)*

	Fiscal Year				
	2006	2007	2008	2009	2010
Assessed Value of Property	\$ 1,405,174,578	\$ 1,532,218,290	\$ 1,659,490,327	\$ 1,642,792,091	\$ 1,610,732,004
Debt Limit, 10% of total assessed value	140,517,458	153,221,829	165,949,033	164,279,209	161,073,200
Amount of Debt Applicable to limit					
General obligation bonds (net of prem/disc)	2,005,000	1,785,000	6,555,000	6,320,000	6,035,000
Less resources restricted to repaying principal	<u>364,412</u>	<u>395,552</u>	<u>406,890</u>	<u>417,573</u>	<u>429,394</u>
Total net debt applicable to limit	<u>1,640,588</u>	<u>1,389,448</u>	<u>6,148,110</u>	<u>5,902,427</u>	<u>5,605,606</u>
Legal Debt Margin	\$ <u>138,876,870</u>	\$ <u>151,832,381</u>	\$ <u>159,800,923</u>	\$ <u>158,376,782</u>	\$ <u>155,467,594</u>
Total Net Debt Applicable to the Limit					
As a Percentage of Debt Limit	1.2%	0.9%	3.7%	3.6%	3.5%

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2011	2012	2013	2014	2015
\$ 1,631,847,545	\$ 1,716,225,401	\$ 1,759,081,087	\$ 1,891,281,659	\$ 2,055,892,422
163,184,755	171,622,540	175,908,109	189,128,166	205,589,242
5,740,000	8,160,932	7,852,525	7,529,714	7,145,907
400,291	369,204	332,823	(268,717)	(188,564)
<u>5,339,709</u>	<u>7,791,728</u>	<u>7,519,702</u>	<u>7,798,431</u>	<u>6,957,343</u>
\$ <u>157,845,046</u>	\$ <u>163,830,812</u>	\$ <u>168,388,407</u>	\$ <u>181,329,735</u>	\$ <u>198,631,899</u>
3.3%	4.5%	4.3%	4.1%	3.4%

Legal Debt Margin Calculation for the Current Fiscal Year

Assessed Value	\$ <u>2,055,892,422</u>
Debt Limit (10% of Assessed Value)	<u>205,589,242</u>
Debt Applicable to Limit:	
General Obligation Bonds (net of prem/disc)	7,145,907
Less: Amount Set Aside for Repayment of	
General Obligation Debt	<u>(188,564)</u>
Total Net Debt Applicable to Limit	<u>6,957,343</u>
Legal Debt Margin	\$ <u>198,631,899</u>

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

(Unaudited)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Population (1)	20,608	20,648	20,818	20,734	20,878	20,742	20,696	20,874	20,874	20,874
Personal Income (000's), (1)	\$ 650,471 \$	709,858 \$	776,386 \$	780,656 \$	769,438 \$	858,449 \$	907,809 \$	990,993 \$	913,521 \$	953,716
Per Capita Personal Income (1)	\$ 31,564 \$	34,379 \$	37,294 \$	37,651 \$	36,854 \$	41,387 \$	43,864 \$	47,475 \$	44,021 \$	44,593
Median Age (2)	39.3	39.3	39.3	39.3	42.0	44.0	43.7	43.7	43.7	43.7
Education Level in Years of Schooling										
Less than high school graduate	30.9%	30.9%	30.9%	32.4%	30.9%	30.9%	30.9%	30.9%	30.9%	32.0%
High school graduate	33.3%	33.3%	33.3%	40.0%	33.3%	33.3%	33.3%	33.3%	33.3%	42.6%
Some college - no degree	16.9%	16.9%	16.9%	17.0%	16.9%	16.9%	16.9%	16.9%	16.9%	16.9%
Associate's degree	4.4%	4.4%	4.4%	6.0%	4.4%	4.4%	4.4%	4.4%	4.4%	4.5%
Bachelor's degree	10.0%	10.0%	10.0%	12.0%	10.0%	10.0%	10.0%	10.0%	9.5%	10.0%
Graduate or professional degree	4.4%	4.4%	4.4%	5.0%	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%
School Enrollment (3)	3,462	3,345	3,400	3,391	3,454	3,427	3,305	3,522	3,488	3,500
Unemployment (4)	4.1%	3.4%	3.7%	6.4%	7.7%	7.0%	5.7%	5.2%	3.4%	3.9%

(1) Source: Bureau of Economic Analysis

(2) Source: U.S. Census Bureau

(3) Source: Columbus ISD, Rice CISD, Weimar ISD

(4) Source: Texas Workforce Commission

COLORADO COUNTY, TEXAS*PRINCIPAL EMPLOYERS**CURRENT YEAR AND NINE YEARS AGO**(Unaudited)*

Employer	2015			2006		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percent of Total County Employment
Utex Industries	280	1	3.01%	294	1	4.32%
Columbus ISD	230	2	2.47%	207	3	3.04%
Exterran	200	3	2.15%	200	4	2.94%
Rice Consolidated ISD	200	4	2.15%	238	2	3.50%
Columbus Community Hospital	190	5	2.04%	150	6	2.20%
County of Colorado	145	6	1.56%	130	8	1.91%
River Oaks Convalescent	113	7	1.21%	108	9	1.59%
Weimar ISD	110	8	1.19%			
Drymalla Construction	100	9	1.07%	150	5	2.20%
Diversitech	85	10	0.91%	100	10	1.47%
Colorado-Fayette Medical Center				210	3	3.09%
Total	<u>1,653</u>		<u>17.76%</u>	<u>1,787</u>		<u>26.26%</u>

Source: The Texas Workforce Development Board

COLORADO COUNTY, TEXAS*FULL-TIME-EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM**LAST TEN FISCAL YEARS**(Unaudited)*

Function/Program	Full-Time-Equivalent Employees as of Year End									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Government										
General administration	9	9	9	9	9	9	9	9	9	9
Financial administration	6	6	6	6	6	6	6	6	6	6
Judicial	16	17	17	17	17	16	16	16	16	17
Public Safety	64	69	67	66	65	65	65	65	66	66
Public Facilities	4	4	4	4	4	4	4	4	4	4
Public Transportation	29	29	29	30	30	30	30	30	30	30
Conservation	2	2	2	2	2	2	2	2	2	2
Health and welfare	1	1	1	1	1	1	1	1	1	1
Total	<u>131</u>	<u>137</u>	<u>135</u>	<u>135</u>	<u>134</u>	<u>133</u>	<u>133</u>	<u>133</u>	<u>134</u>	<u>135</u>

Source: The Workforce Development Board

TABLE D-21

COLORADO COUNTY, TEXAS*OPERATING INDICATORS BY FUNCTION/PROGRAM**LAST TEN FISCAL YEARS**(Unaudited)*

Function/Program	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Government										
Marriage license issued	142	160	143	137	136	136	133	144	144	131
Birth certificates	278	312	200	318	169	200	200	278	279	295
Death certificates	200	225	200	188	187	200	200	200	200	200
Judicial										
County Court										
Probate cases filed	107	91	106	107	115	102	112	110	118	96
Mental Health cases filed	--	7	--	5	5	5	6	1	5	2
Civil cases filed	153	87	71	63	66	67	66	60	70	55
Criminal cases filed	818	651	675	557	506	446	442	431	354	482
District Court										
Civil cases filed	364	271	289	520	398	431	344	292	285	324
Criminal cases filed	247	225	272	252	191	180	232	165	175	172
Justice Court										
Cases filed	9,543	9,224	10,086	9,792	9,003	7,573	6,450	4,348	5,655	5,845
Public Safety										
Jail bookings	1,749	1,673	1,785	1,703	1,541	1,250	1,498	1,488	1,181	1,393
Jail average daily occupancy	79	56	67	70	62	55	51	53	48	57
Emergency responses	1,036	1,109	1,113	1,146	1,133	1,329	1,393	1,459	1,389	1,684
Emergency transfers	353	379	380	294	336	379	309	297	345	418
Health & Welfare										
Septic permits issued	144	128	124	95	98	105	104	88	117	129
Building permits issued	--	--	--	--	--	148	171	206	273	290
Indigent health care active cases	26	27	26	30	30	24	13	18	21	22

Source: County records

TABLE D-22

COLORADO COUNTY, TEXAS**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM****LAST TEN FISCAL YEARS***(Unaudited)*

Function/Program	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Public Safety										
Stations	1	1	1	1	1	1	1	1	1	1
Jails	1	1	1	1	1	1	1	1	1	1
Patrol Units	17	18	18	23	24	24	24	24	26	29
EMS Stations	3	3	3	3	3	3	3	3	3	3
Ambulance Units	9	10	8	8	8	8	8	8	8	8
Public Facilities										
Courthouse	1	1	1	1	1	1	1	1	1	1
Annex	--	--	--	--	--	1	1	1	1	1
Public Transportation										
Asphalt Roads (miles)	426.0	428.3	435.5	438.3	440.4	441.1	441.6	442.3	444.3	446.3
Gravel Roads (miles)	311.1	311.1	303.8	301.0	299.5	298.9	298.9	298.2	296.2	294.2
Dirt Roads (miles)	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Bridges	87	87	86	87	88	88	88	88	88	88

Sources: County records.