

**GUADALUPE COUNTY, TEXAS**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2016**



**DEPARTMENT ISSUING REPORT**

**Guadalupe County Auditor's Office**

**Kristen Klein, County Auditor**

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# Table of Contents

## Introductory Section

Letter of Transmittal .....	i
Certificate of Achievement for Excellence in Financial Report.....	ix
Principal Officials.....	x
Organizational Charts.....	xi

## Financial Section

Independent Auditor's Report.....	1
Management's Discussion and Analysis .....	4

## Basic Financial Statements

### Government-wide Financial Statements:

Statement of Net Position.....	16
Statement of Activities .....	17

## Fund Financial Statements

Balance Sheet – Governmental Funds.....	18
Reconciliation of the Balance Sheet to the Statement of Net Position .....	19
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds .....	20
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental funds to the Statement of Activities .....	21
Statement of Net Position – Proprietary Funds .....	22
Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds.....	23
Statement of Cash Flows – Proprietary Funds.....	24
Statement of Fiduciary Assets and Liabilities .....	25
Notes to Basic Financial Statements.....	26

## Required Supplementary Information

General Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual .....	55
Road and Bridge Fund – Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual.....	61
Notes to Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual .....	62
Infrastructure Assets (Roads) Under the Modified Approach.....	63
Combining Financial Statements – Non-major Governmental Funds .....	64
Schedule of Changes in Net Pension Liability and Related Ratios.....	65
Schedule of Employer Contributions.....	66
Methods of Assumptions used to Determine Contribution Rates.....	67

# Table of Contents (Continued)

## Other Supplemental Information

### Governmental Funds

#### Combining Financial Statements – Non-Major Governmental Funds

Non-Major Governmental Funds – Combining Balance Sheet.....	73
Non-Major Governmental Funds – Combining Statement of Revenues, Expenditures, and Changes in Fund Balances .....	74

### Budgetary Comparison Schedules

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Capital Projects Fund .....	75
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### Individual Schedules of Revenues, Expenditures, and Changes in

#### Fund Balances – Budget and Actual – Non-Major Governmental Funds

Debt Service Fund.....	76
Juvenile Probation Fund – Special Revenue Fund .....	77
Sheriff's Forfeiture Funds – Special Revenue Fund.....	78
TXDOT Infrastructure Grant Funds – Special Revenue Fund.....	79
TWDB Flood Mitigation Grant – Special Revenue Fund .....	80
Jail Commissary Fund – Special Revenue Fund.....	81
Title IV/E Federal Foster Care Fund – Special Revenue Fund .....	82
Juvenile Drug Court – Special Revenue Fund .....	83
Texas Juvenile Justice Department – Special Revenue Fund .....	84
Help Americans Vote Act (HAVA) – Special Revenue Fund .....	85
Miscellaneous Short-Term Grants – Special Revenue Fund .....	86
Juvenile Probation Fees Fund – Special Revenue Fund .....	87
Law Library Fund – Special Revenue Fund .....	88
Fire Code Inspection Fee Fund – Special Revenue Fund.....	89
County Clerks Records Management & Preservation Funds – Special Revenue Fund.....	90
County Records Management Fund – Special Revenue Fund .....	91
Courthouse Security Fund – Special Revenue Fund .....	92
District Clerk Records Management Fund – Special Revenue Fund .....	93
Justice Court Technology Fund – Special Revenue Fund .....	94
Justice Court Security Fund – Special Revenue Fund .....	95
Court Reporter Service Fund – Special Revenue Fund .....	96
Alternative Dispute Resolution fund – Special Revenue Fund .....	97
Court Initiated Guardianship Fund – Special Revenue Fund .....	98
Family Protection Fee Fund – Special Revenue Fund .....	99
County and District Courts Technology Fund – Special Revenue Fund .....	100
Surplus Fund – Election Contracts – Special Revenue Fund.....	101
County Attorney Pre-Trial Intervention Fund – Special Revenue Fund.....	102
Bail Bond Security Fund – Special Revenue Fund.....	103
Law Enforcement Training Fund – Special Revenue Fund .....	104
Department of Homeland Security Grants – Special Revenue Fund .....	105
District Attorney Grant – Special Revenue Fund.....	106
25th Judicial District Attorney – Special Revenue Fund .....	107
District Attorney State Funds – Special Revenue Fund .....	108
District Attorney Forfeiture Fund – Special Revenue Fund .....	109
Constable Precinct 3 State Forfeiture Funds – Special Revenue Fund .....	110
Constable Precinct 3 Federal Forfeiture Funds – Special Revenue Fund .....	111
Special VIT Interest Fund .....	112
Special Revenue Funds not Required to Have a Legally Adopted Budget .....	113

# Table of Contents (Continued)

## Proprietary Funds

### Internal Service Funds:

Combining Statement of Net Position – Internal Service Funds.....	114
Combining Statement of Revenues, Expenses, and Changes in Net Position – Internal Service Funds .....	115
Combining Statement of Cash Flows – Internal Service Funds .....	116

## Fiduciary Funds

### Agency Funds:

Combining Statement of Fiduciary Assets and Liabilities – Agency Funds .....	117
Combining Statement of Changes in Assets and Liabilities – Agency Funds .....	119

## Statistical Section

### Financial Trends:

Net Position by Component – Last Ten Fiscal Years.....	124
Changes in Net Position – Last Ten Fiscal Years .....	126
Fund Balances of Governmental Funds – Last Ten Fiscal Years .....	128
Changes in Fund Balances of Governmental Funds – Last Ten Fiscal Years.....	130

### Revenue Capacity:

Assessed Value and Actual Value of Taxable Property – Last Ten Fiscal Years .....	132
Property Tax Levies and Collections – Last Ten Fiscal Years .....	133
Property Tax Rates – Direct and Overlapping Governments – Last Ten Fiscal Years .....	134
Principal Property Taxpayers – Current Year and Nine Years Ago .....	136

### Debt Capacity:

Ratios of Outstanding Debt by Type – Last Ten Fiscal Years.....	137
Ratios of General Bonded Debt Outstanding – Last Ten Fiscal Years .....	138
Direct and Estimated Overlapping Governmental Activities Debt .....	139

### Demographic and Economic Information:

Demographic and Economic Statistics – Last Ten Fiscal Years .....	140
Schedule of Employment by Industry – Calendar Years 2006 and 2015.....	141

### Operating Information:

Capital Assets Statistics by Function – Last Ten Fiscal Years.....	142
Full-Time Equivalent County Government Employees by Function – Last Ten Fiscal Years.....	144
Operating Indicators by Function – Last Ten Fiscal Years.....	145

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## **INTRODUCTORY SECTION**

# OFFICE OF COUNTY AUDITOR

**KRISTEN KLEIN, CPA  
COUNTY AUDITOR**



# GUADALUPE COUNTY, TEXAS

**Guadalupe County Finance Center  
307 West Court Street, Suite 205  
Seguin, Texas 78155  
(830) 303-8876  
kris@co.guadalupe.tx.us**

March 30, 2017

Honorable District Judges of Guadalupe County and  
Honorable Members of the Guadalupe County Commissioners Court

Dear Judges and Commissioners:

The County Auditor's office is pleased to present the Comprehensive Annual Financial Report (CAFR) of the County of Guadalupe, Texas, (County) for the fiscal year ended September 30, 2016. The accompanying financial statements were prepared in accordance with generally accepted accounting principles (GAAP) as promulgated by the Government Accounting Standards Board (GASB) and this report submitted is in compliance with Section 114.025, Vernon's Texas Codes Annotated (V.T.C.A.), Local Government Code which requires a complete set of auditing financial statements annually.

The purpose of this report is to provide the District Judges of Guadalupe County, the Guadalupe County Commissioners' Court, citizens, representatives of financial institutions and others with detailed information concerning the financial condition and performance of the County. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the County.

Management of the County is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the County are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principle (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that those objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefit likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management. We believe that the information presented is accurate in all material respects and reported in a manner designed to show the financial position and operating results of the County. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities have also been included.

Weaver and Tidwell, LLP, a firm of licensed certified public accountants, has audited the County's financial statements. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the County, for the fiscal year ended September 30, 2016, are free of material misstatement. The examination was conducted in accordance with generally accepted governmental auditing standards. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used; and evaluating the overall financial statement presentation. The independent auditor concluded, based on the audit, that there was a reasonable basis for rendering an unqualified ("clean") opinion that the County's financial statement for the fiscal year ended September 30, 2016 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.



Immediately following the independent auditors report is a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of the Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A, and should be read in conjunction with it.

The independent audit of the financial statements of the County was part of the broader, federally mandated “Single Audit” designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and legal requirements involving the administration of federal awards. These reports are a separate document, and are available upon request.

### ***Profile of Guadalupe County***

**Geographic Information.** Guadalupe County is located approximately one hundred miles inland from the Gulf of Mexico in south central Texas and is bounded by Comal, Hays, Caldwell, Gonzales, Wilson, and Bexar counties and is a component of the “San Antonio Area Metropolitan Statistical Area” (MSA) by the Texas Comptroller of Public Accounts. The County covers 715 square miles of flat to rolling terrain with local depressions and escarpments, and its elevation ranges from 450 to 800 feet above sea level. The area has a mild subtropical climate, with temperatures ranging from an average high of 96° in July and an average low of 42° in January.



**History.** The central Texas region, including Guadalupe County, has supported human habitation for several thousand years. Archaeologists believe some of the artifacts found in the area to be from the Archaic Period (ca. 5000 B.C. to 500 A.D.); other pieces are more recent, dating from 1200 to 1500 A.D. Indian tribes in the area included the Karankawas, Tonkawas, Comanches, and Lipan Apaches.

In 1838, a group of former Texas Rangers and other settlers founded the community of Walnut Springs, which changed its name to Seguin in 1839 to honor Juan Nepumocemo Seguin, a hero in the Texas Revolution, who had served as mayor of San Antonio and had been a senator for the Republic of Texas. In 1846, the year that the Republic of Texas became the State of Texas, Guadalupe County was formed with Seguin as its county seat. On March 30, 1846, the Texas Legislature approved the act creating Guadalupe County. Guadalupe County was created from Gonzales and Bexar counties and was organized on July 13, 1846. Guadalupe County takes its name from the Guadalupe River, which Alonso de Leon named in 1689 in honor of the Lady of Guadalupe depicted on his standard.

**Population.** The County population has grown significantly since 1850. In 1850, the U.S. Census Bureau shows the County population at 1511. By 1900, the population had grown to 21,835, and in 2000, the population was 89,023. The 2015 population estimate is 151,249. The increased growth is evident in the increased demand for service at the county level.

**Highway System.** The County is traversed, along its northwestern border, by Interstate Highway 35 and bisected centrally by Interstate Highway 10 (east to west). US highway 90 and US Highway 90A both branch off Interstate Highway 10 in Seguin and continue eastward to the county line toward Luling and Gonzales, respectively. Additionally, the County has two major state highways (State Highway 46 and State Highway 123) that both bisect the County (north to south). Completed in 2012, is State Highway 130, a toll road, which is meant to divert traffic on Interstate Highway 35 around Austin. State Highway 130 begins in Georgetown and travels east of Austin, coming into Guadalupe County on the northeast boundary and connecting to Interstate Highway 10 east of Seguin.

**Governmental Entity – County Structure.** Guadalupe County is a public corporation and political subdivision of the State of Texas. The county seat is the city of Seguin. The general governing body of the County is an elected five-member Commissioners’ Court (Court) in accordance with Article 5, Paragraph 18 of the Texas Constitution. The Court is comprised of the County Judge, who is the presiding officer, and four Commissioners. The County Judge is elected at large to serve a four-year term. Commissioners serve four-year staggered terms, two members elected every two years.

The Court, which generally meets three times per month, sets the calendar for regularly scheduled commissioners’ court dates on an annual basis. This calendar is available from the County Judge’s office, the County Clerk, or on the Commissioners Court webpage on the County’s website [www.co.guadalupe.tx.us](http://www.co.guadalupe.tx.us).

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

The County Auditor has responsibilities for prescribing the systems and procedures for handling the finances of the County and “examining, auditing and approving” all disbursements from County funds prior to their submission to the Commissioners’ Court for approval. The district judges of Guadalupe County appoint the County Auditor for a two-year term.

The County serves a population, based on the 2010 U.S. Census, of 131,533 and provides many varied services for the public it serves. These services include, but are not limited to, the operation of the district, county and justices of the peace judicial systems, voting operations for national, state and some local elections, maintenance on and construction of county owned roads and bridges, recording functions relating to property rights and vital statistics, operation of law enforcement agencies (sheriff and constables), operation of the county jail, property tax collections for multiple agencies and general governmental administration. The County, while not directly providing the service, does provide funding for Emergency Medical Services (EMS), Volunteer Fire Departments, and Libraries.

The annual budget serves as the foundation for the County’s financial planning and control. All departments of the County are required to submit requests for appropriation to the County Judge during May each year. The County Judge, whom is the budget officer for the County, then uses these requests as the starting point for developing the County Judge’s Recommended Budget. This budget is presented to the County Commissioners for their review. From the County Judge’s Recommended Budget, the County Commissioners and the County Judge prepare the proposed budget, which is filed with the County Clerk. The Court then holds the public hearing on the proposed budget. The County is required to adopt a final budget by the first day of the new fiscal year. The appropriated budget is prepared by fund, department, and budget summary (personnel, operations, and capital outlay). The Court approves the budget on a

summary line basis with any changes to personnel or capital outlay required to be approved by commissioners' court. A more detailed, line item, budget is included with the adopted budget for informational purposes.

Budget-to-actual comparisons are provided in this report for each individual government fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented as part of the basic financial statements for the governmental funds. For governmental funds, other than the general fund, with appropriated annual budgets, this comparison is presented in the Supplemental Non-Major Governmental Funds subsection of this report.

### ***Factors Affecting Financial Condition***

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which Guadalupe County operates.

**Local economy.** The County is transitioning from a primarily rural community to a suburban community servicing the San Antonio/Austin corridor. The population has grown by 48% since the 2000 census and by 103% since the 1990 census. Most of the large-scale growth has been in the northwestern region of the County, primarily in the cities of Schertz and Cibolo. However, homebuilding slowed in this area from beginning in 2008, but since then has continued with moderate increases in new homes each year.

Revenues from sales tax have increased each year since 2004. From 2004 through 2007, there was double-digit growth in sales tax revenue, from 2008 to 2010 sales tax increased annually but at a much slower rate. During the period from 2011 through 2014, the County saw increased growth each year of 8 to 13% in sales tax. In fiscal year 2015, sales tax collections compared to prior years was much less stable, seeing both increases over the prior year of up to 10.9% and decreases from the prior year of up to 12.3%, with an overall increase of one half of one percent (0.50%) for the year. Sales tax collections in 2016 had modest growth of 2.2% over 2015.

Sales tax growth from 2011 through 2014 was attributed to major new businesses locating in Guadalupe County such as Amazon and Caterpillar combined with the impact of the oil boom in the Eagle Ford Shale, which is located south, and east of Guadalupe County. The decrease in oil prices, starting in August 2014 began impacting Guadalupe County with sales tax transactions in April 2015 (sales from February 2015).

Guadalupe County has a low unemployment rate as compared to the State of Texas and the national average. In September 2016, Guadalupe County had an unemployment rate of 3.9% compared to the national rate of 4.9% and 4.8% for the State of Texas. As of September 2016, the labor force figures for the County, as established by the Texas Workforce Commission, were at 74,387 of which 71,504 were currently employed. The growth within Guadalupe County, and the growth of the communities within commuting distance, has significantly contributed to the low unemployment rate for the County.

The Eagle Ford Shale gas formation was discovered in 2008 and is unlike many other shale formations because it has both oil and natural gas resources. Located in Southwest Texas from the Mexican border to areas in east Texas, all south of Guadalupe County, the Eagle Ford Shale is estimated to have 20.81 trillion cubic feet of natural gas and 3.351 billion barrels of oil. The formation ranges in depth from 4,000 to 14,000 feet and covers over 3,000 square miles.

The trend of solid gains in the tax base from 2003 to 2008 reversed in 2009. Freeze adjusted taxable value decreased in 2009 from \$7.05 billion to \$6.81 billion, however the new construction as well as values have steadily increased since 2009.

*Freeze Adjusted Taxable Value (in billions) by Year*

2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
\$9.30	\$8.93	\$8.33	\$7.86	\$7.71	\$7.36	\$6.90	\$6.81	\$7.05	\$5.90

In April 2012, CPS Energy acquired the Rio Nogales electric power plant in Seguin. Rio Nogales is an 800-megawatt combined cycle gas plant. CPS Energy is a utility owned by the city of San Antonio, and because the Texas Constitution prohibits one government entity from taxing another government entity, CPS Energy is exempt from property taxes. Rio Nogales was the County's second highest taxpayer in fiscal year 2011, with a total assessed value from all accounts of \$171 million, which accounted for 1.5% of the total assessed value. The change in the status of this property, from taxable to tax exempt, was included in the effective tax rate calculation for fiscal year budget beginning October 1, 2012 (Fiscal Year 2012-2013).

The utility agreed to make a tax exemption settlement payment of \$7,667,000 to the County. This complex legal agreement was an agreement by each of the Taxing Authorities to release in full and to covenants not sue, CPS Energy and the City of San Antonio as to the qualification of the Subject Property for an exemption from ad valorem taxes throughout the term of this Agreement in order to avoid the uncertainties and the expense of litigation through the term of this contract which terminates December 31, 2041. For the exemption period, if this property becomes taxable, then the payment from CPS Energy shall be credited against ad valorem taxes as prepayment of and credit against any tax liability until such credit is fully exhausted. The two exceptions are losses of property tax exemption caused by (1) CPS Energy's transfer of the property to a non-exempt owner or (2) a change in law or other action by a third party (i.e., someone other than any of the taxing authority parties to the agreement or the County Appraisal District). Under either of these two exceptions, the amount paid by CPS Energy to the County is prorated over the first 15 years of the agreement, and only the unamortized portion at the time the property becomes taxable may be claimed as a credit.

Due to this potential liability, during the first 15 years of the agreement, Guadalupe County has one expended a portion of these funds (\$1.2 million for the renovation of the Agriculture Extension building), and is expected to utilize a prorated portion for capital projects during the fifteen year period. The balance of these proceeds, \$6,467,000 has been classified in the category of assigned fund balance.

In 2010, Caterpillar completed construction on a new plant that manufactures diesel engines and employs over 1,000 people. The local hospital, Guadalupe Regional Medical Center completed a \$100 million expansion project nearly doubling its size. The construction of the State toll road State Highway 130 was completed in 2012. This additional infrastructure, which is intended to divert traffic on Interstate Highway 35 around Austin, should be additional economic growth to Guadalupe County. Additionally, Amazon.com executed an economic development incentive with the Guadalupe County and the city of Schertz on the new construction of a 1.3 million square foot distribution center located in the northwest corner of Guadalupe County, which became operational during the fall of 2013.

Growth continues in the County with more businesses and industry taking advantage of 'pro-business' economic development incentives. In 2015, Niagara Bottling broke ground on an \$85 million, 557,000-square-foot bottling plant and Tractor Supply was approved for an incentive package to build a 75,000 square foot facility for a regional distribution center. Additionally, Cerealto Siro Foods Group signed an

economic development incentive to build a cookie and cracker production facility, a research and development center and a “special employment” operation designed to provide jobs for people who have disabilities or are socially disadvantaged; this project is in development phase.

The economic outlook for Guadalupe County remains optimistic for the near future. The steady, but slow increase, of crude oil prices will have an impact on employment in the Eagle Ford Shale, and therefore an impact on the economy of Guadalupe County. The low unemployment and growth within the County has presented a good economic outlook.

The continued growth in population, while having a positive impact on the local economic community as a whole, will continue to present real challenges for County government. If the County is to continue to provide the level of service it has established, it will need to explore all avenues of increasing revenues as well as finding more efficient ways to operate and to keep up with demands imposed by the constituents. Currently, Guadalupe County has one of the lower tax rates of the 254 Texas counties.

**Major Initiatives and Capital Planning.** Guadalupe County has added much-needed infrastructure, including remodeling the first and third floors of a furniture warehouse business into a Justice Center housing the Commissioners Court, County Clerk, County Attorney, County Court-at-Law, County Court-at-Law No. 2, and the Veterans’ Service Officer. The County constructed a new Elections building, remodeled the Administration building (now known as the Finance Center) for the County Tax-Assessor, County Treasurer and County Auditor, and constructed an addition to the Schertz Annex to house the County Clerk and the Elections Office.

Completed in 2014 were the renovation of the second floor of the Justice Center which now houses the District Courts, District Clerk, and District Attorney and the replacement of the Adult Detention Center (County Jail) heating and air conditioning system (HVAC) with a chiller system. During 2015, the County completed the renovation of the Agriculture Extension (Agri-life) Building and in 2016 completed that the construction of a lube center for the Road and Bridge Department and the renovation of the historic County Courthouse.

Plans for the future include the purchase and remodeling of a new building in Schertz (located in the west end of the County), renovation of the plumbing systems at the Juvenile Detention center, purchase of land near the Justice Center in Seguin for future development and the renovation of the Road and Bridge Maintenance Building (new roof, insulation, and awnings).

**Long-term Financial Planning.** A major component of long-term financial planning is the funding capital projects and maintenance of existing infrastructure with limited debt. The Commissioners Court continues to be very active in infrastructure development, including both maintaining level of roads and renovation and purchase of additional building to accommodate the needs of the growing population. Both previous and current Commissioners Courts have had a very conservative approach to funding major capital projects, using debt as a tool to finance said projects on a limited basis. As part of their fiscally conservative plans, they build fund balance to fund major projects.

The Commissioners Court continues to be active in economic development to insure and promote continued growth. Working with the local city economic development corporations to attract new industry to the area is continuing, and the prospect of continued growth in the local economy is very encouraging at this time.

**Relevant financial policies.** As sound financial management practice, members of the Commissioners Court emphasize maintaining a sufficient unrestricted fund balance to assist in maintaining financial stability, funding for emergencies and major capital projects, and retaining and enhancing the County's bond rating. As part of this plan, Guadalupe County has adopted a fund balance policy to ensure its long-term financial health. In the General Fund, the target reserve level is 20% of budgeted expenditures to provide stability and flexibility for the organization. The actual reserve level has exceeded this target for the current and previous fiscal years. As described in the accompanying CAFR document, the unassigned fund balance is \$18.1 million, or 38.0%, of the budgeted General Fund expenditures for the fiscal year ended September 30, 2016.

The County includes a separate "Contingency" line item in the budget, which ensures that unexpected situations do not diminish our projected fund balances; keeping them at a healthy level. The County also maintains a fund that is considered for capital projects or other, large, one-time expenditures. The County created this fund by transfer of funds that represent some of the tax revenue derived from tipping fees and transferring of reserve funds.

Additionally, the county deposits idle cash into temporary investment vehicles in accordance with its formal investment policy. Temporary investments may include, among others, certificates of deposit, United States government agency securities, money market investment accounts, and local government investment pool facilities. During the year ended September 30, 2016, the county earned \$367,306 in interest. More information about the county's deposits and investments can be found in Note 2 – Deposits and Investments to the Financial Statements on pages 34-36 of this report.

**Awards.** The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to Guadalupe County for the Comprehensive Annual Financial Report for the fiscal year ended September 30, 2015, received for the fourth consecutive year.

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 is valid for a period of one year only. 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.

**Acknowledgments.** The preparation of this report would not have been possible without the efficient and dedicated work of Heidi Franzen, 1<sup>st</sup> Assistant County Auditor, and the professional services provide by our Independent Auditors, Weaver and Tidwell, LLP. We also wish to commend the county officials, department heads, and all members of the departments who assisted and contributed to the preparation of this report. Furthermore, it is important to recognize the members of the Commissioners Court for their interest and support in planning and conducting the financial operations of the County. I should also like to thank the District Judges of Guadalupe County for their unwavering support, enabling this office to perform its duties in a responsible and progressive manner. I am very honored to serve the citizens of this County and work with the outstanding officials and employees that help make Guadalupe County one of the best in Texas.

**Request for information.** This financial report is designated to provide an overview of the County's finances for individuals who are interested in this information. Questions concerning any of the data provided in this report or requests for additional financial information should be addressed to the Guadalupe County Auditor, 307 W. Court, Suite 205, Seguin, Texas 78155.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Kristen Klein', written in a cursive style.

Kristen Klein, CPA  
Guadalupe County Auditor



Government Finance Officers Association

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

Presented to

**Guadalupe County  
Texas**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**September 30, 2015**

Executive Director/CEO



# GUADALUPE COUNTY OFFICIALS

## Commissioners' Court

Kyle Kutscher	County Judge
Gregory Seidenberger	County Commissioner, Precinct 1
Jack Shanafelt	County Commissioner, Precinct 2
Jim Wolverton	County Commissioner, Precinct 3
Judy Cope	County Commissioner, Precinct 4

## District Court

William Old	District Judge, 25th Judicial District
W.C. Kirkendall	District Judge, 2nd 25th Judicial District
Gary Steel	District Judge, 274th Judicial District

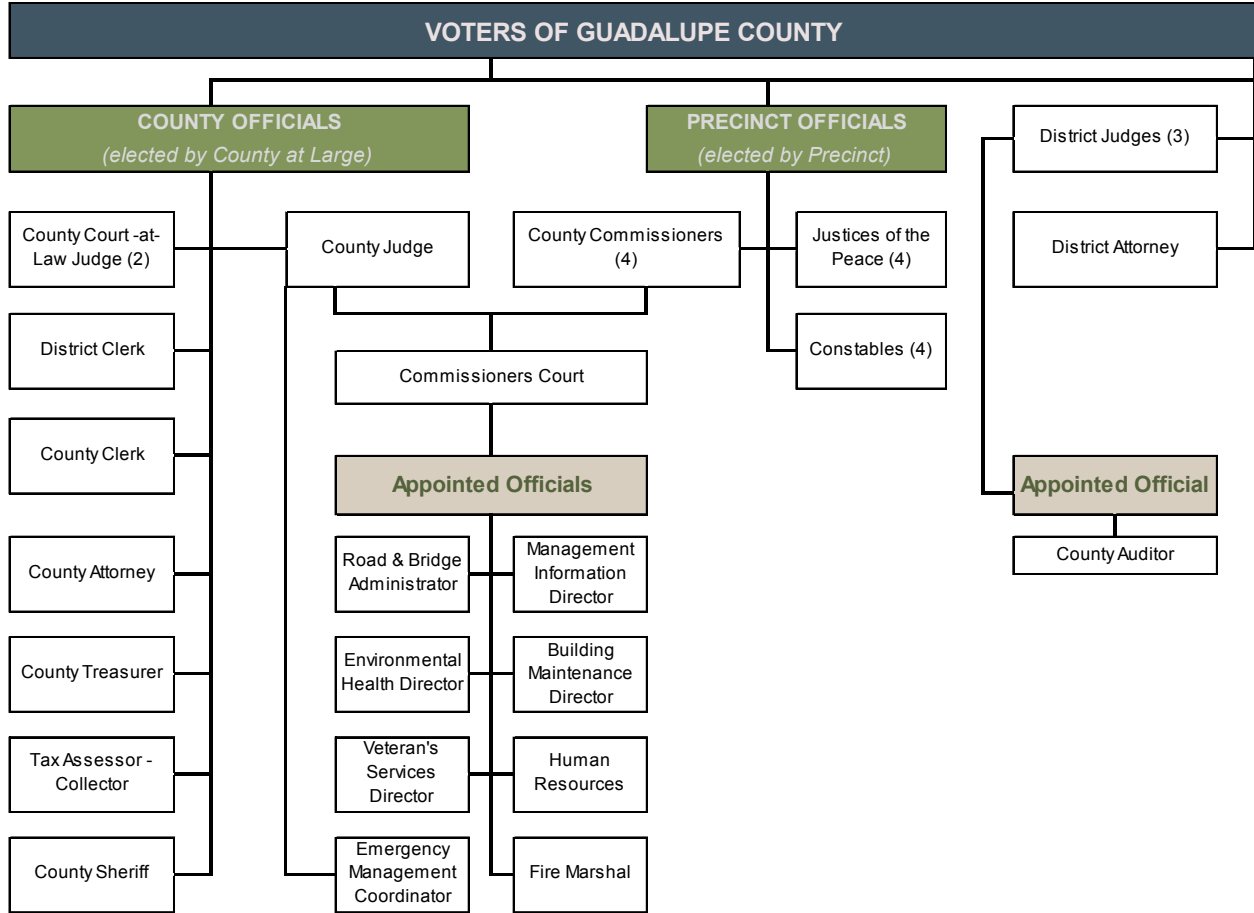
## Elected County and Precinct Officials

Robin Dwyer	Judge, County Court at Law
Frank Follis	Judge, County Court at Law No. 2
Darrell Hunter	Justice of the Peace, Precinct 1
Sheryl Sachtleben	Justice of the Peace, Precinct 2
Roy Richard	Justice of the Peace, Precinct 3
Todd Friesenhahn	Justice of the Peace, Precinct 4
Linda Douglass	County Treasurer
Tavie Murphy	Tax Assessor / Collector
Teresa Kiel	County Clerk
Zena Heather McMinn	District Attorney
David Willborn	County Attorney
Debi Crow	District Clerk
Arnold Zwicke	Sheriff
Bobby Jahns	Constable, Precinct 1
James Harless	Constable, Precinct 2
Michael Skrobarcek	Constable, Precinct 3
Gene Mayes	Constable, Precinct 4

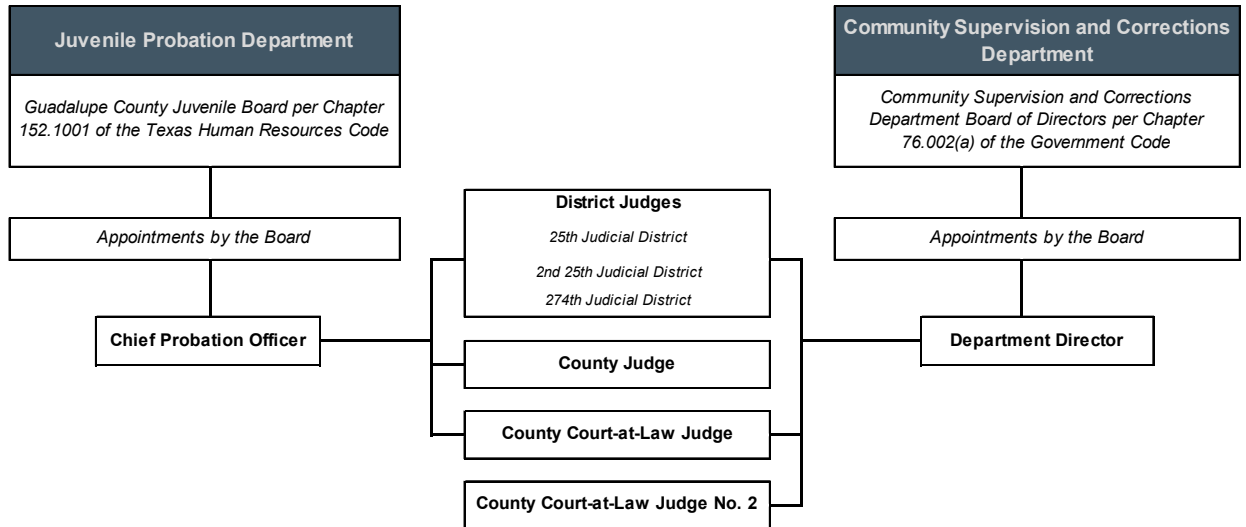
## Appointed County Officials

Robert Thomas	Chief Adult Probation
Ron Quiros	Chief Juvenile Probation Officer
Lisa Adam	Elections Administrator
Kristen Klein	County Auditor
Carl Bertschy	Management Information Systems Director
Audrey McDougal	Human Resources Director
Richard Vasquez	Building Maintenance Director
Travis Franke	County Extension Agent
William MacAllister	Veterans' Service Officer
Patrick Pinder	Emergency Management Coordinator/Fire Marshall
Mark Green	Road and Bridge Administrator
Michelle Coleman	Environmental Health Director

# GUADALUPE COUNTY ORGANIZATIONAL CHART



# GUADALUPE COUNTY SPECIALIZED LOCAL ENTITIES ORGANIZATIONAL CHART



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## **FINANCIAL SECTION**



## INDEPENDENT AUDITOR'S REPORT

To the Honorable County Judge and  
Members of Commissioners Court  
Guadalupe 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 Guadalupe County, Texas (the County), as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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

To the Honorable County Judge and  
Members of Commissioners Court

### ***Opinions***

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

### ***Other Matters***

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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 to 15, budgetary comparison schedules on pages 55 to 61, infrastructure information on pages 63 to 64, Texas County District Retirement System Schedule of Changes in the Employers Net Pension Liability and Related Ratios, and the Texas County District Retirement System Schedule of Employer Contributions on pages 65 and 66, respectively, 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, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Information***

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

To the Honorable County Judge and  
Members of Commissioners Court

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 30, 2017, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

*Weaver and Tidwell, L.L.P.*

WEAVER AND TIDWELL, L.L.P.

Austin, Texas  
March 30, 2017



## MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Guadalupe County, Texas' (the "County") Comprehensive Annual Financial Report (CAFR) presents a narrative overview and comparative analysis of the financial activities of the County for the fiscal year ended September 30, 2016 and 2015.

Readers are encouraged to consider the information presented here in conjunction with the basic financial statements that immediately follow, along with the letter of transmittal, the accompanying notes to those financial statements, and other portions of the CAFR.

### FINANCIAL HIGHLIGHTS

#### Highlights for Government-wide Financial Statements

The government-wide financial statements report financial information about the County as a whole using the economic resources measurement focus and accrual basis of accounting.

- The total government-wide assets and deferred outflow of resources of the County exceeded the liabilities at September 30, 2016 by \$102,549,049 (net position), an increase of \$9,095,338 from the previous year's net position.
- The net position is categorized as follows:
  - Restricted net position:
    - \$2,048,131 for county operations
    - \$240,583 for debt service
    - \$1,245,140 for public safety
    - \$3,965,698 for roads and bridges
    - \$1,880,400 for records management
    - \$747,480 for community services/programs
  - Net investment in capital assets is \$64,895,891
  - The remainder of \$27,525,726 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors
- Total revenue from all sources was \$66.6 million. The primary revenue sources for governmental activities were property (ad valorem) taxes (\$40.6 million), charges for services (\$12.4 million), and sales tax (\$7.6 million). These three revenue sources accounted for 60.9%, 18.6%, and 11.4% respectively, or 90.9% of total governmental activities revenues.
- Total expenses for governmental activities were \$57.5 million. The largest functional expenses were public safety (\$22.6 million), general government (\$12.4) and judicial (\$9.8 million).

## OVERVIEW OF THE FINANCIAL STATEMENTS

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

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the County’s overall financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the government, reporting the County’s operations in more detail than the government-wide statements.
- *The governmental funds statements* tell how *general government* services were financed in the *short term* as well as what remains for future spending.
- *Proprietary fund statements* offer *short-term* and *long-term* financial information about the activities the government operates *like businesses*, such as self-funded employee medical insurance.

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

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

### Government-wide 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 and, accordingly, to provide information about the County as a whole, presenting both an aggregate current view of the County’s finances and a longer-term view of those assets. They present the financial picture of the County from an economic resource measurement focus using the accrual basis of accounting.

The *statement of net position* includes all of the government’s assets, deferred outflows of resources, liabilities, and deferred inflow of resources. All of the current year’s revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The *statement of activities* presents information showing how the County’s net position changed during the most recent fiscal year. All changes in net position are reported as 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 are expected to result in cash flows in future fiscal periods, such as revenues pertaining to uncollected taxes and earned but unused vacation leave.

The two government-wide statements report the County’s net position and how they have changed. Net Position — the difference between the County’s assets and deferred outflows of resources versus the liabilities and deferred inflow of resources— is one way to measure the County’s financial health or *position*.

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

The government-wide financial statements of the County include the *Governmental activities*. Most of the County’s basic services are included here, such as general government, judicial, public safety, infrastructure, etc. Property taxes and charges for services finance most of these activities.

## **Fund Financial Statements**

The fund financial statements provide more detailed information about the County’s most significant *funds*—not the County as a whole. Funds are accounting devices that the County uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law and by bond covenants.
- The County establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The County has the following types of funds:

- *Governmental funds*—Most of the County’s basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the County’s programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explain the relationship (or differences) between them.
- *Internal service funds* – These are used to report activities that provide supplies and services for the County’s other programs and activities.
- *Fiduciary funds*—The County is the trustee, or *fiduciary*, for certain funds. It is also responsible for other assets that—because of a trust arrangement—can be used only for the trust beneficiaries. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the County’s fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the County’s government-wide financial statements because the County cannot use these assets to finance its operations.

## **Notes to the Financial Statements**

The information reported in the notes to the financial statements provides additional disclosures necessary to understand the data presented in the government-wide and fund financial statements.

## FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

### Statement of Net Position

The table below compares the County's net position for the past two years. (Note: The County does not have any business-type activities.)

**COMPARATIVE SCHEDULE OF NET POSITION**  
*September 30, 2016 and 2015*  
*Amount in (000's)*

	<b>Primary Government Governmental Activities</b>	
	2016	2015
Current and other assets	\$ 47,835	\$ 44,512
Capital assets, net	73,749	69,177
<b>Total Assets</b>	<b>121,584</b>	<b>113,688</b>
<b>Deferred outflow of resources</b>		
Deferred charges on refunding	147	210
Deferred pension activities	9,706	3,373
<b>Total deferred outflow of resources</b>	<b>9,852</b>	<b>3,482</b>
Long-term liabilities	21,606	18,838
Other liabilities	5,551	4,879
<b>Total Liabilities</b>	<b>27,157</b>	<b>23,717</b>
<b>Deferred inflow of resources</b>		
Deferred pension activities	1,730	0
Net Position:		
Net investment in capital assets	64,896	58,486
Restricted	10,127	8,245
Unrestricted	27,526	26,721
<b>Total Net Position</b>	<b>\$ 102,549</b>	<b>\$ 93,453</b>

The County's assets and deferred outflows of resources exceeded liabilities by \$102.5 million at the close of the current fiscal year. Of this amount, \$64.9 million represents the portion the County has invested in capital assets (e.g. land, buildings, machinery, and equipment) net of accumulated depreciation less any outstanding debt used to construct or acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these funds are not available for future spending. An additional portion, \$10.1 million, of the County's net position is restricted. Of this \$240,583, represents funds that are restricted to the Debt Service Fund. These proceeds are raised from property taxes and are restricted for payment of the long-term debt (certificates of obligation and bonds) owed by the County. Additionally, \$3,965,698 is restricted for Road and Bridge, \$1,245,140 is restricted for public safety, \$1,880,400 is restricted for Records Management, \$747,480 for Community Service, and \$2,048,131 for county operations.

Overall, the County's financial position has improved. The County has worked to improve infrastructure and capital equipment using unrestricted cash reserves and limited borrowing of debt instruments. This is important because the County has a growing population and increased demand on its resources. This is reflected in the increase in the net investment in capital assets and increase in total net position.

## Statement of Activities

The Table below indicates changes in net position for governmental activities for the past two years. (Note: The County does not have any business-type activities.)

### **COMPARATIVE SCHEDULE OF CHANGES IN NET POSITION**

*For the Years Ended September 30, 2016 and 2015*

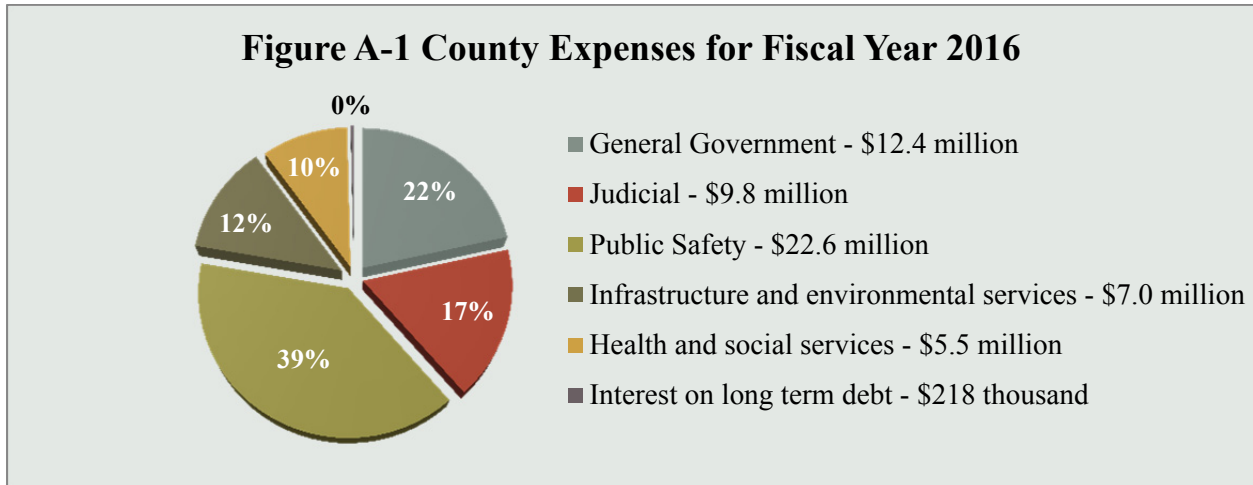
*Amount in (000's)*

	Primary Government Governmental Activities		Increase / (Decrease)
	2016	2015	Amount
<b>Revenues</b>			
Program Revenues:			
Charges for services	\$ 12,412	\$ 10,988	\$ 1,424
Operating grants and contributions	4,968	4,127	841
Capital grants and contributions	67	0	67
General Revenue			
Property taxes	40,556	38,756	1,800
Sales and use taxes	7,612	7,391	221
Earnings on investments	421	250	171
Miscellaneous	530	466	64
Gain / (Loss) on disposal of capital assets	76	(135)	211
<b>Total Revenues</b>	<b>66,642</b>	<b>61,843</b>	<b>4,799</b>
<b>Expenses</b>			
Program Expenses			
General Government	12,384	10,589	1,795
Judicial	9,801	9,545	256
Public Safety	22,559	21,620	939
Infrastructure and environmental services	7,039	5,495	1,544
Health and social services	5,546	5,338	208
Interest on long term debt	218	209	10
<b>Total Expenses</b>	<b>57,546</b>	<b>52,795</b>	<b>4,751</b>
Change in Net Position	9,095	9,048	47
Net Position, Beginning	93,454	88,091	5,363
Prior Period Adjustment	0	(3,686)	3,686
<b>Net Position, Ending</b>	<b>\$ 102,549</b>	<b>\$ 93,454</b>	<b>\$ 9,095</b>

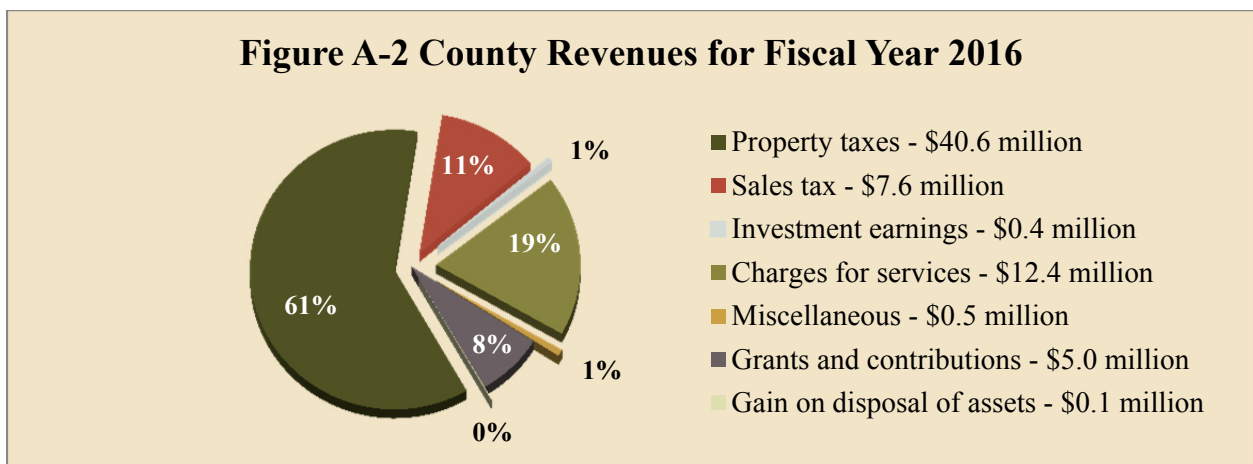
**Expenses.** The total cost of all programs and services was \$57.5 million. General Government, Judicial, Public Safety, Infrastructure and Environmental, Health and Social Services, and Interest on long term debt increased by 17.0%, 2.7%, 4.3%, 28.1%, 3.9%, and 4.8% respectively.

*Increases in functions:* Five new positions in public safety, one new positions in judicial, one in Infrastructure and environmental, and one in General Government increased these functions. A restructuring of the debt in 2014 resulted in a decrease in interest on long-term debt for 2016. Other increases that affected all functions were increased personnel and benefits costs.

*Decreases in functions:* There was not a decrease in functions from the prior year.



- **General Government** includes the general administration, Commissioners Court, Auditor’s Office, County Treasurer, Tax Assessor Collector, and Elections Administration
- **Public Safety** includes the Sheriff’s office, Constables, County Jail, Juvenile Detention Service, Fire Protection costs, Fire Marshall, Emergency Management and County’s expenses related to the Department of Public Safety
- **Judicial** includes the judicial branch (justice, county and district courts) and Juvenile Probation
- **Infrastructure and Environmental Services** includes the Road and Bridge department, Environmental Health Department, Citizens’ Collection Stations, and Soil Conservation
- **Health and Social Services** includes EMS, indigent health care, Veteran’s Services Officer, Senior Volunteers, Animal Control, and Agriculture (AgriLife) Extension Service



**Revenues.** The County’s total revenues were \$66.6 million. A significant portion, 60.9%, of the County’s revenue comes from property taxes (see Figure A-2). Other revenue sources include charges for services 18.6%, sales tax 11.4%, and with only 7.6% from grants and contributions.

Sales and use tax collections for the fiscal year were \$7.6 million. During fiscal year 2016, sales tax collections compared to prior years increased by 3.0%. The growth in sales collection has been attributed the continued growth of the county and the stabilization and increase in oil prices, which began increasing in January 2016.

Property tax revenue increased by \$1.8 million, an increase of 4.6%, which is a result of new property on the tax rolls, the conversion of agriculture property to residential or commercial property, and other changes in the tax roll which are attributed to the population growth in the County and the stabilization businesses related to the oil industry.

**Changes in Net Position.** The table below presents the cost of each of the County’s functions as well as each function’s net cost (total cost less fees generated by the activities and intergovernmental aid). The net cost reflects what was funded by state revenues as well as local tax dollars. (Note: The County does not have any business-type activities.)

***NET COST OF SELECTED COUNTY FUNCTIONS***  
***For the Years Ended September 30, 2016 and 2015***  
***Amount in millions***

	2016			2015		
	Expenses	Revenues	Net Cost of Services	Expenses	Revenues	Net Cost of Services
General government	12.4	5.3	(7.1)	10.6	3.5	(7.1)
Judicial	9.8	3.2	(6.6)	9.5	3.3	(6.2)
Public safety	22.6	3.6	(19.0)	21.6	3.9	(17.7)
Infrastructure and environmental services	7.0	3.7	(3.4)	5.5	2.8	(2.7)
Health and social services	5.5	1.7	(3.8)	5.3	1.6	(3.7)

- The cost of all governmental activities this year was \$57.5 million.
- However, the amount that our taxpayers paid for these activities through property taxes was \$40.6 million and \$7.6 million through sales tax.
- The cost paid by those who directly benefited from the programs was \$12.4 million.

The total received by the County for grants and contributions was \$5.0 million.

## FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As of September 30, 2016, the County's governmental funds reported a combined ending unassigned fund balance of \$18.1 million, and are available for spending at the County's discretion. 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. The remainder of the fund balances are categorized as nonspendable (\$801,426), restricted (\$8,601,016), committed (\$725,000), or assigned (\$8,869,998) to reflect the varying levels of liquidity.

At the end of the current fiscal year, the County's governmental funds reported combined ending fund balance approximating \$37.1 million, an increase of \$2.0 million in comparison with the prior year. The increase is attributable to an increase in revenues from inmate board bills, sales tax, and property taxes. In addition, the Jail was under budget in personnel for a number of reasons, including employee attrition and time needed to fill vacant positions. The Road and Bridge Department came in under budget because the construction crew of the Road and Bridge Department spent a substantial period of time working on the Texas Department of Transportation road improvement grant, which is reported in a separate fund.

The County's major general governmental funds are contained in the General Fund, Road and Bridge Fund, and Capital Projects Fund.

*General Fund.* The General Fund is the chief operating fund of the County. The total fund balance for general fund was \$26.6 million, which is an increase of \$4.7 million from September 30, 2015. The unassigned portion of the General Fund's fund balance is \$18.1 million, an increase of \$4.5 million or 33.2% more than the prior year. The unassigned fund balance increased due to increased revenues, including inmate board bills, sales tax, property tax and a one-time payment from Juvenile Services. Additionally, the Jail was significantly under budget on personnel due to employee turnover and time taken to fill vacant positions. Additionally, the assigned fund remained the same. (For further information about fund balance, see Note 11 – Commitments and Contingencies).

Nonspendable fund balance consists of inventories and prepaid amounts. Restricted include restricted cash and unspent proceeds from legislative mandated special fees. Unrestricted fund balance, which includes committed, assigned, and unassigned fund balances, totaled \$25,320,623.

As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance to total general fund expenditures. The target budgetary fund balance is 20% (2 ½ months) of operating expenditures, this year's unassigned fund balance equals 38.0% of the fiscal year 2016 total general fund original expenditures budget as adopted on September 15, 2015.

At September 30, 2016, the General Fund reported revenues of \$50,759,471, an increase of \$1,667,299 or about 3.4% over the prior year. Of this increase, 88.6% is attributed to increase in property taxes. Other increases include sales tax and investment income.



Sales tax growth for the area increased at double-digit rates steadily from 2004 through 2007. However, from 2008 to 2010 sales tax remained flat. From 2011 through 2014, sales tax collections increased each year as follows:

- 2011 increased by 8.5%
- 2012 increased by 13.8%
- 2013 increased by 12.4%
- 2014 increased by 9.6%

This growth was attributable to both the continued increase in population and the ongoing economic growth in the area with new businesses and the impact of the oil boom in the Eagle Ford Shale. However, with the down turn in oil prices in August of 2014 and the resulting business decline in the Eagle Ford Shale, sales tax in 2015 only increased by 0.5%. However, sales tax increased by 2.2% in 2016.

While decreased interest rates have affected interest income, in 2016 earnings on investments increased to \$367,306, an increase from the prior year of 75.8%. Small increases in certificate of deposit rates and money market funds as well as increased fund balance resulted in additional interest earnings for 2016.

#### **Interest Income**

2009	2010	2011	2012	2013	2014	2015	2016
\$ 353,305	\$ 261,674	\$ 180,532	\$ 147,515	\$ 118,649	\$ 156,909	\$ 208,975	\$ 367,306

Expenditures in the General Fund increased by approximately \$2,417,218 or about 6.2% over the prior year. Increases in the majority of functions are a result of added personnel for the Sheriff, Jail, District Attorney, and Environmental Health, an across the board cost of living pay increase of \$0.50/hour, and increased expenditures in different classifications as needed.

*Road and Bridge Fund.* The Road and Bridge Fund is the primary fund responsible for maintaining County roads. At the end of the current fiscal year, the restricted fund balance in the Road and Bridge Fund was \$3.7 million, an increase from the previous fiscal year of \$672,899 or 2.2%. The increase was a result of resources (personnel, equipment and materials) allocated to the Texas Department of Transportation road improvement grant reallocated resources totaling \$922,134. This was offset by an increase in capital equipment purchases (examples: gradall, tractors, brush chipper, etc.).

*Capital Projects Fund.* The Capital Projects Fund is the primary fund responsible for major capital projects. In 2015, the County began renovate the historic Courthouse which was approximately 88% completed by the end of fiscal year 2016.

#### **General Fund Budgetary Highlights**

The legal level of budgetary control of the General Fund is the level at which the budget is adopted; that is, the budget is adopted by department and in total according to four major categories:

- Personnel Services
- Operations
- Other Services
- Capital Outlay

The final amended budget for expenditure appropriations was \$43.7 million, or \$571,305 higher than the original approved budget. Actual expenditures were \$41.2 million, or 5.6% less than the final budget. Expenditures were more than the normal variance of expenditures which will be 1-2% lower than budget. By State law, the County Auditor is charged with strictly enforcing the laws regarding county finances, which requires the Commissioners Court to spend county funds only in strict compliance with the budget, except in an emergency. The largest identifiable variance includes \$1.3 million in personnel costs, the main reason attributed to funds not spent for personnel during the period while a position was vacant after termination or retirement. Other items under budget were under were numerous smaller line items within operations, but not attributed to one specific factor.

General Fund revenues exceeded the amended budget by \$3,617,865. The main factors are that inmate board bills exceeded budget by \$880,130, property taxes collections exceeded budget by 1.7%, or \$549,890, and with the improving economy, sales tax also exceeded expectations by \$770,111. Other factors included an increase in interest income and charges for services.

### **CAPITAL ASSETS AND DEBT ADMINISTRATION**

At the end of 2016, the County had invested \$73.7 million in a broad range of capital assets, including land, equipment, buildings, and vehicles. This amount represents a net increase (including additions and deductions) of \$4.6 million or 6.6% percent more than the previous year. One project was completed during the current fiscal year, the renovation of the Agriculture Extension (Agri-Life) building.

***COUNTY'S CAPITAL ASSETS***  
***September 30, 2016 and 2015***  
***In million dollars***

	<b>Governmental Activities</b>	
	<b>2016</b>	<b>2015</b>
Land	1.6	1.6
Infrastructure - roads	29.6	28.4
Infrastructure - bridges	1.9	1.7
Buildings and improvements	50.9	50.0
Constructions in progress	4.4	1.1
Equipment	15.6	15.1
Totals at historical cost	104.0	97.8
Total accumulated depreciation	(30.3)	(28.7)
Net Capital Assets	<u>73.7</u>	<u>69.2</u>

The County has elected to report infrastructure using the depreciation method for the bridges and the “Modified Approach,” as defined by the Government Accounting Standards Board Statement No. 34, for reporting the 627 county roads miles, right-of-way, and culverts.

In order to meet the requirements of the “Modified Approach,” the Guadalupe County Road and Bridge Department performs condition assessments of county roads continually throughout the year and evaluates and prioritizes the results annually. The condition of the road pavement is measured using the Pavement Condition Ratings and Images (PCR) management system, which is based on a weighted average of six distress factors found in pavement surfaces.

The County has made a commitment to incur the maintenance expenses necessary to preserve 80% of its road system at a good (3.3) or better condition level on a scale of zero to five, with five as the highest. For the 2016 fiscal year, the County had 94.6% of the County paved roads at this level or above, which is slightly above last year's at 94.0%. The County has previously maintained the roads at or above 93% for the previous five years. Actual costs of maintenance for 2016 increased, due to two primary factors; first being the increased price of oil related products which are used in road maintenance and construction and the additional maintenance needed for roads repairs due to weather (rain, erosion, etc.).

The heavy truck traffic on certain roads in the County due to the Eagle Ford Shale oil boom which is south and east of the County has slowed with the drop in oil prices and corresponding decrease in oil production. The County will continue to monitor the road conditions in these areas.

More detailed information on capital assets can be found in the notes to the financial statements (Note 4 – Capital Assets) and the *Infrastructure Assets (Roads) Under the Modified Approach* in the Required Supplementary Information after the Notes.

**CAPITAL PROJECTS/EXPENDITURES FOR FY17**

The County's fiscal year 2017 Capital Projects estimates spending \$1.00 million on major construction projects as follows:

- \$150,000 – Purchase of Land (Seguin)
- \$600,000 – Purchase of Building (Schertz)
- \$225,000 – Improvement to Juvenile Detention Center (*major cost: plumbing repairs*)

In 2015, the County began a multi-year road improvement project as part of a grant from the Texas Department of Transportation in the amount of \$1.7 million. It is estimated that the projects will be completed in 2016. Also in 2015, the County began the renovation of the historic County Courthouse and was completed in November 2016.

**Bond Ratings**

The County's bond rating with Moody's Investor Services is "Aa2."

**Long Term Debt**

At year-end, the County had \$9.0 million in bonds and notes outstanding as shown in the table below.

***COUNTY'S BOND AND NOTES OUTSTANDING***  
*For the Years Ended September 30, 2016 and 2015*  
*In millions of dollars*

	<b>Governmental Activities</b>	
	<b>2016</b>	<b>2015</b>
2013 Certificates of Obligation	4.9	5.0
2014 Refunding Bonds	4.1	6.0
	<u>9.0</u>	<u>11.0</u>

The total principal amount of long-term debt outstanding, for the two outstanding debt issues was \$9,000,000 as of September 30, 2016.

Note: More detailed information on long-term debt can be found in the notes to the financial statements (Note 5 – Long-Term Debt).

## **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 sets the direction of the County, allocates its resources, and establishes its priorities.

In calculating the taxes for the fiscal year 2017 budget, as of July 25, 2016, Guadalupe County had a net taxable appraised value, freeze adjusted, of \$9.3 billion, which was \$368 million more than the previous year, a 4.1% increase. The increase is a combined effect of increased property values in residential property and new property added to the tax roll.

These indicators were taken into account when adopting the general fund budget for 2017. The tax rate adopted by the Commissioners Court for the 2017 budget was set at \$.3851 per hundred-dollar valuation, which was set at slightly less than the effective tax rate. 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 Texas’ Truth-In Taxation laws.

The general operating fund spending increased in the 2017 budget to \$51.6 from \$47.7 million in the 2016 budget. This is an 8.2% increase, which was a result of an eight (8) new positions, an across the board pay increase and corresponding increase in taxes, workers compensation and retirement, increase in support of Guadalupe County Juvenile Probation and Detention, inclusion of abatement refunds for 381 Agreements, and increase in the allocation toward the future purchase election voting equipment (multi-year funding).

## **CONTACTING THE COUNTY’S FINANCIAL MANAGEMENT**

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

Office of County Auditor  
Finance Building  
Guadalupe County  
307 W. Court, Suite 205  
Seguin, Texas 78155  
(830) 303-4188 Ext. 1328

## **BASIC FINANCIAL STATEMENTS**

The basic financial statements include integrated sets of financial statements as required by the GASB.

The sets of statements include:

- Government-wide financial statements
- Fund financial statements:
  - Governmental funds
  - Proprietary (Internal Service) funds
  - Fiduciary funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

**GUADALUPE COUNTY, TEXAS  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2016**

	<b>Primary Government Governmental Activities</b>
<b>ASSETS</b>	
Cash and investments	\$ 42,562,585
Receivables	
Taxes, net	1,399,234
Other	3,021,402
Prepaid items	690,421
Inventory	161,005
Capital assets, not being depreciated	
Land	1,585,974
Infrastructure - roads	29,591,576
Construction in progress	4,417,364
Capital assets, net of accumulated depreciation	
Equipment	4,261,638
Buildings and improvements	32,445,884
Infrastructure - bridges	1,446,752
<b>TOTAL ASSETS</b>	<b>121,583,835</b>
<b>DEFERRED OUTFLOW OF RESOURCES</b>	
Deferred charge on refunding	146,703
Deferred pension activities	9,705,738
<b>Total deferred outflow of resources</b>	<b>9,852,441</b>
<b>LIABILITIES</b>	
Accounts payable and accrued expenses	2,688,259
Accrued payroll	1,055,283
Unearned revenues	1,785,864
Accrued interest payable	21,607
<b>Total current liabilities</b>	<b>5,551,013</b>
Long-term liabilities due within one year	2,379,460
Long-term liabilities due in more than one year	9,119,636
Net pension liability	10,106,946
<b>Total non-current liabilities</b>	<b>21,606,042</b>
<b>TOTAL LIABILITIES</b>	<b>27,157,055</b>
<b>DEFERRED INFLOW OF RESOURCES</b>	
Deferred pension activities	1,730,172
<b>Total deferred inflow of resources</b>	<b>1,730,172</b>
<b>NET POSITION</b>	
Net investment in capital assets	64,895,891
Restricted for	
County operations	2,048,131
Debt service	240,583
Road and bridge	3,965,698
Records management	1,880,400
Public safety	1,245,140
Community services/programs	747,480
Unrestricted	27,525,726
<b>TOTAL NET POSITION</b>	<b>\$ 102,549,049</b>

The Notes to Financial Statements are an integral part of this statement.

**GUADALUPE COUNTY, TEXAS  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary
					Governmental Activities
<b>PRIMARY GOVERNMENT</b>					
Governmental activities					
General government	\$ 12,383,917	\$ 5,045,885	\$ 273,879	\$ -	\$ (7,064,153)
Judicial	9,819,966	1,707,888	1,442,279	-	(6,669,799)
Public safety	22,558,768	3,446,249	189,141	-	(18,923,378)
Infrastructure and environmental services	7,038,954	2,040,706	1,572,381	66,752	(3,359,115)
Health and social services	5,545,532	171,365	1,490,074	-	(3,884,093)
Interest on long-term debt	199,216	-	-	-	(199,216)
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 57,546,353</b>	<b>\$ 12,412,093</b>	<b>\$ 4,967,754</b>	<b>\$ 66,752</b>	<b>(40,099,754)</b>
<b>GENERAL REVENUES</b>					
					40,555,640
					7,611,910
					421,045
					530,170
					76,327
					<u>49,195,092</u>
					9,095,338
					<u>93,453,711</u>
					<u>\$ 102,549,049</u>

The Notes to Financial Statements are an integral part of this statement.

**GUADALUPE COUNTY, TEXAS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2016**

	<u>General Fund</u>	<u>Road and Bridge Fund</u>	<u>Capital Projects</u>	<u>Total Nonmajor Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>					
Cash and investments	\$ 26,263,062	\$ 4,002,644	\$ 2,824,656	\$ 6,371,698	\$ 39,462,060
Taxes receivable, net	1,133,154	196,214	-	69,866	1,399,234
Other receivables	1,805,396	113,310	-	221,208	2,139,914
Due from other funds	9,952	48,705	-	143,980	202,637
Inventory	-	145,277	-	15,728	161,005
Prepaid items	611,057	8,222	10,000	11,142	640,421
<b>TOTAL ASSETS</b>	<u>\$ 29,822,621</u>	<u>\$ 4,514,372</u>	<u>\$ 2,834,656</u>	<u>\$ 6,833,622</u>	<u>\$ 44,005,271</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 1,050,660	\$ 356,066	\$ 421,658	\$ 643,311	\$ 2,471,695
Accrued wages and benefits	914,632	64,768	-	75,883	1,055,283
Due to other funds	82,727	-	-	116,206	198,933
Unearned revenue	75,500	-	-	1,710,364	1,785,864
<b>Total liabilities</b>	2,123,519	420,834	421,658	2,545,764	5,511,775
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue - property taxes	1,107,887	191,271	-	68,275	1,367,433
<b>Total deferred inflows of resources</b>	1,107,887	191,271	-	68,275	1,367,433
<b>FUND BALANCES</b>					
Nonspendable					
Inventories	-	145,277	-	15,728	161,005
Prepays	-	8,222	10,000	11,142	640,421
Restricted	659,535	3,748,768	-	4,192,713	8,601,016
Committed	725,000	-	-	-	725,000
Assigned	6,467,000	-	2,402,998	-	8,869,998
Unassigned	18,128,623	-	-	-	18,128,623
<b>Total fund balances</b>	<u>25,980,158</u>	<u>3,902,267</u>	<u>2,412,998</u>	<u>4,219,583</u>	<u>37,126,063</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<u>\$ 29,211,564</u>	<u>\$ 4,514,372</u>	<u>\$ 2,834,656</u>	<u>\$ 6,833,622</u>	<u>\$ 44,005,271</u>

The Notes to Financial Statements are an integral part of this statement.



**GUADALUPE COUNTY, TEXAS  
RECONCILIATION OF THE BALANCE SHEET TO  
THE STATEMENT OF NET POSITION  
SEPTEMBER 30, 2016**

Total fund balance, governmental funds	\$	37,126,063
Amounts reported for governmental activities in the Statement of Net Position are different because		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statements of Net Position.		73,749,188
Property taxes receivable have been levied and are due this year, but are not available soon enough to pay for the current period's expenditures		1,367,433
Deferred outflows of resources related to pension activities that are not reported in the governmental funds.		9,705,738
Internal Service Funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.		2,945,809
Outstanding Receivables for the District and County Clerks are not considered a current financial resource and therefore not represented in the fund statements.		658,452
Deferred charge on refunding is not a current financial resource and is not reported on the fund financial statements.		146,703
Deferred inflows of resources related to pension activities that are not reported in the governmental funds.		(1,730,172)
Some liabilities are not due and payable in the current period and are not included in the fund financial statements, but are reported in the governmental activities of the Statement of Net Position.		
Bonds payable		(9,000,000)
Accrued interest on bonds payable		(21,607)
Compensated absences		(840,970)
Other post-employment benefit (OPEB) obligation		(1,450,642)
Net pension liability		(10,106,946)
Governmental activities net position	\$	102,549,049

The Notes to Financial Statements are an integral part of this statement.

**GUADALUPE COUNTY, TEXAS  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>General Fund</u>	<u>Road and Bridge Fund</u>	<u>Capital Projects</u>	<u>Total Nonmajor Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>					
Property taxes	\$ 32,677,890	\$ 5,708,102	\$ -	\$ 2,182,394	\$ 40,568,386
Sales and use taxes	7,384,111	-	-	-	7,384,111
Other taxes	1,470,595	1,666,421	-	-	3,137,016
Licenses and permits	156,756	-	-	1,560	158,316
Intergovernmental	4,308,714	285,517	-	2,417,391	7,011,622
Charges for services	2,657,490	-	-	1,307,595	3,965,085
Fines and forfeitures	1,002,282	374,285	-	257,220	1,633,787
Earnings on investments	367,306	33,512	-	7,857	408,675
Miscellaneous	734,327	41,640	-	20,523	796,490
<b>Total revenues</b>	<b>50,759,471</b>	<b>8,109,477</b>	<b>-</b>	<b>6,194,540</b>	<b>65,063,488</b>
<b>EXPENDITURES</b>					
Current					
General government	10,256,442	-	175,551	210,491	10,642,484
Judicial	5,632,611	-	-	4,138,287	9,770,898
Public safety	19,133,616	-	-	2,335,074	21,468,690
Infrastructure and environmental services	125,309	6,368,768	-	1,478,819	7,972,896
Health and social services	5,417,297	-	-	5,000	5,422,297
Capital outlay	671,752	1,103,401	3,888,004	115,615	5,778,772
Debt service					
Principal	-	-	-	1,900,000	1,900,000
Interest and fiscal charges	-	-	-	138,167	138,167
<b>Total expenditures</b>	<b>41,237,027</b>	<b>7,472,169</b>	<b>4,063,555</b>	<b>10,321,453</b>	<b>63,094,204</b>
Excess (deficiency) of revenues Over (under) expenditures	9,522,444	637,308	(4,063,555)	(4,126,913)	1,969,284
<b>OTHER FINANCING</b>					
<b>SOURCES (USES)</b>					
Transfers in	377,615	-	835,000	4,356,132	5,568,747
Transfers out	(5,164,773)	-	-	(403,974)	(5,568,747)
<b>Total other financing sources (uses)</b>	<b>(4,787,158)</b>	<b>-</b>	<b>835,000</b>	<b>3,952,158</b>	<b>-</b>
Net change in fund balances	4,735,286	637,308	(3,228,555)	(174,755)	1,969,284
<b>FUND BALANCES, beginning</b>	<b>21,855,929</b>	<b>3,264,959</b>	<b>5,641,553</b>	<b>4,394,338</b>	<b>35,156,779</b>
<b>FUND BALANCES, ending</b>	<b>\$ 26,591,215</b>	<b>\$ 3,902,267</b>	<b>\$ 2,412,998</b>	<b>\$ 4,219,583</b>	<b>\$ 37,126,063</b>

The Notes to Financial Statements are an integral part of this statement.

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

Net change in fund balances - total governmental funds	\$	1,969,284
Adjustments for the Statement of Activities		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay (\$5,934,360) and capital contributions (\$66,752) exceeded depreciation expense (\$2,643,535) in the current period.		3,357,577
Costs of improvement to infrastructure are not capitalized in the governmental funds.		1,219,903
The statement of activities reports a gain arising from disposal of capital assets as the difference between the proceeds from disposal and the net book value of the assets. The governmental funds report only the proceeds from disposal. This amount represents the net book value of capital assets disposed during the year.		(4,996)
Revenues that do not provide current financial resources are not reported as revenues in the governmental funds. This adjustment reflects the net change in revenues due to the accrual basis of accounting.		(130,969)
The repayment of principal of long-term debt consumes the current financial resources of governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		1,900,000
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Other post employment benefit expenses		(290,302)
Net change in accrued interest on bonds		1,823
Amortization of deferred charge on refunding		(62,872)
Net pension liabilities and associated deferred outflows and inflows of resources		425,738
Internal Service funds are used by management to charge the costs of employee insurance to individual funds. The net gain (loss) is reported with governmental activities.		811,098
Changes in long-term liabilities such as compensated absences are not reflected in fund-basis statements. This amount represents the change in long-term compensated absences.		(100,946)
Change in net position of governmental activities	\$	<u>9,095,338</u>

The Notes to Financial Statements are an integral part of this statement.

**GUADALUPE COUNTY, TEXAS  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
SEPTEMBER 30, 2016**

	<b>Governmental Activities</b>
	<b>Internal Service Funds</b>
<b>ASSETS</b>	
Current assets	
Cash and cash equivalents	\$ 3,100,525
Accounts receivable, net of allowance for doubtful accounts	223,037
Prepaid items	50,000
<b>TOTAL ASSETS</b>	<b>3,373,562</b>
<b>LIABILITIES</b>	
Current liabilities	
Accounts payable	54,847
Due to other funds	3,704
Claims payable - due within one year	173,644
<b>Total current liabilities</b>	232,195
Noncurrent liabilities	
Claims payable - due in more than one year	195,558
<b>Total noncurrent liabilities</b>	195,558
<b>TOTAL LIABILITIES</b>	<b>427,753</b>
<b>NET POSITION</b>	
Unrestricted	2,945,809
<b>TOTAL NET POSITION</b>	<b>\$ 2,945,809</b>

The Notes to Financial Statements are an integral part of this statement.

**GUADALUPE COUNTY, TEXAS  
STATEMENT OF REVENUES, EXPENSES, AND  
CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<b>Governmental Activities</b>
	<b>Internal Service Funds</b>
<b>REVENUES</b>	
Fees paid by county	\$ 5,485,020
Fees paid by employees	1,145,102
<b>Total operating revenues</b>	6,630,122
<b>OPERATING EXPENSES</b>	
Administrative charges	65,595
Insurance premiums	1,323,502
Benefit claims	4,442,288
<b>Total operating expenses</b>	5,831,385
Operating income	798,737
<b>NON-OPERATING REVENUES</b>	
Interest and investment revenue	12,361
<b>Total non-operating revenues</b>	12,361
Change in net position	811,098
<b>TOTAL NET POSITION, beginning</b>	2,134,711
<b>TOTAL NET POSITION, ending</b>	\$ 2,945,809

The Notes to Financial Statements are an integral part of this statement.

**GUADALUPE COUNTY, TEXAS  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<b>Governmental Activities</b>
	<b>Internal Service Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash received from participants	\$ 7,196,144
Disbursed for administrative services	(62,230)
Cash paid to benefit claims and excess coverage	(6,061,215)
<b>Net cash provided by operating activities</b>	1,072,699
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest received	12,361
<b>Net cash provided by investing activities</b>	12,361
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	1,085,060
<b>CASH AND CASH EQUIVALENTS, beginning of year</b>	2,015,465
<b>CASH AND CASH EQUIVALENTS, end of year</b>	\$ 3,100,525
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	
Operating income	\$ 798,737
<b>ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	
Decrease in accounts receivable	566,022
Decrease in liabilities	(292,060)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	\$ 1,072,699

The Notes to Financial Statements are an integral part of this statement.

**GUADALUPE COUNTY, TEXAS  
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash and investments	\$ 5,641,546
<b>TOTAL ASSETS</b>	<u>\$ 5,641,546</u>
<b>LIABILITIES</b>	
Fund held for others	\$ 5,641,546
<b>TOTAL LIABILITIES</b>	<u>\$ 5,641,546</u>

The Notes to Financial Statements are an integral part of this statement.

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**GUADALUPE COUNTY, TEXAS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

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

The financial statements of the County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The more significant of the County's accounting policies are described below:

**Reporting Entity**

*Primary Government*

Guadalupe County (the County) is a public corporation and political subdivision of the State of Texas. The Commissioners Court, which is made up of four commissioners and the County Judge, is the general governing body of the county in accordance with Article 5, Paragraph 18 of the Texas Constitution. The County provides the following services as authorized by the statutes of the State of Texas: general government, (e.g. administration, judicial and legal, elections administration, and financial administration), public safety (fire protection, law enforcement, and corrections), infrastructure (highways and streets), social services, and conservation.

In evaluating how to define the government, for financial 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 GASB Statement 1, "The Financial Reporting Entity". The definition of the reporting entity is based primarily on the concept of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

Excluded from the Reporting Entity:

Guadalupe Regional Medical Center. The Hospital is governed by a Board of Directors, appointed by Guadalupe county and the City of Seguin. The annual budget is submitted for approval to both the Seguin City Council and the Guadalupe County Commissioner's Court. The Hospital is intended to be self-supporting, however, with the County and City contingently liable for operating losses. Therefore, financial information pertaining to the Hospital is included under Note 11 (Commitments and Contingencies), rather than as part of this reporting entity as it is classified as a joint venture.

The government-wide financial statements include the statement of net position and the statement of activities. Government-wide statements report information on all of the activities of the county (except for County fiduciary activity). The effect of interfund transfers has been removed from the government-wide statements but continues to be reflected on the fund statements. Governmental activities are supported mainly by taxes and charges for services.

**GUADALUPE COUNTY, TEXAS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**Government-wide and Fund Financial Statements**

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

Separate fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds even though the latter are excluded from the government-wide financial statements. The General Fund, the Road and Bridge (Special Revenue) Fund, and the Capital Projects Fund meet the criteria as major governmental funds. Each major fund is reported in separate columns in the fund financial statements. Non-major funds include Other Debt Service Funds and Other Special Revenue Funds. The combined amounts for these funds are reflected in a single column in the fund Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances. Detailed statements for non-major funds are presented within Combining and Individual Fund Statements and Schedules.

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. This measurement focus is also used for the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Major revenue types, which have been accrued, are revenue from the investments, intergovernmental revenue and charges for services. Grants are recognized as revenue when all applicable eligibility requirements imposed by the provider are met.

Governmental fund level financial statements are reported using 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 available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Measurable and available revenues include revenues expected to be received within 60 days after the fiscal year ends. Receivables which are measurable but not collectible within 60 days after the end of the fiscal period and are reported as deferred inflow.

Expenditures generally are recorded when a fund liability is incurred; however, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the liability has matured and payment is due.

**GUADALUPE COUNTY, TEXAS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

*Governmental funds* are used to account for all or most of a government's general activity. The County has reported three major funds for the year ended September 30, 2016:

The General Fund is the operating fund of the County and is always classified as a major fund. The General Fund is used to account for all financial resources except those required to be accounted for in another fund. Major revenue sources include property taxes, charges for services, intergovernmental revenues and investment of idle funds. Primary expenditures are for general administration, public safety, social services, and capital acquisition.

The Road and Bridge Fund accounts for taxes assessed, along with fines and forfeitures associated with the support of the development and maintenance of county highways, streets, and bridges.

The Capital Projects Fund accounts for revenues and expenditures related to authorized construction projects.

*Non-major governmental funds.* The County reports the following non-major governmental funds: debt service funds and special revenue funds.

*Proprietary fund level financial statements* are used to account for activities, which are similar to those often found in the private sector. The measurement focus is upon determination of net income, financial position and cash flows. The County's proprietary funds are the Internal Service Funds used to account for the County's group medical insurance program and workers' compensation benefits. Revenues are derived from charges for county contributions, employee and retiree/COBRA premiums, investment of idle funds and stop-loss coverage. Expenses are claims and administrative expenses.

The Proprietary Fund is accounted for using the accrual basis of accounting as follows:

1. Revenues are recognized when earned, and expenses are recognized when the liabilities are incurred.
2. Current-year contributions, administrative expenses and benefit payments, which are not received or paid until the subsequent year, are accrued.

Proprietary funds distinguish operating revenues and expenses from non-operating. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations (e.g. insurance payments).

**GUADALUPE COUNTY, TEXAS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation –Continued**

*Fiduciary fund level financial statements* include eight Agency Funds. Agency Funds are custodial in nature and are used to account for assets that the county holds as agent for others. Agency Funds do not present results of operations. The county's eight Agency Funds, and the monies for which they account, are the following:

- Inmate Fund – personal funds used by inmates while in jail and withdrawn upon release.
- Tax Assessor-Collector – tax receipts and vehicle registration fees awaiting distribution to the various entities for which the county collects tax levies and vehicle registration fees.
- District Clerk Trust & Registry – registry funds in the custody of the District Clerk until court order determines their disposition.
- County Clerk Trust & Registry – Registry funds in the custody of the County Clerk until court order determines their disposition.
- Adult Probation – funds held for the 25<sup>th</sup> Judicial District Community Supervision and Corrections Department, a specialized local entity.
- Child Protection – funds held for the use of the Guadalupe County Child Welfare Board for children under the supervision of Children's Protective Services.
- Seized and Trust Funds – a fund used to account for monies seized during a narcotics or illegal gambling investigation. Upon receipt of a court judgment, the seized funds are disbursed. The fund is also used to account for restitution collected by the District and County Attorney.
- Unclaimed Property – a fund established to account for property with a value of \$100 or less that is presumed to be abandoned under the laws of the State of Texas.

**Cash and Investments**

Cash and investments include amounts in demand deposits, certificates of deposit with a maturity date within thirty-six months of the date acquired by the government, and deposits in local government investment pools. Certificates of deposit are recorded at cost, and investments in investment pools are recorded at amortized cost.

For purposes of the statement of cash flows, the Internal Service Funds consider all highly liquid investments including cash in banks, cash on hand, money market accounts, and deposits in local government investment pools to be cash equivalents.

**GUADALUPE COUNTY, TEXAS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**Accounts Receivable**

Property is appraised and a lien on such appraised property becomes enforceable as of January 1, subject to certain established procedures relating to rendition, appraisal, appraisal review, and judicial review. Property taxes are levied on October 1 of the assessment year, or as soon thereafter as practicable. Taxes are due and payable when levied. Taxes become delinquent on February 1 of the following year and are then subject to interest and penalty charges. Accordingly, receivables and revenues for property taxes are reflected on the government-wide statement based on the full accrual method of accounting. Property tax receivables for prior year's levy are shown net of an allowance for uncollectible.

Other accounts receivable include amounts due from other governments and amounts due from grantors for approved grants for specific programs and reimbursement's for services performed by the County. Program grants are recorded as receivables and revenues at the time all eligibility requirements established by the provider have been met.

Reimbursements for services performed are recorded as receivables and revenues when they are earned in the government-wide statements. Included are fines and costs assessed by the court action and billable services for certain contracts. Receivables are shown net of an allowance for uncollectibles.

**Short-term Interfund Receivables/Payables**

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

**Inventories and Prepaid Items**

Inventories of consumable supplies are valued at cost, which approximates market, using the first in/first out (FIFO) method. The costs of governmental fund type inventories are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements and in the fund financial statements are offset by a reservation of fund balance which indicates they do not represent "available spendable resources". The costs of prepaid items are recorded as expenditures when consumed rather than when purchased.

**Capital Assets**

Capital assets, which include land, buildings and improvements, equipment, and infrastructure assets, are reported in the government-wide financial statements. Capital assets, such as equipment, are defined as assets with a cost of \$5,000 or more. Infrastructure assets include County-owned streets, sidewalks, curbs, and bridges. Capital assets are recorded at historical costs if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

**GUADALUPE COUNTY, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Interest has not been capitalized during the construction period on property, plant, and equipment.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Description</u>	<u>Estimated Useful Life</u>
Buildings and improvements	15 to 40 years
Bridges	30 to 50 years
Machinery and equipment	5 to 15 years
Vehicles	3 to 5 years

The County uses the modified approach to report its infrastructure assets in the government-wide statements of net position. Road infrastructure assets in the government are listed at historical costs but they are not depreciated. Rather, under the modified approach allowed by GASB Statement No. 34, the County reports annual expenses for maintaining roads and the estimated costs for preserving them at a 3.3 level out of 5.0 scale. Bridge infrastructure is recorded at historical costs and depreciated over the estimated life of the bridge.

**Compensated Absences**

County employees earn vacation leave in varying amounts. When an employee leaves the service of the county, he or she will be paid for all accrued but unused vacation leave upon retirement or death. Upon resignation or release from employment, a maximum of 80 hours of unused accrued vacation or leave will be paid. Also, in accordance with the Fair Labor Standards Act as it applies to local governments, all full-time non-exempt county employees earn compensatory time for hours worked beyond their regular working hours. Accumulated compensatory time is also paid upon termination of employment. Unused sick leave may be accumulated to certain limits. In the event of termination, no reimbursement is made for accumulated sick leave.

All vacation and compensatory time is accrued when incurred in the government-wide financial statements. No liability is reported for unpaid accumulated sick leave. Liabilities for compensated absences are recognized in the funds statements to the extent the liabilities have matured (i.e. are due for payment). All accrued vacation and compensatory time is paid at the wage rate in place at termination and is shown as an expenditure in the fund the employee had been assigned to prior in termination. The General fund and Special Revenue funds have been typically used to liquidate the accrued vacation and compensatory obligation.

**GUADALUPE COUNTY, TEXAS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**Unearned Revenue**

Revenues not expected to be available for the current period are reflected as unearned revenue. Unearned revenues arise when assets are recognized before revenue recognition criteria have been satisfied. Revenues received in advance of the costs being incurred are recorded as unearned revenue in the fund statements. Grant revenues received in advance of expenses/expenditures are reflected as unearned revenue.

**Long-term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities under governmental activities. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the year of issue.

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

**Fund Equity**

The County reports fund balance classifications in its governmental funds that correspond to a hierarchy based primarily on the extent to which a government is bound to observe constraint imposed upon the use of the resources reported in governmental funds. These categories are listed below:

*Non-spendable:* Includes fund balance amounts that cannot be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact, such as a permanent fund. Not in spendable form includes items that are not expected to be converted to cash, such as inventories and prepaid items.

*Restricted:* Includes amounts that are restricted to a specific purpose when constraints are placed on the use of resources by constitution, external resource providers, or through enabling legislation.

*Committed:* Includes fund balance amounts that can be used only for the specific purposes determined by formal action of the County (the highest level of decision-making authority). Formal action of the County would be those actions which are voted on at Commissioners' Court meetings that are in compliance with Texas law. Similar action of the County is required to modify or rescind such commitments.

*Assigned* Includes fund balance amounts that are intended to be used by the County for specific purposes as determined by the County Auditor or her designee in accordance with County Fund Balance Policy. Constraints imposed on the use of assigned amounts do not rise to the level required to be classified as either restricted or committed.

**GUADALUPE COUNTY, TEXAS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**Fund Equity – Continued**

*Unassigned:* Represents the residual classification for the County's funds and includes all spendable amounts not contained in the four classifications described above.

The County considers amounts to have been spent in order of greatest to least constraints when an expenditure is incurred for purposes for which amounts in any of those fund balance classifications could be used.

**Net Position**

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

The County considers amounts to have been spent from restricted net position before unrestricted when an expense is incurred for purposes for which amounts in either category could be used.

**Use of Estimates**

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



**GUADALUPE COUNTY, TEXAS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net 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. The County only has two items that qualify for reporting in this category. One is the deferred charge on refunding reported 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. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The other item is deferred outflows of resources for pension reported in the government-wide statement of net position. This deferred outflow results from pension plan contributions made after the measurement date of the net pension liability and the results of differences between expected and actual actuarial experiences. The deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the next fiscal year. The other pension related deferred outflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with pensions through the pension plan, which is currently four years.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has two types of deferred inflows of resources. Unavailable revenue is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred inflows from pension activities are recorded as a result of various inputs to the County's determination of net pension liability, and amortized over the next five years.

**NOTE 2. DEPOSITS AND INVESTMENTS**

The County's funds are required to be deposited and invested under the terms of a depository contract. The depository bank deposits for safekeeping and trust with the County's agent bank approved pledge securities in an amount sufficient to protect County funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation (FDIC) insurance.

State statutes authorize the County to invest in (a) obligations of the United States or its agencies and instrumentalities; (b) direct obligations of the State of Texas or its agencies; (c) other obligations, the principal and interest of which are unconditionally guaranteed or insured by the State of Texas or the United States; (d) 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; (e) certificates of deposit by state and national banks domiciled in this state that are (i) guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor; or, (ii) secured by obligations that are described by (a) – (d).

**GUADALUPE COUNTY, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 2. DEPOSITS AND INVESTMENTS – CONTINUED**

Statutes also allow investing in local government investment pools organized and rated in accordance with the Interlocal Cooperation Act, whose assets consist exclusively of the obligations of the United States or its agencies and instrumentalities and repurchase assessments involving those same obligations. Investments in local government investment pools are reported at share price, which approximates fair value. The County's cash deposits and investments are as follows:

	<u>Total Fair Value</u>	<u>Weighted Average Maturity (days)</u>	<u>Percentage of Total Portfolio</u>
Governmental activities			
Cash			
Demand deposits	\$ 15,315,276		
Cash on hand	12,244		
Total cash and deposits	<u>15,327,520</u>		
Investments			
Certificates of deposit	27,095,924	490	99%
Investment pools			
MBIA Texas Class Portfolio	139,141	52	1%
Total investments	<u>27,235,065</u>		
Total governmental activities cash and investments	<u>\$ 42,562,585</u>		
Fiduciary funds			
Cash - demand deposits	\$ 4,906,251		
Total cash and deposits	<u>4,906,251</u>		
Investments			
Certificates of deposit	735,295	395	100%
Total investments	<u>735,295</u>		
Total fiduciary funds, cash and investments	<u>\$ 5,641,546</u>		

*Interest rate risk.* The County manages risk by limiting the weighted average maturity of its investments to less than one year.

*Credit risk.* The County's investment policy limits investments to obligations of the United States or its instrumentalities; direct obligation of the State of Texas, the principal and interest that are unconditionally guaranteed or insured by this state or state rated as to investment quality of not less than AAA by a nationally recognized investment rating firm.

The County may also invest its funds in state law authorized government investment pools provided the pool maintains an AAA rating, the pool maintains a stable asset value, and the average dollar weighted maturity does not exceed 90 days, and Commissioners' Court must approve of the investment. As of September 30, 2016, the investment in Texas CLASS was rated AAAM.

**GUADALUPE COUNTY, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 2. DEPOSITS AND INVESTMENTS – CONTINUED**

The County may also invest in certificates of deposit or share certificates issued by a depository institution which has its main office or a branch office in this state and is guaranteed or insured by FDIC or the NCUSIC, or is secured by collateral or other method provided for by state law.

*Custodial Credit Risk – Deposits.* In the case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned to it. As of September 30, 2016, the government's deposits were fully collateralized.

*Custodial Credit Risk – Investment.* For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of September 30, 2016, the County's investments were held in certificates of deposit and government investment pools.

**NOTE 3. RECEIVABLES**

Receivables at September 30, 2016 consisted of the following:

	General	Road and Bridge	Nonmajor Governmental Funds	Total
Receivables				
Taxes	\$ 1,162,268	\$ 200,765	\$ 71,812	\$ 1,434,845
Other	1,805,396	113,310	221,208	2,139,914
Gross receivables	2,967,664	314,075	293,020	3,574,759
Allowance for uncollectible taxes	(29,114)	(4,551)	(1,946)	(35,611)
Total	<u>\$ 2,938,550</u>	<u>\$ 309,524</u>	<u>\$ 291,074</u>	<u>\$ 3,539,148</u>

**Property Tax Calendar**

Property is appraised and a lien on such appraised property becomes enforceable as of January 1, subject to certain established procedures relating to rendition, appraisal, appraisal review, and judicial review. Property taxes are levied on October 1 of the assessment year, or as soon thereafter as practicable. Taxes are due and payable when levied. Taxes become delinquent on February 1 of the following year and are then subject to interest and penalty charges. The County bills and collects its own property taxes and also the taxes for several other taxing agencies. The County acts only as an intermediary in the collection and distribution of property taxes to other entities. Tax collections deposited for the County are distributed as collected to the General, Road and Bridge, and Debt Service Funds of the County. The distribution is based upon the tax rate established for each fund by Commissioners' Court for the tax year for which the collections are made.

**GUADALUPE COUNTY, TEXAS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 3. RECEIVABLES – CONTINUED**

**Property Tax Calendar – Continued**

The County is authorized by the tax laws for the State of Texas to levy taxes up to .80 per \$100 of the assessed valuation for general government invoices and the payment of principal and interest on certain permanent improvement long-term debt. Taxes may be levied in unlimited amounts for the payment of principal and interest on road bond long-term debt issued under Article 3, Section 52 of the Texas Constitution.

The combined tax rate assessed on the 2015 tax roll (Guadalupe County and Special Road) to finance operations and debt service for the fiscal year ended September 30, 2016 was \$0.3851 per \$100 assessed valuation. The total tax levy for the tax year 2015 was \$38,046,744, of which \$484,843 remained outstanding in current delinquent taxes as of September 30, 2016.

**NOTE 4. CAPITAL ASSETS**

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

	Primary Government			Sept. 30, 2016
	Sept. 30, 2015	Increases	Decreases	
Governmental activities				
Capital assets not being depreciated				
Construction in progress	\$ 1,084,668	\$ 3,888,004	\$ (555,308)	\$ 4,417,364
Land	1,585,974	-	-	1,585,974
Infrastructure - roads	28,371,673	1,219,903	-	29,591,576
Total capital assets not being depreciated	<u>31,042,315</u>	<u>5,107,907</u>	<u>(555,308)</u>	<u>35,594,914</u>
Other capital assets				
Infrastructure - bridges	1,701,596	231,752	-	1,933,348
Buildings and improvements	50,026,955	908,443	-	50,935,398
Furniture and equipment	15,072,474	1,528,221	(997,639)	15,603,056
Total other capital assets	<u>66,801,025</u>	<u>2,668,416</u>	<u>(997,639)</u>	<u>68,471,802</u>
Accumulated depreciation for				
Infrastructure - bridges	(449,558)	(37,038)	-	(486,596)
Buildings and improvements	(17,107,198)	(1,382,316)	-	(18,489,514)
Furniture and equipment	(11,109,880)	(1,224,181)	992,643	(11,341,418)
Total accumulated depreciation	<u>(28,666,636)</u>	<u>(2,643,535)</u>	<u>992,643</u>	<u>(30,317,528)</u>
Other capital assets, net	<u>38,134,389</u>	<u>24,881</u>	<u>(4,996)</u>	<u>38,154,274</u>
Total net assets	<u>\$ 69,176,704</u>	<u>\$ 5,132,788</u>	<u>\$ (560,304)</u>	<u>\$ 73,749,188</u>

**GUADALUPE COUNTY, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 4. CAPITAL ASSETS – CONTINUED**

Depreciation was charged to the governmental functions as follows:

General government	\$ 659,382
Judicial	69,316
Public safety	1,294,576
Health and social services	126,633
Infrastructure and environmental services	<u>493,628</u>
 Total depreciation expense	 <u><u>\$ 2,643,535</u></u>

**Construction Commitments**

The County has active construction projects as of September 30, 2016. At year-end, the County's commitments with contractors are as follows:

<u>Project</u>	<u>Approved Construction Budget</u>	<u>Construction in Progress</u>	<u>Estimated Remaining Commitment</u>
Project 5310 - Courthouse remodel	<u>\$ 5,011,000</u>	<u>\$ 4,417,364</u>	<u>\$ 593,636</u>
	<u><u>\$ 5,011,000</u></u>	<u><u>\$ 4,417,364</u></u>	<u><u>\$ 593,636</u></u>

**NOTE 5. LONG-TERM DEBT**

Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period, and accordingly, are not reported as fund liabilities in the governmental funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. Long-term bonded debt at September 30, 2016, is as follows:

<u>Primary Government</u>				
<u>Original Issue</u>	<u>Description</u>	<u>Interest Rate %</u>	<u>Matures</u>	<u>Debt Outstanding</u>
\$ 5,000,000	Certificates of obligation, Series 2013	1.00-1.90%	2023	\$ 4,900,000
8,035,000	Limited tax refunding bonds, Series 2013	0.21-1.58%	2019	<u>4,100,000</u>
				<u><u>\$ 9,000,000</u></u>

**GUADALUPE COUNTY, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 5. LONG-TERM DEBT – CONTINUED**

	September 30, 2015	Additions	Retirements	September 30, 2016	Amounts Due Within One Year
Certificates of obligation, Series 2013	\$ 4,950,000	\$ -	\$ 50,000	\$ 4,900,000	\$ 50,000
Limited tax refunding bonds Series 2013	5,950,000	-	1,850,000	4,100,000	1,855,000
Other post-employment benefit (OPEB) Obligation	1,160,340	290,302	-	1,450,642	
Compensated absences	740,024	1,203,609	1,102,663	840,970	462,534
Workers' compensation indemnity liability claims	219,410	-	11,926	207,484	11,926
	<u>\$ 13,019,774</u>	<u>\$ 1,493,911</u>	<u>\$ 3,014,589</u>	<u>\$ 11,499,096</u>	<u>\$ 2,379,460</u>

General Obligation Refunding Bonds and Certificates of Obligation require that taxes collected for the annual principal and interest payments be deposited in an interest and sinking fund. Annual interest payments are due in semi-annual installments on February 1 and August 1. Principal payments are due annually on August 1. Annual debt service requirements (excluding compensated absences) to maturity are summarized as follows:

	Principal	Interest	Totals
2017	\$ 1,905,000	\$ 123,777	\$ 2,028,777
2018	1,170,000	108,679	1,278,679
2019	1,185,000	92,264	1,277,264
2020	1,165,000	73,605	1,238,605
2021	1,200,000	54,085	1,254,085
2022	1,240,000	32,725	1,272,725
2023	1,135,000	10,782	1,145,782
	<u>\$ 9,000,000</u>	<u>\$ 495,917</u>	<u>\$ 9,495,917</u>

**NOTE 6. EMPLOYEES' RETIREMENT SYSTEM**

**Texas County and District Retirement System**

The County provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional defined pension 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 multiple-employer public employee retirement system consisting of the 602 nontraditional defined benefit pension plans. TCDRS in the aggregate issues a comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034.

**GUADALUPE COUNTY, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 6. EMPLOYEES' RETIREMENT SYSTEM – CONTINUED**

**Texas County and District Retirement System – Continued**

The plan provisions are adopted by the governing body of the County, within the options available in the Texas State statutes governing TCDRS (TCDRS Act). Members can retire at age 60 and above with eight or more years of service, with 20 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after eight 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 the employer.

*1. Plan Description*

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

*2. Funding Policy*

The County has elected the annually determined contribution rate (Variable Rate) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. The County contributed using the actuarially determined rate of 10.75% for the months of the accounting year in 2016 and 2015.

The deposit rate payable by the employee members for the calendar year 2016 and 2015 is the rate of 7% as adopted by the governing body of the County. The employee deposit rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act.

**GUADALUPE COUNTY, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 6. EMPLOYEES' RETIREMENT SYSTEM – CONTINUED**

**Texas County and District Retirement System – Continued**

*3. Actuarial Assumptions*

The actuarial assumptions that determined the total pension liability as of December 31, 2015 were based on the results of an actuarial experience study for the period, except where required to be different by GASB 68.

Actuarial valuation date	December 31, 2015
Actuarial cost method	Entry Age Normal
Asset valuation method	
Smoothing period	Five years
Recognition method	Non-asymptotic
Corridor	None
Inflation	3.0%
Salary increases	3.5%
Investment rate of return	8.1%
Cost-of-living adjustments	Cost-of-living adjustments for Guadalupe County are not considered to be substantively automatic under GASB 68. Therefore, no assumption for future cost-of-living adjustments is included in the GASB calculations. No assumption for future cost-of-living adjustments is included in the funding valuation.
Turnover	New employees are assumed to replace any terminated members and have similar entry ages.

*4. Discount Rate*

The discount rate used to measure the total pension liability was 8.10%. There was no change in the discount rate since the previous year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers and the nonemployer contributing entity made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. 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.



**GUADALUPE COUNTY, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 6. EMPLOYEES' RETIREMENT SYSTEM – CONTINUED**

**Texas County and District Retirement System – Continued**

*4. Discount Rate – Continued*

The long-term expected rate of return on pension plan investments is 8.10%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimates 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. Best estimates of geometric real rates of return for each major asset class included in the system target asset allocation as of are summarized below:

Asset Class	Benchmark	Target Allocation	Geometric Real Rate of Return (Expected Minus Inflation)
US Equities	Dow Jones U.S. Total Stock Market Index	15%	5.45%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index(3)	14%	8.45%
Global Equities	MSCI World (net) Index	2%	5.75%
International Equities - Developed	MSCI World Ex USA (net)	10%	5.45%
International Equities - Emerging	MSCI World Ex USA (net)	8%	6.45%
Investment-Grade Bonds	Barclays Capital Aggregate Bond Index	3%	1.00%
High-Yield Bonds	Citigroup High-Yield Cash-Pay Capped Index	3%	5.10%
Opportunistic Credit	Citigroup High-Yield Cash-Pay Capped Index	2%	5.09%
Direct Lending	Citigroup High-Yield Cash-Pay Capped Index	5%	6.40%
Distressed Debt	Citigroup High-Yield Cash-Pay Capped Index	3%	8.10%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% FRSE EPRA/NAREIT Global Real Estate Index	3%	4.00%
Master Limited Partnerships (MLPs)	Alerian MLP Index	3%	6.80%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index(4)	5%	6.90%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	25%	5.25%

**GUADALUPE COUNTY, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 6. EMPLOYEES' RETIREMENT SYSTEM – CONTINUED**

**Texas County and District Retirement System – Continued**

*5. Changes in Net Pension Liability*

	Total Pension Liability	Increase (Decrease) Plan Fiduciary Net Position	Net Pension Liability
Balance at December 31, 2014	\$ 80,650,119	\$ 74,820,248	\$ 5,829,871
Changes for the year			
Service Cost	3,662,500		3,662,500
Interest on total pension liability	6,561,988		6,561,988
Effect of plan changes	(745,316)		(745,316)
Effect of economic/demographic gains or losses	(2,162,715)		(2,162,715)
Effect of assumptions changes or inputs	880,700		880,700
Refund of contributions	(441,624)	(441,624)	-
Benefit payments	(2,617,737)	(2,617,737)	-
Administrative expenses		(54,278)	54,278
Member contributions		1,858,796	(1,858,796)
Net investment income		(760,701)	760,701
Employer contributions		2,854,577	(2,854,577)
Other	-	21,688	(21,688)
Balance at December 31, 2015	<u>\$ 85,787,915</u>	<u>\$ 75,680,969</u>	<u>\$ 10,106,946</u>

*6. Sensitivity of the County's Share of the Net Pension Liability*

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

	1% Decrease 7.10%	Current Discount Rate 8.10%	1% Increase 9.10%
Total pension liability	\$ 97,928,098	\$ 85,787,915	\$ 75,763,455
Fiduciary net position	<u>75,680,971</u>	<u>75,680,969</u>	<u>75,680,971</u>
Net pension liability	<u>\$ 22,247,127</u>	<u>\$ 10,106,946</u>	<u>\$ 82,484</u>

**GUADALUPE COUNTY, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 6. EMPLOYEES' RETIREMENT SYSTEM – CONTINUED**

**Texas County and District Retirement System – Continued**

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

At September 30, 2016, the County reported deferred outflows of resources related to pensions from the following sources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Difference in expected and actual experience	\$ 1,730,172	\$ 289,817
Difference in assumption changes	-	704,560
Difference in projected and actual earnings on pension plan investments	-	6,181,596
Employer contributions made after the measurement date	-	2,529,765
	-	2,529,765
Totals	\$ 1,730,172	\$ 9,705,738

	Fiscal Year	Deferred Outflows of Resources
	2016	\$ 3,967,845
	2017	1,438,081
	2018	1,438,081
	2019	1,131,559
	Total	\$ 7,975,566

**GUADALUPE COUNTY, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 7. EMPLOYEE BENEFITS**

Substantially all employees of the County are compensated on an hourly basis. There are a few employees (elected and appointed officials) who are compensated on a salary basis.

Vacation leave is accrued by each hourly employee of the County as follows:

<u>Length of Service</u>	<u>Vacation Leave Earned</u>
1st year of employment	1.5385 hours every pay period (5 days per year)
13th month through 10th anniversary	3.0769 hours every pay period (10 days per year)
10 years 1 month through 20th anniversary	4.6154 hours every pay period (15 days per year)
20 years and 1 month forward	6.1538 hours every pay period (20 days per year)

The County permits employees to accumulate earned but unused vacation pay benefits. When an employee leaves the service of the county, he or she will be paid for all accrued but unused vacation leave upon retirement. Upon resignation or termination, a maximum of 80 hours of unused accrued vacation leave will be paid. In the event of the death of an active employee, all unused accrued vacation leave will be paid (approved November 10, 2009, by Commissioners Court). The rate of pay will be determined by the salary rate in effect at the time of separation. Any employee who leaves county employment for any reason during the first 12 months of employment will not be paid for any vacation leave.

Sick leave accrues at the rate of 2.1538 hours per biweekly pay period, up to a maximum balance of 480 hours. In the event of termination, no reimbursement is made for accumulated sick leave. No liability is reported for unpaid accumulated sick leave.

Medical insurance coverage is provided by the County at its expense for each official and full-time employee. These officials and employees may, at their own option and expense, have their families included in the insurance coverage. Dental insurance is also available and the county will pay half of the premium. All insurance is available immediately to elected and appointed officials and after three (3) months for all full-time employees. The County has elected to self-insure for this coverage (see Note 12 – Self-insurance Fund).

The County is required by state statute to provide workers' compensation coverage for its employees. The County has elected to purchase this insurance through Texas Association of Counties' Workers' Compensation Fund.

The County is also required by state statute to provide unemployment insurance coverage for its employees on either a reimbursing basis or a tax basis. To comply with this requirement, the County has elected to participate as a reimbursing employer in the Texas Association of Counties' Unemployment Insurance Fund.

The costs to the County have been substantially less than they would have been under any other option available to the County. Full-time employees are provided \$20,000 term life insurance coverage at County expense. The life insurance coverage reduces by a percentage for the increase in age after age 70. (At age 70, life insurance is 65% of the original amount; at age 75, life insurance reduces to 40%; at age 85, life insurance reduces to 25%; and at age 90, life insurance reduces to 10% of the original amount).

**GUADALUPE COUNTY, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 7. EMPLOYEE BENEFITS – CONTINUED**

**Compensatory Time**

A liability for unused vacation and compensatory time for all full-time regular employees is calculated and reported in the government-wide financial statements. For financial reporting purposes, the following criteria have been applied in considering the accrual of the liability associated with compensated absences: a) leave or compensation is attributable to services already rendered, and b) leave or compensation is not contingent on a specific event (such as illness).

GASB Interpretation No. 6 indicates that liabilities for compensated absences should only be recognized in the fund statements to the extent the liabilities have matured and are payable out of current available resources. Compensated absences are accrued in the government-wide statements.

In accordance with the Fair Labor Standards Act (FLSA) as it applies to local governments, non-exempt county employees are granted compensatory time for hours worked beyond their regular working hours. The policy of Guadalupe County is to allow overtime to be worked only in cases of emergencies or when specifically authorized by Guadalupe County Commissioners' Court. Employees may be required in emergencies to provide services in addition to normal hours or on weekends or holidays. Overtime is defined as hours actually worked in excess of the allowable number of hours under the FLSA (40 hours per seven-day workweek for non-law enforcement employees; 171 hours for 28-day work period for law enforcement and detention officers).

Any compensatory time earned should be used within 60 days of the date the overtime was worked. Compensatory time should be used before any other leave is taken except sick leave. The maximum amount of accumulated compensatory time allowed by federal law is 240 hours for non-law enforcement and 480 hours for law enforcement employees. Once the maximum is reached, any future overtime is paid out and one and one-half times the regular hourly rate. However, some departments are not in compliance with this policy, and have allowed compensatory time to accrue past the 60 days and are not enforcing that compensatory time is used before other leave.

**NOTE 8. POST-EMPLOYMENT BENEFITS**

**Plan Description**

Guadalupe County Commissioners' Court established a single employer medical benefit plan for retirees on January 1, 2009. Employees of the County who retire after December 31, 2008 under TCDRS retirement rules (at age 60 and above with eight or more years of service, with 20 years of service regardless of age, or when the sum of their age and years of service equals 75 or more) are eligible. Continuation of insurance election must be made within thirty (30) days of the employee's separation. Guadalupe County offers retiree insurance at the COBRA rates with no direct subsidy from Guadalupe County. The right to participate in the plan is forfeited in the event the coverage is ever dropped and cannot be reinstated.

**GUADALUPE COUNTY, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 8. POST-EMPLOYMENT BENEFITS – CONTINUED**

**Plan Description – Continued**

Additionally, if the retiring employee becomes eligible under another group medical plan the employee is no longer eligible to be covered under the County’s plan. Furthermore, the Commissioners’ Court reserves the right to terminate or change the terms of this plan at any time. The County Plan does not issue publicly available financial reports prepared in accordance with generally accepted accounting principles.

**Funding Policy**

Guadalupe County is under no legal obligation to supplement, directly or indirectly, the retiree health coverage, and the decision to rescind these benefits may be made by an action of the Commissioners Court at any time. The County’s authority to establish and amend benefit provisions comes from Local Government Code Section 147.101 and the requirement to provide retiring employees the right to purchase continued health insurance coverage comes from Local Government Code, Chapter 175.

There were a total of 12 retirees and surviving spouses on the County insurance. Expenses for post-employment benefits were recognized on a pay-as-you-go basis in the past. Premiums paid by retirees during the year ended September 30, 2016 were \$36,034.

**Annual Other Post-employment Benefits Costs (OPEB)**

For the fiscal year ended September 30, 2016, the County’s annual OPEB cost was \$340,805. The County contributed \$50,504, the amount required to cover the current year expenditures based on actuarial assumptions. The components of the OPEB cost for the fiscal year ended September 30, 2016 are as follows:

	2016
Annual required contribution (ARC)	\$ 339,606
Interest on OPEB obligation	46,414
Adjustment to ARC	(45,215)
Annual OPEB cost, end of year	340,805
Net employer contributions	(50,503)
Increase in net OPEB obligation	290,302
OPEB obligation, beginning of year	1,160,340
OPEB obligation, end of year	\$ 1,450,642

Trend Information

Fiscal Year Ending	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
September 30, 2014	\$ 148,495	\$ 108,404	73.0%	\$ 850,948
September 30, 2015	330,594	21,202	6.4%	1,160,340
September 30, 2016	340,805	50,504	14.8%	1,450,642

**GUADALUPE COUNTY, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 8. POST-EMPLOYMENT BENEFITS – CONTINUED**

**Funded Status and Funding Progress**

The funded status of the plan as of the actuarial valuation date of December 31, 2014 was as follows:

Actuarial accrued liability (AAL)	\$ 2,326,285
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	2,326,285
Funded ratio actuarial value of plan assets (AAL)	0.0%
Covered payroll (active plan members)	25,942,847
UAAL as a percentage of covered payroll	8.97%

**Actuarial Methods and Assumptions**

The Projected Unit Credit actuarial cost method is used to calculate the GASB ARC for the county's retiree health care plan. Using the plan benefits, the present health premiums, and a set of actuarial assumptions, the anticipated future payments are projected. The projected unit credit method then provides for a systematic recognition of the cost of these anticipated payments. The yearly ARC is computed to cover the cost of benefits being earned by covered members as well as to amortize a portion of the unfunded accrued liability.

Projections of health benefits are based on the plan as understood by the County, and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the County and its employees 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 were as follows:

Actuarial valuation date	December 31, 2014
Actuarial cost method	Projected unit credit cost method
Actuarial value of assets method	Reported market value of assets
Inflation rate	3.00% per year
Investment rate of return	4.00% per year net of expenses
Amortization method	Level as a percentage of employee
Amortization period	30-year, open amortization
Payroll growth	3.00% per year
Medical trend	Initial rate of 7.25%, declining to an ultimate rate of 4.50% after 14 years

**GUADALUPE COUNTY, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 8. POST-EMPLOYMENT BENEFITS – CONTINUED**

**Additional Disclosures**

Texas Local Government Code, Chapter 175, requires counties to make available continued health benefits coverage under certain circumstances to retirees and their dependents beyond the end of an individual's employment with the County by permitting covered employees to purchase continued health benefits coverage in retirement. Texas law does not require counties to fund all or any portion of such coverage.

Because the County is given the authority to pay OPEB for its retired employees, it may incur a debt obligation to pay for OPEB so long as the County follows the constitutional requirement that it have sufficient taxing authority available at the time such a debt is incurred to provide for the payment of the debt and has in fact levied a tax for such purpose concurrently with the incurrence of the debt. Any debt incurred in contravention of this constitutional requirement is considered void and payment will not be due. Guadalupe County has not incurred a legal debt obligation for OPEB and has not levied a tax for the same. The County funds the costs associated with OPEB on a current "pay-as-you-go" basis for a single fiscal year through annual appropriations authorized by the Commissioners' Court during the County's annual budget adoption process.

GASB Statement No. 45 (GASB 45), *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions (OPEB)* required governmental organizations to recognize an actuarially calculated accrued liability for OPEB, even though it may not have a legally enforceable obligation to pay OPEB benefits.

At age 65, a supplemental insurance policy may be obtained from the County Silver Choice Program.

The General and Special revenue funds have typically been used in prior years to liquidate the net pension obligation or net OPEB obligation.

**NOTE 9. INTERFUND BALANCES**

During the course of its operations, County has numerous transactions between funds to finance operations, provide services, construct assets, and service debt. To the extent that certain transactions between funds had not been paid or received as of September 30, 2016, balances of interfund amounts receivable or payable have been recorded as follows:

Receivable Fund	Payable Fund	Amounts
Nonmajor governmental fund	Nonmajor governmental fund	\$ 61,253
Nonmajor governmental fund	General fund	82,727
Road and bridge fund	Nonmajor governmental fund	48,705
General fund	Internal service fund	3,704
General fund	Nonmajor governmental fund	6,248
		\$ 202,637



**GUADALUPE COUNTY, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 10. INTERFUND TRANSFERS**

Interfund transfers during the year ended September 30, 2016 were as follows:

Transfers In	Transfers Out	Amounts	Reason
Nonmajor governmental fund	General fund	\$ 4,329,773	Operations and grant matching
General fund	Nonmajor governmental fund	377,615	Excess Fund Balance
Capital projects fund	General fund	835,000	Capital project funding
Nonmajor governmental fund	Nonmajor governmental fund	<u>26,359</u>	Service Fee on election contracts
		<u>\$ 5,568,747</u>	

**NOTE 11. COMMITMENTS AND CONTINGENCIES**

**Litigation**

The County is the subject of various claims and litigation that have arisen in the course of its operations. Management is of the opinion that the County's liability in these cases, if decided adversely to the County, will not have a material effect on the County's financial position.

**Risk Management**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees, and natural disasters. The County carries commercial insurance for such risks. During the year ended September 30, 2016, settled claims resulting from these risks did not exceed commercial insurance coverage. Settled claims have not exceeded insurance coverage in any of the three previous fiscal years. There has not been any significant reduction in insurance coverage from that of the previous year.

In January 2008, the County eliminated the self-funded Workmen's Compensation Fund and contracted with the Texas association of Counties (TAC) to handle the workmen's compensation claims process. The County is responsible for any future medical claims related to injuries which occurred prior to joining the TAC pool. Currently there is one open claim, which based on actuarial calculations, has an estimated reserve of \$195,559. This has been recorded as a long-term liability in the workers' compensation fund as of September 30, 2016.

**Federal Financial Assistance**

The County receives significant financial assistance from the U.S. Government. Entitlement to the resources is generally based on compliance with terms and conditions of the grant agreements and applicable federal regulations, including the expenditure of the resources for eligible purposes. Substantially all grants are subject to audits by the grantors. Findings from these audits could result in disallowances that become a liability of the fund that received the grant.

**GUADALUPE COUNTY, TEXAS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 11. COMMITMENTS AND CONTINGENCIES – CONTINUED**

**CPS Energy Agreement**

In April 2012, CPS Energy acquired the Rio Nogales electric power plant in Seguin. Rio Nogales is an 800-megawatt combined cycle gas plant. CPS Energy is a utility owned by the city of San Antonio, and because the Texas Constitution prohibits one government entity from taxing another government entity, CPS Energy is exempt from property taxes. Rio Nogales was the County's second highest taxpayer in fiscal year 2011, with a total assessed value from all accounts of \$171,000,000, which accounted for 1.5% of the total assessed value. The change in the status of this property, from taxable to tax exempt, was included in the effective tax rate calculation for fiscal year budget beginning October 1, 2012 (Fiscal Year 2012-2013).

The utility agreed to make a tax exemption settlement payment of \$7,667,000 to the County. The terms of the agreement as such that the full payment made by CPS Energy to the County will be available as a dollar-for-dollar credit against future taxes that may become due if the property's tax exemption is no longer recognized at any time during the 30-year terms of the agreement.

The two exceptions are losses of property tax exemption caused by (1) CPS Energy's transfer of the property to a non-exempt owner or (2) a change in law or other action by a third party (i.e., someone other than any of the taxing authority parties to the agreement or the County Appraisal District). Under either of these two exceptions, the amount paid by CPS Energy to the County is prorated over the first 15 years of the agreement, and only the unamortized portion at the time the property becomes taxable may be claimed as credit.

Consequently, (1) if CPS Energy retains the property but the exemption is lost due to a challenge by one of the parties to the agreement or the appraisal district, the full payment is credited, even if the exemption is lost after year 15, (2) if the exemption is lost after year 15 due to a transfer of the property to a non-exempt owner or a change in law or other third-party action, no credit may be claimed, and (3) if the exemption is lost in the first 15 years due to a transfer of the property to a non-exempt owner or a change in law or other third party-action, a partial credit may be claimed (equal to the unamortized portion of the initial CPS Energy payment, amortized over 15 years). The amount of the tax settlement that has been classified in the category of assigned fund balance is \$6,467,000.

**GUADALUPE COUNTY, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 11. COMMITMENTS AND CONTINGENCIES – CONTINUED**

**Guadalupe Regional Medical Center**

Guadalupe County is contingently liable for 50% of operating deficits produced by Guadalupe Regional Medical Center, if any, with the City of Seguin, Texas contingently responsible for the remainder. In addition, the County would be responsible for 50% of any long-term obligations should the Hospital be in default. (See Note 1). The following is a summary of financial data as reported in the Guadalupe Regional Medical Center's most recent audited financial statements dated September 30, 2016:

Assets and deferred outflow of resources	
Current assets	\$ 56,933,095
Other assets	26,291,986
Property, plant, and equipment, net	90,783,915
Deferred outflow of resources	<u>10,223,378</u>
Total assets and deferred outflow of resources	<u>\$ 184,232,374</u>
Liabilities	
Current liabilities	\$ 15,374,027
Other liabilities	121,081,602
Deferred inflow of resources	<u>1,586,011</u>
Total liabilities and deferred inflow of resources	<u>138,041,640</u>
Net position	46,190,734
Total liabilities, deferred inflow of resources, and net position	<u>\$ 184,232,374</u>
Operating revenues	
Net revenues from patient services	\$ 102,278,552
Other operating revenue	<u>3,491,718</u>
Total operating revenue	105,770,270
Total operating expenses	<u>102,947,672</u>
Operating income	2,822,598
Nonoperating revenues (expenses)	<u>(8,674,891)</u>
Increase (decrease) in net position	<u>\$ (5,852,293)</u>

**GUADALUPE COUNTY, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 12. SELF-INSURANCE FUND**

**Employee Health Benefits Fund**

The County established an internal service fund to account for the County's self-funded plan for benefits for comprehensive major medical and dental care offered to all full-time County employees and their dependents. The County pays the employee premium, which is recorded as expenditures in the governmental fund paying them. Dependent coverage is paid by the employee. Corresponding revenues are recorded in the internal service fund. The internal service fund is used to pay claims, stoploss insurance, and administrative costs of the plan. The stoploss insurance covers the plan against individual claims in excess of \$100,000 per covered person per year.

As of September 30, 2016, outstanding claims amounts to \$161,718 and were recorded as a current liability of the employee health benefit fund. Claims payable are estimated based upon two month's subsequent claims paid. Any potential unfunded claim benefit obligations will be funded through rate adjustments and future contributions generated. A reconciliation of outstanding claims is as follows:

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Outstanding claims at October 1	\$ 453,036	\$ 297,724	\$ 352,351
Claims submitted	4,425,182	4,539,944	3,773,127
Claims paid	<u>(4,716,500)</u>	<u>(4,384,971)</u>	<u>(3,827,754)</u>
Outstanding claims at September 30	<u>\$ 161,718</u>	<u>\$ 452,697</u>	<u>\$ 297,724</u>

**NOTE 13. RELATED PARTIES**

Jim Wolverton, County Commissioner Precinct #3, serves on the Board of Directors at Schertz Bank and Trust. The County had \$27,317,316 in Certificates of Deposit and Money Market Accounts with Schertz Bank and Trust at year-end.

The Juvenile Probation Department received a grant in the amount of \$98,000 from the Texas Juvenile Justice Department. Seguin Youth Services, a non-profit organization, is the sub-recipient of the funds. Judge Sheryl Sachtleben, Justice of the Peace #2, serves as the executive director of the organization. Grant funds were not used to pay the executive director's salary.

**GUADALUPE COUNTY, TEXAS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 14. FUND BALANCES**

Fund Balances are presented in the following categories: nonspendable, restricted, committed, assigned, and unassigned as described in Note 1. The commitment of funds totaling \$725,000 was adopted by a resolution of the Commissioners Court on September 27, 2016. The following is a detail of fund balances for all the major and nonmajor governmental funds at September 30, 2016.

Fund balances	General Fund	Road and Bridge Fund	Capital Projects	Nonmajor Funds	Total
Nonspendable					
Inventory on hand	\$ -	\$ 145,277	\$ -	\$ 15,728	\$ 161,005
Prepays	611,057	8,222	10,000	11,142	640,421
<b>Total nonspendable</b>	<b>611,057</b>	<b>153,499</b>	<b>10,000</b>	<b>26,870</b>	<b>801,426</b>
Restricted for					
County operations	-	-	-	35,103	35,103
County attorney	-	-	-	26,867	26,867
Elections	-	-	-	139,870	139,870
Debt service	-	-	-	240,583	240,583
Road and bridge	-	3,748,768	-	216,932	3,965,700
Court technology enhancements	-	-	-	65,855	65,855
Records management/ preservation	496,536	-	-	1,383,864	1,880,400
Public safety	-	-	-	390,958	390,958
Jail commissary	-	-	-	127,440	127,440
Juvenile services	-	-	-	816,260	816,260
District attorney	-	-	-	217,767	217,767
Bail bond board	-	-	-	18,235	18,235
Alternative dispute resolution	-	-	-	309,837	309,837
Community services/programs	162,999	-	-	203,142	366,141
<b>Total restricted</b>	<b>659,535</b>	<b>3,748,768</b>	<b>-</b>	<b>4,192,713</b>	<b>8,601,016</b>
Committed for					
Other	725,000	-	-	-	725,000
<b>Total committed</b>	<b>725,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>725,000</b>
Assigned for					
CPS Energy agreement (see Note 11)	6,467,000	-	-	-	6,467,000
Capital projects	-	-	2,402,998	-	2,402,998
<b>Total assigned</b>	<b>6,467,000</b>	<b>-</b>	<b>2,402,998</b>	<b>-</b>	<b>8,869,998</b>
Unassigned fund balance	18,128,623	-	-	-	18,128,623
<b>Total fund balances</b>	<b>\$ 26,591,215</b>	<b>\$ 3,902,267</b>	<b>\$ 2,412,998</b>	<b>\$ 4,219,583</b>	<b>\$ 37,126,063</b>

**NOTE 15. SUBSEQUENT EVENT**

Management has evaluated subsequent events through March 30, 2017, which is the date the financial statements were available to be issued.

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## **REQUIRED SUPPLEMENTARY INFORMATION**

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund
- Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Road and Bridge Fund
- Notes to Schedules of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual
- Infrastructure Assets Under Modified Approach
- Schedule of Changes in Net Pension Liability and Related Ratios
- Schedule of Employer Contributions

**GUADALUPE COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES – BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	Original Budget	Final Budget	Actual	Variance from Amended Positive (Negative)
<b>REVENUES</b>				
Property taxes	\$ 32,128,000	\$ 32,128,000	\$ 32,677,890	\$ 549,890
Sales and use taxes	6,614,000	6,614,000	7,384,111	770,111
Other taxes	1,355,000	1,355,000	1,470,595	115,595
Licenses and permits	141,500	141,500	156,756	15,256
Intergovernmental	3,357,708	3,307,126	4,308,714	1,001,588
Charges for services	2,355,200	2,355,200	2,657,490	302,290
Fines and Forfeitures	972,000	972,000	1,002,282	30,282
Earnings on investments	152,500	152,500	367,306	214,806
Miscellaneous	523,500	563,222	734,327	171,105
<b>TOTAL REVENUES</b>	<b>47,599,408</b>	<b>47,588,548</b>	<b>50,759,471</b>	<b>3,170,923</b>
<b>EXPENDITURES</b>				
<b>GENERAL GOVERNMENTAL</b>				
General Administration				
County Judge				
Personnel service	249,806	249,806	229,350	20,456
Operations	14,171	14,171	6,090	8,081
Capital Outlay	6,500	6,500	6,105	395
<b>Total County Judge</b>	<b>270,477</b>	<b>270,477</b>	<b>241,544</b>	<b>28,933</b>
County Commissioners				
Personnel service	400,191	400,191	390,632	9,559
Operations	24,520	23,520	14,964	8,556
Capital Outlay	6,500	6,500	6,105	395
<b>Total County Commissioners</b>	<b>431,211</b>	<b>430,211</b>	<b>411,701</b>	<b>18,510</b>
County Clerk				
Personnel service	1,252,275	1,226,375	1,133,300	93,075
Operations	70,400	70,400	48,757	21,643
<b>Total County Clerk</b>	<b>1,322,675</b>	<b>1,296,775</b>	<b>1,182,057</b>	<b>114,718</b>
County Clerk Records Archive				
Operations	450,000	450,000	445,815	4,185
<b>Total County Clerk Records Archive</b>	<b>450,000</b>	<b>450,000</b>	<b>445,815</b>	<b>4,185</b>
District Clerk Records Archive				
Operations	10,000	10,000	4,897	5,104
<b>Total District Clerk Records Archive</b>	<b>10,000</b>	<b>10,000</b>	<b>4,897</b>	<b>5,104</b>
Vital Statistics Preservation				
Operations	6,500	6,500	6,390	110
<b>Total Vital Statistics Preservation</b>	<b>6,500</b>	<b>6,500</b>	<b>6,390</b>	<b>110</b>
Employee Funds				
Operations	5,000	4,900	436	4,464
Other services	-	100	100	-
<b>Total Employee Funds</b>	<b>5,000</b>	<b>5,000</b>	<b>536</b>	<b>4,464</b>
General Expense (Non-departmental)				
Personnel Service	75,000	443,000	424,993	18,007
Operations	1,665,140	2,162,583	1,944,160	218,423
<b>Total General Expense</b>	<b>1,740,140</b>	<b>2,605,583</b>	<b>2,369,153</b>	<b>236,430</b>
Building and grounds maintenance				
Personnel Service	730,203	781,048	721,926	59,122
Operations	352,125	337,073	303,141	33,932
Capital Outlay	-	5,500	5,499	1
<b>Total building and grounds maintenance</b>	<b>1,082,328</b>	<b>1,123,621</b>	<b>1,030,566</b>	<b>93,055</b>



**GUADALUPE COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES – BUDGET AND ACTUAL (CONTINUED)**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	Original Budget	Final Budget	Actual	Variance from Amended Positive (Negative)
Management information systems				
Personnel service	551,990	546,147	533,300	12,847
Operations	846,974	846,974	755,915	91,059
Capital Outlay	126,000	126,000	124,484	1,516
<b>Total management information systems</b>	<b>1,524,964</b>	<b>1,519,121</b>	<b>1,413,699</b>	<b>105,422</b>
<b>Total General Administration</b>	<b>6,843,295</b>	<b>7,717,288</b>	<b>7,106,356</b>	<b>610,932</b>
Elections administration				
Personnel service	462,375	462,375	431,501	30,874
Operations	150,590	157,949	137,143	20,806
<b>Total elections administration</b>	<b>612,965</b>	<b>620,324</b>	<b>568,644</b>	<b>51,680</b>
Financial administration				
County Auditor				
Personnel service	705,115	705,115	678,143	26,972
Operations	32,200	32,200	23,930	8,270
<b>Total County Auditor</b>	<b>737,315</b>	<b>737,315</b>	<b>702,073</b>	<b>35,242</b>
County Treasurer				
Personnel service	310,044	310,044	303,341	6,703
Operations	37,600	37,600	27,040	10,560
<b>Total County Treasurer</b>	<b>347,644</b>	<b>347,644</b>	<b>330,382</b>	<b>17,262</b>
Human Resources				
Personnel service	266,876	266,876	263,087	3,789
Operations	42,671	42,671	22,357	20,314
<b>Total human resources</b>	<b>309,547</b>	<b>309,547</b>	<b>285,444</b>	<b>24,103</b>
County Tax Assessor-Collector				
Personnel service	1,334,349	1,335,217	1,308,922	26,295
Operations	112,080	109,712	101,722	7,990
<b>Total county tax assessor-collector</b>	<b>1,446,429</b>	<b>1,444,929</b>	<b>1,410,643</b>	<b>34,286</b>
<b>Total Financial Administration</b>	<b>3,453,900</b>	<b>3,459,759</b>	<b>3,297,187</b>	<b>162,572</b>
<b>TOTAL GENERAL GOVERNMENT</b>	<b>\$ 10,297,195</b>	<b>\$ 11,177,047</b>	<b>\$ 10,403,543</b>	<b>\$ 773,504</b>

**GUADALUPE COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES – BUDGET AND ACTUAL (CONTINUED)**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	Original Budget	Final Budget	Actual	Variance from Amended Positive (Negative)
<b>JUDICIAL</b>				
County Court at Law				
Personnel service	\$ 712,481	\$ 711,081	\$ 693,581	\$ 17,500
Operations	261,883	261,883	171,416	90,467
<b>Total County Court at Law</b>	<b>974,364</b>	<b>972,964</b>	<b>864,996</b>	<b>107,968</b>
District Courts				
Personnel service	536,134	536,134	527,812	8,322
Operations	944,830	999,830	929,619	70,211
<b>Total District Courts</b>	<b>1,480,964</b>	<b>1,535,964</b>	<b>1,457,431</b>	<b>78,533</b>
District Clerk				
Personnel service	836,567	834,767	810,063	24,704
Operations	62,075	62,075	54,455	7,620
<b>Total District Clerk</b>	<b>898,642</b>	<b>896,842</b>	<b>864,518</b>	<b>32,324</b>
Justice of the Peace - Precinct 1				
Personnel service	361,582	361,582	354,406	7,176
Operations	29,600	29,600	20,349	9,251
<b>Total Justice of the Peace - Precinct 1</b>	<b>391,182</b>	<b>391,182</b>	<b>374,755</b>	<b>16,427</b>
Justice of the Peace - Precinct 2				
Personnel service	194,711	194,711	193,606	1,105
Operations	8,650	8,650	7,038	1,612
<b>Total Justice of the Peace - Precinct 2</b>	<b>203,361</b>	<b>203,361</b>	<b>200,644</b>	<b>2,717</b>
Justice of the Peace - Precinct 3				
Personnel service	194,201	194,201	193,453	748
Operations	9,450	9,450	7,540	1,910
<b>Total Justice of the Peace - Precinct 3</b>	<b>203,651</b>	<b>203,651</b>	<b>200,993</b>	<b>2,658</b>
Justice of the Peace - Precinct 4				
Personnel service	270,394	270,394	258,432	11,963
Operations	21,225	21,225	18,905	2,320
<b>Total Justice of the Peace - Precinct 4</b>	<b>291,619</b>	<b>291,619</b>	<b>277,337</b>	<b>14,282</b>
County Drug Courts Fund				
Operations	36,889	36,889	12,801	24,088
<b>Total County Drug Courts Fund</b>	<b>36,889</b>	<b>36,889</b>	<b>12,801</b>	<b>24,088</b>
Juvenile Probation				
Personnel service	28,344	28,344	28,344	(0)
Operations	90,000	97,360	90,856	6,504
<b>Total Juvenile Probation</b>	<b>118,344</b>	<b>125,704</b>	<b>119,200</b>	<b>6,504</b>

**GUADALUPE COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES – BUDGET AND ACTUAL (CONTINUED)**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	Original Budget	Final Budget	Actual	Variance from Amended Positive (Negative)
Legal				
County Attorney				
Personnel service	1,229,544	1,229,544	1,188,454	41,090
Operations	45,179	45,179	34,427	10,752
<b>Total County Attorney</b>	<b>1,274,723</b>	<b>1,274,723</b>	<b>1,222,881</b>	<b>51,842</b>
District Attorney				
Personnel service	9,827	14,258	14,256	2
Operations	20,000	20,000	17,897	2,103
<b>Total District Attorney</b>	<b>29,827</b>	<b>34,258</b>	<b>32,153</b>	<b>2,105</b>
<b>Total Legal</b>	<b>1,304,550</b>	<b>1,308,981</b>	<b>1,255,034</b>	<b>53,947</b>
<b>TOTAL JUDICIAL</b>	<b>5,903,566</b>	<b>5,967,157</b>	<b>5,627,707</b>	<b>339,450</b>
<b>PUBLIC SAFETY</b>				
Fire protection				
Personnel service	243,228	229,628	163,567	66,061
Operations	55,950	57,720	35,485	22,235
Capital outlay	17,000	15,230	15,230	-
Other services	606,593	606,593	586,362	20,231
<b>Total fire protection</b>	<b>922,771</b>	<b>909,171</b>	<b>800,643</b>	<b>108,528</b>
Law Enforcement				
Constable Precinct 1				
Personnel service	139,678	139,678	139,217	461
Operations	40,369	40,369	36,240	4,129
<b>Total Constable Precinct 1</b>	<b>180,047</b>	<b>180,047</b>	<b>175,457</b>	<b>4,590</b>
Constable Precinct 2				
Personnel service	103,442	103,442	97,202	6,240
Operations	34,050	34,974	31,435	3,539
Capital outlay	25,000	24,076	24,076	-
<b>Total Constable Precinct 2</b>	<b>162,492</b>	<b>162,492</b>	<b>152,713</b>	<b>9,779</b>
Constable Precinct 3				
Personnel service	139,241	139,241	128,683	10,558
Operations	33,068	34,068	32,676	1,392
<b>Total Constable Precinct 3</b>	<b>172,309</b>	<b>173,309</b>	<b>161,359</b>	<b>11,950</b>
Constable Precinct 4				
Personnel service	100,428	100,428	93,302	7,126
Operations	19,100	19,100	8,110	10,990
<b>Total Constable Precinct 4</b>	<b>119,528</b>	<b>119,528</b>	<b>101,412</b>	<b>18,116</b>

**GUADALUPE COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES – BUDGET AND ACTUAL (CONTINUED)**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	Original Budget	Final Budget	Actual	Variance from Amended Positive (Negative)
County Sheriff				
Personnel service	8,817,447	8,490,465	8,354,453	136,012
Operations	1,101,700	1,048,990	927,469	121,521
Capital outlay	215,000	482,274	460,022	22,252
<b>Total County Sheriff</b>	<b>10,134,147</b>	<b>10,021,729</b>	<b>9,741,944</b>	<b>279,785</b>
Department of Public Safety				
Personnel service	124,550	121,850	87,415	34,435
Operations	30,272	30,272	23,570	6,702
Capital outlay	5,306	5,306	5,306	-
Total Department of Public Safety	160,128	157,428	116,291	41,137
<b>Total law enforcement</b>	<b>10,928,651</b>	<b>10,814,533</b>	<b>10,449,176</b>	<b>365,357</b>
Corrections				
Feeding and care of prisoners				
Personnel service	7,498,856	7,255,236	6,646,218	609,018
Operations	1,775,000	1,775,000	1,689,648	85,352
Capital outlay	75,000	75,000	-	75,000
<b>Total feeding and care of prisoners</b>	<b>9,348,856</b>	<b>9,105,236</b>	<b>8,335,865</b>	<b>769,371</b>
Adult probation local support				
Operations	64,500	64,500	52,563	11,937
<b>Total adult probation local support</b>	<b>64,500</b>	<b>64,500</b>	<b>52,563</b>	<b>11,937</b>
<b>Total Corrections</b>	<b>9,413,356</b>	<b>9,169,736</b>	<b>8,388,429</b>	<b>781,307</b>
<b>TOTAL PUBLIC SAFETY</b>	<b>21,264,778</b>	<b>20,893,440</b>	<b>19,638,248</b>	<b>1,255,192</b>
<b>INFRASTRUCTURE AND ENVIRONMENTAL SERVICES</b>				
Landfill operation				
Operations	125,310	125,310	125,309	1
<b>Total landfill operations</b>	<b>125,310</b>	<b>125,310</b>	<b>125,309</b>	<b>1</b>
<b>TOTAL INFRASTRUCTURE AND ENVIRONMENTAL SERVICES</b>	<b>125,310</b>	<b>125,310</b>	<b>125,309</b>	<b>1</b>

**GUADALUPE COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES – BUDGET AND ACTUAL (CONTINUED)**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	Original Budget	Final Budget	Actual	Variance from Amended Positive (Negative)
<b>HEALTH AND SOCIAL SERVICES</b>				
Health services				
Operations	3,962,736	3,962,736	3,920,981	41,755
Other services	443,156	443,156	442,816	340
<b>Total health services</b>	<b>4,405,892</b>	<b>4,405,892</b>	<b>4,363,797</b>	<b>42,095</b>
Veterans services				
Personnel services	93,206	92,406	83,167	9,239
Operations	8,600	8,600	2,845	5,755
<b>Total veterans services</b>	<b>101,806</b>	<b>101,006</b>	<b>86,012</b>	<b>14,994</b>
Child Safety Fee				
Other services	39,000	39,000	39,000	-
<b>Total fire protection</b>	<b>39,000</b>	<b>39,000</b>	<b>39,000</b>	<b>-</b>
Environmental Health				
Personnel services	363,051	363,051	360,716	2,335
Operations	25,908	25,908	21,522	4,386
Capital outlay	25,000	25,000	24,925	75
<b>Total Environmental Health</b>	<b>413,959</b>	<b>413,959</b>	<b>407,162</b>	<b>6,797</b>
Animal control				
Personnel service	230,688	230,688	223,514	7,174
Operations	48,200	48,200	29,561	18,639
<b>Total animal control</b>	<b>278,888</b>	<b>278,888</b>	<b>253,076</b>	<b>25,812</b>
Agricultural extension service				
Personnel service	271,376	271,376	270,798	578
Operations	26,200	26,200	22,375	3,825
<b>Total agricultural extension service</b>	<b>297,576</b>	<b>297,576</b>	<b>293,173</b>	<b>4,403</b>
<b>TOTAL HEALTH AND SOCIAL SERVICES</b>	<b>5,537,121</b>	<b>5,536,321</b>	<b>5,442,220</b>	<b>94,101</b>
<b>TOTAL EXPENDITURES</b>	<b>43,127,970</b>	<b>43,699,275</b>	<b>41,237,027</b>	<b>2,462,248</b>
<b>Excess (Deficiency) of revenues over (under) expenditures</b>	<b>4,471,438</b>	<b>3,889,273</b>	<b>9,522,444</b>	<b>5,633,171</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	40,000	377,615	337,615
Transfers out	(5,144,927)	(5,165,051)	(5,164,773)	278
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(5,144,927)</b>	<b>(5,125,051)</b>	<b>(4,787,158)</b>	<b>337,893</b>
<b>Net changes in fund balances</b>	<b>(673,489)</b>	<b>(1,235,778)</b>	<b>4,735,286</b>	<b>5,971,064</b>
<b>FUND BALANCES, beginning of year</b>	<b>21,855,929</b>	<b>21,855,929</b>	<b>21,855,929</b>	<b>-</b>
<b>FUND BALANCES, end of year</b>	<b>\$ 21,182,440</b>	<b>\$ 20,620,151</b>	<b>\$ 26,591,215</b>	<b>\$ 5,971,064</b>

**GUADALUPE COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE – BUDGET AND ACTUAL**  
**ROAD AND BRIDGE FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
<b>REVENUES</b>				
Property taxes	\$ 5,623,000	\$ 5,623,000	\$ 5,708,102	\$ (85,102)
Other taxes	1,650,000	1,650,000	1,666,421	(16,421)
Intergovernmental	165,000	237,762	285,517	(47,755)
Charges for services			-	-
Fines and forfeitures	380,000	380,000	374,285	5,715
Earnings on investments	15,000	15,000	33,512	(18,512)
Miscellaneous	100	36,295	41,640	(5,345)
<b>TOTAL REVENUES</b>	<u>7,833,100</u>	<u>7,942,057</u>	<u>8,109,477</u>	<u>(167,420)</u>
<b>EXPENDITURES</b>				
Infrastructure and Environmental Services				
Personnel services	4,175,264	4,165,264	3,749,949	415,315
Operations	3,281,550	3,279,789	2,618,819	660,970
Capital outlay	743,000	1,170,356	1,103,401	66,955
<b>TOTAL EXPENDITURES</b>	<u>8,199,814</u>	<u>8,615,409</u>	<u>7,472,169</u>	<u>1,143,240</u>
<b>Excess (Deficiency) of revenues over (under) expenditures</b>	<u>(366,714)</u>	<u>(673,352)</u>	<u>637,308</u>	<u>(1,310,660)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net changes in fund balances</b>	<u>(366,714)</u>	<u>(673,352)</u>	<u>637,308</u>	<u>(1,310,660)</u>
<b>FUND BALANCES, beginning of year</b>	<u>3,264,959</u>	<u>3,264,959</u>	<u>3,264,959</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ 2,898,245</u>	<u>\$ 2,591,607</u>	<u>\$ 3,902,267</u>	<u>\$ (1,310,660)</u>

**GUADALUPE COUNTY, TEXAS  
NOTES TO SCHEDULES OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

**Budget and Budgetary Accounting**

An annual budget is adopted for substantially all governmental funds of the County. Budget to actual comparison schedules have been included for all funds with a legally adopted budget. Actual expenditures may not legally exceed budgeted appropriations at the expense summary classification level.

The procedures followed by Guadalupe County in establishing the budgetary data reflected in the financial statements are as follows:

*Budget preparation:* The County Judge, assisted by the County Auditor, prepares a proposed operating budget for the fiscal year beginning the following October 1, and files the proposed budget with the County Clerk in whose office it is available for public inspection. The operating budget includes proposed expenditures and the means of financing them.

*Public Hearing:* After proper preparation of notice, a budget hearing is conducted by the Commissioners' Court to obtain taxpayer comments.

*Budget Adoption:* During a regular term of the Commissioners' Court the budget is adopted through the passage of an order. A separate order is provided in the budget.

*Amendments to Budget:* Amendments to the budget to transfer budgeted amounts from one budget classification (summary line) to another may be made by the Commissioners' Court at its discretion. Amendments to provide for items not included in the original budget may be made by the Commissioners' Court upon finding and declaring the existence of an emergency sufficient to require such action. The final amended budget is presented in this report.

*Formal Budgetary Integration:* Formal budgetary integration is employed as a management control device during the year for the General, Special Revenue, Debt Service, Capital Projects, and Internal Service Funds.

*Budgets on GAAP Basis:* The Budgets for all governmental fund types are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP).

*Expenditure Classifications:* Budget is adopted by department for personnel services, operations, and capital outlay. For management purposes, however, accounting records are maintained to match actual expenditures against several more detailed classifications within each of the budget categories.

*Lapse of Appropriations:* All budget appropriations lapse at the end of each fiscal period. Encumbrances represent commitments related to unperformed contracts for goods and services. Encumbrance accounting, under which purchase order, contracts, and other commitments for the expenditures of resources are recorded to reserve that portion of the applicable appropriation, is utilized in the governmental funds. Encumbrances lapse at the end of each year and do not constitute expenditures or liabilities because the commitments must be reappropriated and honored during the subsequent year.

**GUADALUPE COUNTY, TEXAS  
INFRASTRUCTURE ASSETS (ROADS) UNDER THE  
MODIFIED APPROACH  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

The County performs periodic physical condition assessments to determine whether infrastructure assets are being maintained at levels requested.

The condition of road pavement is measured using the Pavement Condition Ratings and Images (PCR) management system, which is based on a weighted average of six distress factors found in pavement surfaces. The PCR uses the following scale to measure pavement surfaces.

Condition	Rating	Description
Excellent	5	New or nearly new pavements.
Good to Excellent	4	Free of cracks, patches, or rutting. Pavements exhibiting few, if any, variable signs of surface deterioration.
Good	3.3	Evidence of initial deterioration, including hairline cracks and minor rutting.
Fair to Poor	2.4	Visible defects, including moderate cracking, distortion, and rutting. Some patches may now be present.
Poor	1.2	Extremely deteriorated pavement. Defects include severe cracking, distortion, and rutting. Very extensive patching.
Very Poor	0.8	Pavement is completely deteriorated.

The condition of the County roads is rated according to the PCR in linear feet as follows:

Condition	2016	2015	2014	2013	2012
Excellent	12.43%	12.79%	11.94%	17.62%	15.88%
Good to Excellent	63.99%	58.34%	56.48%	57.90%	54.87%
Good	18.17%	22.88%	24.97%	23.43%	27.56%
Fair to Poor	4.92%	5.61%	6.23%	0.93%	1.43%
Poor	0.45%	0.34%	0.12%	0.12%	0.26%
Very Poor	0.04%	0.04%	0.26%	0.00%	0.00%

The County's policy is to maintain at least 80% of its road system at a good (3.3) or better condition level.



**GUADALUPE COUNTY, TEXAS  
 INFRASTRUCTURE ASSETS (ROADS) UNDER THE  
 MODIFIED APPROACH  
 FOR THE YEAR ENDED SEPTEMBER 30, 2016**

The County spends the amount necessary to maintain its infrastructure assets at or above a condition level of 3.3. As a measure of the County's maintenance efforts, the following chart shows actual-to-budget infrastructure maintenance expenses of the Road and Bridge Department. These infrastructure maintenance costs consist of all personnel and operating costs within the Road and Bridge Department that are used to maintain roads, as well as resurfacing and roadway landscaping costs.

Budget versus actual infrastructure maintenance costs:

	2016	2015	2014	2013	2012	2011	2010
Budget	\$3,738,204	\$3,818,606	\$4,900,987	\$4,249,773	\$3,942,607	\$3,969,777	\$3,643,439
Actual	3,354,625	3,275,832	4,580,287	4,079,059	3,707,406	3,880,630	3,605,778

By using the "modified approach", the County's accounting practices for infrastructure assets are in agreement with the County's plans for maintaining its infrastructure at the least overall cost over individual life cycles.

**GUADALUPE COUNTY, TEXAS  
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY  
AND RELATED RATIOS**

	<u>2015</u>	<u>2014</u>
Total pension liability		
Service cost	\$ 3,662,500	\$ 3,519,446
Interest on total pension liability	6,561,988	5,977,590
Effect of plan changes	(745,316)	-
Effect of assumption changes or inputs	880,700	-
Effect of economic/demographics (gains) or losses	(2,162,715)	483,028
Benefit payments/refunds of contributions	(3,059,360)	(2,750,241)
	<u>5,137,797</u>	<u>7,229,823</u>
Net change in total pension liability		
Total pension liability, beginning	80,650,118	73,420,295
Total pension liability, ending (a)	<u>\$ 85,787,915</u>	<u>\$ 80,650,118</u>
Fiduciary net position		
Employer contributions	\$ 2,854,577	\$ 3,307,110
Member contributions	1,858,796	1,815,999
Investment income net of investment expenses	(760,701)	4,592,203
Benefit payments/refunds of contributions	(3,059,361)	(2,750,241)
Administrative expenses	(54,278)	(54,997)
Other	21,688	144,903
	<u>860,721</u>	<u>7,054,977</u>
Net change in fiduciary net position		
Fiduciary net position, beginning	74,820,248	67,765,271
Fiduciary net position, ending (b)	<u>\$ 75,680,969</u>	<u>\$ 74,820,248</u>
Net pension liability/(asset), ending = (a) - (b)	<u>\$ 10,106,946</u>	<u>\$ 5,829,870</u>
Fiduciary net position as a percentage of total pension liability	88.22%	92.77%
Pensionable covered payroll	\$ 26,554,234	\$ 25,942,847
Net pension liability as a percentage of covered payroll	38.06%	22.47%

*GASB No. 68 and GASB No. 71 were implemented during the fiscal year ended September 30, 2015.*

**GUADALUPE COUNTY, TEXAS  
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
FOR THE LAST THREE FISCAL YEARS**

Fiscal Year Ending September 30,	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll <sup>(1)</sup>	Actual Contribution as a % of Covered Payroll
2014	\$ 2,691,301	\$ 2,819,991	\$ (128,690) <sup>(2)</sup>	\$ 25,301,401	11.1%
2015	2,778,454	3,296,718	(518,264) <sup>(2)</sup>	26,660,493	12.4%
2016	3,019,870	3,337,870	(318,000) <sup>(2)</sup>	28,089,559	11.9%

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

*(2) The County made an additional optional contribution to TCDRS.*

*(3) This schedule is intended to show information for ten years. Additional year's information will be displayed as it becomes available.*

**GUADALUPE COUNTY, TEXAS  
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM  
METHODS AND ASSUMPTIONS USED TO DETERMINE  
CONTRIBUTION RATES**

Valuation date	December 31, 2015
Actuarial cost method	Entry age normal
Asset valuation method	
Smoothing period	5 years
Recognition method	Non-asymptotic
Corridor	None
Inflation	3.00%
Salary increases	3.50%
Investment rate of return	8.10%
Cost-of-living adjustments	Cost-of-living adjustments for Guadalupe County are not considered to be substantively automatic under GASB 68. Therefore, no assumption for future cost-of-living adjustments is included in the GASB calculations. No assumption for future cost-of-living adjustments is included in the funding valuation.
Turnover	New employees are assumed to replace any terminated members and have similar entry ages.

## **OTHER SUPPLEMENTARY INFORMATION**

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis. Such statements and schedules include:

- Combining Statements – Non-Major Governmental Funds
- Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Capital Projects Fund
- Schedules of Revenues, Expenditures, and Changes in fund Balances – Budget and Actual – Non-Major Governmental Funds
- Combining Statements – Internal Service Funds
- Combining Statements – Agency Funds

**GUADALUPE COUNTY, TEXAS  
COMBINING FINANCIAL STATEMENTS  
NON-MAJOR GOVERNMENTAL FUNDS**

**DEBT SERVICE FUND**

The Debt Service Fund is used to account for the accumulation of resources and the subsequent disbursement of such resources to pay principal and interest on general long-term debt.

**SPECIAL REVENUE FUNDS**

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted by law or administrative action to be expended for specified purposes. The county maintains the following special revenue funds:

**JUVENILE PROBATION FUND**

The fund is used to account for the resources and expenses of the county's juvenile probation department. Under local government code section 140.003 the juvenile probation department is a specialized local entity with its own governing board but receives the majority of its funding from the county.

**JUVENILE DRUG COURT GRANT FUNDS**

To account for funds received from the Office of Governor's Criminal Justice Department under the various grant programs to fund a juvenile drug court program.

**TEXAS JUVENILE JUSTICE DEPARTMENT GRANT FUNDS**

To account for funds received from the Texas Juvenile Justice Department to provide probation and prevention services to juveniles residing in Guadalupe County. The funds are to be used for staff services, non-residential services, and residential services.

**JUVENILE PROBATION FEES FUND**

To account for the probation fees collected under Texas Family Code Section 54.061. The fee may only be used for juvenile probation or community-based juvenile corrections services or facilities in which a juvenile may be required to live while under court supervision.

**TITLE IV/E FEDERAL FOSTER CARE FUND**

To account for funds received under the federal Title IV/E Foster Care entitlement program. The Juvenile Probation department receives funds for juveniles placed in foster care.

**TXDOT INFRASTRUCTURE GRANT FUNDS**

To account for grant funds received from the Texas Department of Transportation under Transportation Code 256.103 for transportation infrastructure projects in areas of the state affected by increased oil and gas production.

**HAVA GRANT FUNDS**

The fund was established to account for federal grant funds received from the Office of the Secretary of State under the Help America Vote Act to improve the voting process and to account for related program revenues received.

**DEPARTMENT OF JUSTICE GRANTS**

No activity or balances.

**DEPARTMENT OF HOMELAND SECURITY GRANTS**

To account for federal grant funds received from the U.S. Department of Homeland Security. This includes program revenue earned in prior years.

**GUADALUPE COUNTY, TEXAS  
COMBINING FINANCIAL STATEMENTS  
NON-MAJOR GOVERNMENTAL FUNDS**

**MISCELLANEOUS SHORT-TERM GRANTS**

To account for revenues and expenditures related to short-term grants.

**LAW LIBRARY FUND**

The fund is used to account for the fee collected under Local Government Code 323.023. The fund must be used to establish a public law library, purchase or lease law library materials, maintain the library, and acquire furniture, shelving or equipment for the law library.

**FIRE CODE INSPECTION FEE FUND**

To account for the fee collected under Local Government Code 233.065. The fees collected may only be used for the administration and enforcement of the fire code.

**SHERIFF'S STATE FORFEITURE FUNDS**

The fund is used to account for state forfeiture proceeds awarded to the Sheriff's department under Chapter 59 of the Code of Criminal Procedures and is to be used solely for law enforcement purposes.

**SHERIFF'S FEDERAL FORFEITURE FUNDS**

The fund is used to account for federal forfeiture proceeds awarded to the Sheriff's department under the U.S. Department of Justice Equitable Sharing program and is to be used solely for law enforcement purposes.

**SHERIFF'S DONATION FUND**

The fund was created to account for donations made to the sheriff's department.

**JAIL COMMISSARY FUND**

The fund is used to account for the expenditures and proceeds of the jail commissary. The sheriff may use commissary proceeds only to: (1) fund, staff, and equip a program addressing the social needs of the county prisoners, including an educational or recreational program and religious or rehabilitative counseling; (2) supply county prisoners with clothing, writing materials, and hygiene supplies; (3) establish staff, and equip the commissary operation; (4) fund, staff, and equip a library for the educational use of county prisoners. Local Government Code 351.0415; or (5) fund physical plant improvements, technology, equipment, programs, services, and activities that provide for the well-being, health, safety, and security of the inmates and the facility.

**COUNTY CLERK RECORDS MANAGEMENT & PRESERVATION FUND**

A fund established under Local Government Code 203, section 203.003(5) to account for the fee the County Clerk may collect under Local Government Code section 118.011(b)(2). The fee must be spent in accordance with Local Government Code 118.0216 for records management and preservation services performed by the county clerk after the filing and recording of a document in the records of the office of the clerk.

**COUNTY RECORDS MANAGEMENT**

A fund established under Local Government Code 203, section 203.003(6) to account for the fees authorized under Local Government Code sections 118.052, 118.0546 and 118.0645 and Article 102.005(d) of the Code of Criminal Procedures. The fees collected may only be used for the purpose of records management and preservation and for county records' automation projects.

**GUADALUPE COUNTY, TEXAS  
COMBINING FINANCIAL STATEMENTS  
NON-MAJOR GOVERNMENTAL FUNDS**

**COURTHOUSE SECURITY**

The fund was created to account for the fees authorized under Article 102.017 of the Code of Criminal Procedures. The fee is to help finance security services related to buildings that house the operations of district, county, or justice courts.

**DISTRICT CLERK RECORDS MANAGEMENT**

The fund was established under Government Code section 51.317. The fees are to be used for the specific purpose of records management automation projects in the district clerk's office.

**JUSTICE COURT TECHNOLOGY FUND**

To account for the fee authorized under Code of Criminal Procedures Article 102.0173. The fund is under the direction of the Commissioners' Court and may only be used for improving technology in the justice courts as outlined under Article 102.0173(d).

**COUNTY AND DISTRICT COURTS TECHNOLOGY FUND**

To account for the fee authorized under Code of Criminal Procedures Article 102.0169. The fund is under the direction of the Commissioners' Court and may only be used for the purposes outlined under Article 102.0169(d).

**JUSTICE COURT SECURITY**

To account for the fees authorized under Article 102.017 of the Code of Criminal Procedures. The fee is to help finance security services for justice courts that are not located in the county courthouse.

**SURPLUS FUNDS - ELECTION CONTRACTS**

To account for surplus revenue from election service contracts with other government entities. A surplus in the election contracts fund may only be used to defray expenses of the county election officer's office in connection with election-related duties or functions. The secretary of state shall prescribe regulations for the use of any surplus fund.

**COURT REPORTER SERVICE FUND**

To account for the fee authorized under Government Code Section 51.601. The fund is under the direction of the Commissioners' Court and shall be used to assist in the payment of court-reporter related services such as transcription services.

**FAMILY PROTECTION FEE FUND**

To account for the fee assessed under Article 102.0186 of the Code of Criminal Procedures and the fee adopted under Section 51.961 of the Government Code. The fund is under the direction of the Commissioners' Court and can only be used to provide funding to nonprofit organizations in the county that provide programs for family violence and child abuse prevention, family strengthening and marriage preservation.

**ALTERNATIVE DISPUTE RESOLUTION FUND**

To account for the fee authorized under Civil Procedures and Remedies 152.004. The fund is under the direction of the Commissioners' Court and may only be used to establish and maintain an alternative dispute resolution (mediation) system.

**COURT-INITIATED GUARDIANSHIP**

The fund is established under Local Government Code Section 118.067 to account for the fee collected under Local Government Code Section 118.052(2)(E). The fee is for the support of the judiciary in guardianships initiated under Section 683 of the Texas Probate Code.



**GUADALUPE COUNTY, TEXAS  
COMBINING FINANCIAL STATEMENTS  
NON-MAJOR GOVERNMENTAL FUNDS**

**COUNTY ATTORNEY PRE-TRIAL INTERVENTION FUND**

To account for fees collected under Article 102.0121 of the Code of Criminal Procedures. The fee is paid by a defendant participating in a pre-trial intervention program administered by the county attorney. The fee may only be used for expenses directly related to the pre-trial intervention program.

**BAIL BOND SECURITY FUND**

The fund is used to account for fees and security deposited under Occupations Code section 1704 .

**CONSTABLE PRECINCT 3 STATE FORFEITURE FUNDS**

The fund is used to account for state forfeiture proceeds awarded to the Constable under Chapter 59 of the Code of Criminal Procedures and is to be used solely for law enforcement purposes.

**CONSTABLE PRECINCT 3 FEDERAL FORFEITURE FUNDS**

The fund is used to account for federal forfeiture proceeds awarded to the Constable under U.S. Department of Justice Equitable Sharing program and is to be used solely for law enforcement purposes.

**LAW ENFORCEMENT TRAINING FUNDS**

To account for funds received under Occupations Code 1701.157. The funds can only be used for the continuing education of licensed law enforcement officers or full-time paid law enforcement support personnel.

**25<sup>th</sup> JUDICIAL DISTRICT ATTORNEY**

The fund is used to account for the resources and expenses of the district attorney of the 25<sup>th</sup> Judicial District. Under local government code section 140.003 the district attorney is a specialized local entity but receives the majority of its funding from the county.

**DISTRICT ATTORNEY FORFEITURE FUND**

The fund is used to account for state forfeiture proceeds awarded to the District Attorney under Chapter 59 of the Code of Criminal Procedures and is to be used solely for the official purposes of the office.

**DISTRICT ATTORNEY GRANT**

To account for the Victim Coordinator Liaison Grant received from the Office of the Attorney General and administered by the District Attorney's office.

**DISTRICT ATTORNEY STATE FUNDS**

To account for the annual apportionment funds the district attorney receives from the State. This fund is not required to have a legally adopted budget.

**TWDB FLOOD MITIGATION GRANT FUND**

To account for grants funds awarded under the Texas Water Development Board Flood Mitigation Assistance (FMA) Program to elevate homes that are on FEMA's severe repetitive loss list.

**ELECTIONS CONTRACT FUND**

To account for the revenues and expenditures related to the election services the County provides under contract to the Democratic and Republican Parties (including Primary and Run-off Elections), and other local government entity elections. This fund is not required to have a legally adopted budget.

**GUADALUPE COUNTY, TEXAS  
COMBINING FINANCIAL STATEMENTS  
NON-MAJOR GOVERNMENTAL FUNDS**

**SPECIAL VIT INTEREST FUND**

The Tax Assessor-Collector holds funds collected under Chapter 23.122 of the Property Tax Code in an escrow account – the Vehicle Inventory Tax Escrow Account. Interest earned on the escrow account and any penalties assessed for non-payment on these property taxes are transferred to the Tax-Assessor-Collectors VIT Interest Fund. The funds may only be used to help defray the cost of administration of the prepayment procedure established under Chapter 23.122.

**HOT CHECK FUND / COUNTY ATTORNEY**

The fund is used to account for the fees collected under Article 102.007 of the Code of Criminal Procedures. Expenditures from this fund shall be at the sole discretion of the attorney and may be used only to defray the salaries and expenses of the prosecutor's office, but in no event may the county attorney supplement his or her own salary from this fund. This fund is not required to have a legally adopted budget.

**HOT CHECK FUND / DISTRICT ATTORNEY**

The fund is used to account for the fees collected under Article 102.007 of the Code of Criminal Procedures. Expenditures from this fund shall be at the sole discretion of the attorney and may be used only to defray the salaries and expenses of the prosecutor's office, but in no event may the district attorney supplement his or her own salary from this fund. This fund is not required to have a legally adopted budget.

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

	<u>Debt Service Fund</u>	<u>Special Revenue Funds</u>	<u>Total Non-major Governmental Funds</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 208,836	5,922,706	\$ 6,131,542
Investments	30,156	210,000	240,156
Taxes receivable, net	69,866	-	69,866
Other receivables	-	221,208	221,208
Due from other funds	-	143,980	143,980
Inventory	-	15,728	15,728
Prepaid items	-	11,142	11,142
<b>TOTAL ASSETS</b>	<u>\$ 308,858</u>	<u>\$ 6,524,764</u>	<u>\$ 6,833,622</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
Liabilities			
Accounts payable	\$ -	\$ 643,311	\$ 643,311
Accrued wages and benefits	-	75,883	75,883
Unearned revenue	-	1,710,364	1,710,364
Due to other funds	-	116,206	116,206
<b>Total liabilities</b>	<u>-</u>	<u>2,545,764</u>	<u>2,545,764</u>
Deferred inflows of resources			
Unavailable revenue - property taxes	68,275	-	68,275
<b>Total deferred inflows of resources</b>	<u>68,275</u>	<u>-</u>	<u>68,275</u>
Fund Balances			
Nonspendable			
Inventories	-	15,728	15,728
Prepays	-	11,142	11,142
Restricted	240,583	3,952,130	4,192,713
<b>Total fund balances</b>	<u>240,583</u>	<u>3,979,000</u>	<u>4,219,583</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<u>\$ 308,858</u>	<u>\$ 6,524,764</u>	<u>\$ 6,833,622</u>

**GUADALUPE COUNTY, TEXAS  
COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCE  
NON-MAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<b>Debt Service Fund</b>	<b>Special Revenue Funds</b>	<b>Total Non-major Governmental Funds</b>
<b>REVENUES</b>			
Property taxes	\$ 2,051,260	\$ 131,134	\$ 2,182,394
Licenses and permits	-	1,560	1,560
Intergovernmental	-	2,417,391	2,417,391
Charges for services	-	1,307,595	1,307,595
Fines and forfeitures	-	257,220	257,220
Earnings on investments	1,664	6,193	7,857
Miscellaneous	-	20,523	20,523
<b>Total revenues</b>	<b>2,052,924</b>	<b>4,141,616</b>	<b>6,194,540</b>
<b>EXPENDITURES</b>			
Current			
General government	-	210,491	210,491
Judicial	-	4,138,287	4,138,287
Public safety	-	2,335,074	2,335,074
Infrastructure and environmental services	-	1,478,819	1,478,819
Health and social services	-	5,000	5,000
Capital outlay	-	115,615	115,615
Debt service	-	-	-
Principal	1,900,000	-	1,900,000
Interest and fiscal charges	138,167	-	138,167
<b>Total expenditures</b>	<b>2,038,167</b>	<b>8,283,286</b>	<b>10,321,453</b>
Excess (Deficiency) of revenues over (under) expenditures	14,757	(4,141,670)	(4,126,913)
Other financing sources (uses)			
Transfers in	-	4,356,132	4,356,132
Transfers out	-	(403,974)	(403,974)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>3,952,158</b>	<b>3,952,158</b>
Net change in fund balances	14,757	(189,512)	(174,755)
<b>FUND BALANCES, beginning of year</b>	<b>225,826</b>	<b>4,168,512</b>	<b>4,394,338</b>
<b>FUND BALANCES, end of year</b>	<b>\$ 240,583</b>	<b>\$ 3,979,000</b>	<b>\$ 4,219,583</b>

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## **BUDGETARY COMPARISON SCHEDULES**

**GUADALUPE COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
CAPITAL PROJECTS FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental	\$ -	\$ -	\$ -
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>			
Operations	192,000	175,551	16,449
Capital outlay	4,681,641	3,888,004	793,637
<b>Total expenditures</b>	<u>4,873,641</u>	<u>4,063,555</u>	<u>810,086</u>
Excess (Deficiency) of revenues over (under) expenditures	<u>(4,873,641)</u>	<u>(4,063,555)</u>	<u>810,086</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	835,000	835,000	-
Transfers out	-	-	-
<b>Total other financing sources (uses)</b>	<u>835,000</u>	<u>835,000</u>	<u>-</u>
Net changes in fund balances	(4,038,641)	(3,228,555)	810,086
<b>FUND BALANCES, beginning of year</b>	<u>5,641,553</u>	<u>5,641,553</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ 1,602,912</u>	<u>\$ 2,412,998</u>	<u>\$ 810,086</u>



**GUADALUPE COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
DEBT SERVICE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
<b>REVENUES</b>			
Property taxes	\$ 2,036,680	\$ 2,051,260	\$ 14,580
Earnings on investments	400	1,664	1,264
<b>Total revenues</b>	<u>2,037,080</u>	<u>2,052,924</u>	<u>15,844</u>
<b>EXPENDITURES</b>			
Debt service			
Principal and interest	1,900,000	1,900,000	-
Interest and fiscal charges	139,361	138,167	1,194
<b>Total expenditures</b>	<u>2,039,361</u>	<u>2,038,167</u>	<u>1,194</u>
Excess (Deficiency) of revenues over (under) expenditures	<u>(2,281)</u>	<u>14,757</u>	<u>17,038</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	(2,281)	14,757	17,038
<b>FUND BALANCES, beginning of year</b>	<u>225,826</u>	<u>225,826</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u><u>\$ 223,545</u></u>	<u><u>\$ 240,583</u></u>	<u><u>\$ 17,038</u></u>

**GUADALUPE COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE – BUDGET AND ACTUAL**  
**JUVENILE PROBATION FUND – SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental	\$ -	\$ -	\$ -
Charges for services	216,000	189,524	(26,476)
Earnings on investments	1,660	1,262	(398)
Miscellaneous	450	179	(271)
<b>Total revenues</b>	<u>218,110</u>	<u>190,964</u>	<u>(27,146)</u>
<b>EXPENDITURES</b>			
Judicial			
Personnel	3,054,740	2,866,215	188,525
Operations	413,301	258,275	155,026
Public Safety			
Personnel			-
Operations			-
Capital outlay	19,981	19,935	46
<b>Total expenditures</b>	<u>3,488,022</u>	<u>3,144,425</u>	<u>343,597</u>
Excess (Deficiency) of revenues over (under) expenditures	<u>(3,269,912)</u>	<u>(2,953,461)</u>	<u>316,451</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	2,870,734	2,870,734	-
Transfers out	(460,342)	(377,613)	82,729
<b>Total other financing sources (uses)</b>	<u>2,410,392</u>	<u>2,493,121</u>	<u>82,729</u>
Net changes in fund balances	(859,520)	(460,340)	399,180
<b>FUND BALANCES, beginning of year</b>	<u>1,210,341</u>	<u>1,210,341</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ 350,821</u>	<u>\$ 750,001</u>	<u>\$ 399,180</u>

**GUADALUPE COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
SHERIFF’S FORFEITURE FUNDS – SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
<b>REVENUES</b>			
Fines and forfeitures	\$ 80,000	\$ 202,783	\$ 122,783
Earnings on investments	200	261	61
Miscellaneous	-	15,549	15,549
<b>Total revenues</b>	<u>80,200</u>	<u>218,593</u>	<u>138,393</u>
<b>EXPENDITURES</b>			
Public Safety			
Operations	276,858	214,903	61,955
Capital outlay	80,461	80,449	12
<b>Total expenditures</b>	<u>357,319</u>	<u>295,352</u>	<u>61,967</u>
Excess (Deficiency) of revenues over (under) expenditures	<u>(277,119)</u>	<u>(76,759)</u>	<u>200,360</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	(277,119)	(76,759)	200,360
<b>FUND BALANCES, beginning of year</b>	<u>282,399</u>	<u>282,399</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ 5,280</u>	<u>\$ 205,640</u>	<u>\$ 200,360</u>

**GUADALUPE COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
TXDOT INFRASTRUCTURE GRANT FUNDS – SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental	\$ 1,351,120	\$ 737,707	\$ (613,413)
<b>Total revenues</b>	<u>1,351,120</u>	<u>737,707</u>	<u>(613,413)</u>
<b>EXPENDITURES</b>			
Infrastructure and Environmental Services			
Personnel services	309,072	266,232	42,840
Operations	1,042,048	655,903	386,145
<b>Total expenditures</b>	<u>1,351,120</u>	<u>922,134</u>	<u>428,986</u>
Excess (Deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(184,427)</u>	<u>(184,427)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>-</u>	<u>(184,427)</u>	<u>(184,427)</u>
<b>FUND BALANCES, beginning of year</b>	<u>270,224</u>	<u>270,224</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ 270,224</u>	<u>\$ 85,797</u>	<u>\$ (184,427)</u>

**GUADALUPE COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
TWDB FLOOD MITIGATION GRANT– SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental	\$ 12,164,218	\$ 549,157	\$ (11,615,061)
<b>Total revenues</b>	<u>12,164,218</u>	<u>549,157</u>	<u>(11,615,061)</u>
<b>EXPENDITURES</b>			
General Government			
Personnel Services	2,676	-	2,676
Grants	12,161,542	549,157	11,612,385
<b>Total expenditures</b>	<u>12,164,218</u>	<u>549,157</u>	<u>11,615,061</u>
Net changes in fund balances	-	-	-
<b>FUND BALANCES, beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**GUADALUPE COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
JAIL COMMISSARY FUND– SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
<b>REVENUES</b>			
Charges for service	\$ 290,000	\$ 363,310	\$ 73,310
Earnings on investments	-	138	138
Miscellaneous	-	18	18
	<u>290,000</u>	<u>363,466</u>	<u>73,466</u>
<b>Total revenues</b>			
<b>EXPENDITURES</b>			
Public safety			
Operations	342,000	320,182	21,818
	<u>342,000</u>	<u>320,182</u>	<u>21,818</u>
<b>Total expenditures</b>			
Net changes in fund balances	(52,000)	43,284	95,284
<b>FUND BALANCES, beginning of year</b>	<u>99,883</u>	<u>99,883</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ 47,883</u>	<u>\$ 143,167</u>	<u>\$ 95,284</u>

**GUADALUPE COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
TITLE IV/E FEDERAL FOSTER CARE FUND – SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
<b>REVENUES</b>			
Earnings on investments	\$ 84	\$ 46	\$ (38)
<b>Total revenues</b>	<u>84</u>	<u>46</u>	<u>(38)</u>
<b>EXPENDITURES</b>			
Judicial Operations	<u>13,750</u>	<u>4,035</u>	<u>9,715</u>
<b>Total expenditures</b>	<u>13,750</u>	<u>4,035</u>	<u>9,715</u>
Net changes in fund balances	(13,666)	(3,990)	9,676
<b>FUND BALANCES, beginning of year</b>	<u>59,434</u>	<u>59,434</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u><u>\$ 45,768</u></u>	<u><u>\$ 55,444</u></u>	<u><u>\$ 9,676</u></u>

**GUADALUPE COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
JUVENILE DRUG COURT – SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental	\$ 161,122	\$ 146,050	\$ (15,072)
<b>Total revenues</b>	<u>161,122</u>	<u>146,050</u>	<u>(15,072)</u>
<b>EXPENDITURES</b>			
Judicial			
Personnel services	153,565	131,595	21,970
Operations	<u>7,557</u>	<u>14,456</u>	<u>(6,899)</u>
<b>Total expenditures</b>	<u>161,122</u>	<u>146,051</u>	<u>15,071</u>
Excess (Deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(1)</u>	<u>(1)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	-	(1)	(1)
<b>FUND BALANCES, beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ (1)</u>



**GUADALUPE COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
TEXAS JUVENILE JUSTICE DEPARTMENT – SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental	\$ 829,250	\$ 816,327	\$ (12,923)
<b>Total revenues</b>	<u>829,250</u>	<u>816,327</u>	<u>(12,923)</u>
<b>EXPENDITURES</b>			
Judicial			
Personnel services	534,562	586,594	(52,032)
Operations	294,688	229,733	64,955
<b>Total expenditures</b>	<u>829,250</u>	<u>816,327</u>	<u>12,923</u>
Net changes in fund balances	-	-	-
<b>FUND BALANCES, beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**GUADALUPE COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
HELP AMERICANS VOTE ACT (HAVA) FUND PROGRAM REVENUE –  
SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental	\$ -	\$ -	\$ -
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>			
General Government Operations	10,000	1,064	8,936
<b>Total expenditures</b>	<u>10,000</u>	<u>1,064</u>	<u>8,936</u>
Net changes in fund balances	(10,000)	(1,064)	8,936
<b>FUND BALANCES, beginning of year</b>	<u>48,886</u>	<u>48,886</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u><u>\$ 38,886</u></u>	<u><u>\$ 47,822</u></u>	<u><u>\$ 8,936</u></u>

**GUADALUPE COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
MISCELLANEOUS SHORT-TERM GRANTS – SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental	\$ 80,846	\$ 77,452	\$ (3,394)
<b>Total revenues</b>	<u>80,846</u>	<u>77,452</u>	<u>(3,394)</u>
<b>EXPENDITURES</b>			
Infrastructure and environmental services			
Grants			
Public safety			
Personnel services	91,995	89,415	2,580
Operations	8,975	7,883	1,092
<b>Total expenditures</b>	<u>100,970</u>	<u>97,298</u>	<u>3,672</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	20,124	19,846	(278)
<b>Total other financing sources (uses)</b>	<u>20,124</u>	<u>19,846</u>	<u>(278)</u>
Net changes in fund balances	-	-	-
<b>FUND BALANCES, beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**GUADALUPE COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
JUVENILE PROBATION FEES FUND – SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
<b>REVENUES</b>			
Charges for services	\$ 4,000	\$ 3,283	\$ (717)
Investment Income	12	9	(3)
Miscellaneous	100	148	48
<b>Total revenues</b>	<u>4,112</u>	<u>3,440</u>	<u>(672)</u>
<b>EXPENDITURES</b>			
Judicial Operations	<u>4,050</u>	<u>2,565</u>	<u>1,485</u>
<b>Total expenditures</b>	<u>4,050</u>	<u>2,565</u>	<u>1,485</u>
Net changes in fund balances	<u>62</u>	<u>875</u>	<u>813</u>
<b>FUND BALANCES, beginning of year</b>	<u>9,941</u>	<u>9,941</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ 10,003</u>	<u>\$ 10,816</u>	<u>\$ 813</u>

**GUADALUPE COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
LAW LIBRARY FUND – SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
<b>REVENUES</b>			
Charges for services	\$ 58,000	\$ 57,924	\$ (76)
<b>Total revenues</b>	<u>58,000</u>	<u>57,924</u>	<u>(76)</u>
<b>EXPENDITURES</b>			
Judicial Operations	<u>60,200</u>	<u>19,343</u>	<u>40,857</u>
<b>Total expenditures</b>	<u>60,200</u>	<u>19,343</u>	<u>40,857</u>
Net changes in fund balances	(2,200)	38,581	40,781
<b>FUND BALANCES, beginning of year</b>	<u>71,151</u>	<u>71,151</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u><u>\$ 68,951</u></u>	<u><u>\$ 109,732</u></u>	<u><u>\$ 40,781</u></u>

**GUADALUPE COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
FIRE CODE INSPECTION FEE FUND – SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
<b>REVENUES</b>			
Charges for services	\$ 30,000	\$ 30,837	\$ 837
<b>Total revenues</b>	<u>30,000</u>	<u>30,837</u>	<u>837</u>
<b>EXPENDITURES</b>			
Public safety			
Operations	23,769	5,475	18,294
Capital Outlay	15,231	15,231	-
<b>Total expenditures</b>	<u>39,000</u>	<u>20,706</u>	<u>18,294</u>
Net changes in fund balances	(9,000)	10,131	19,131
<b>FUND BALANCES, beginning of year</b>	<u>86,548</u>	<u>86,548</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u><u>\$ 77,548</u></u>	<u><u>\$ 96,679</u></u>	<u><u>\$ 19,131</u></u>

**GUADALUPE COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
COUNTY CLERKS RECORDS MANAGEMENT AND  
PRESERVATION FUNDS – SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
<b>REVENUES</b>			
Charges for services	\$ 210,000	\$ 285,257	\$ 75,257
<b>Total revenues</b>	<u>210,000</u>	<u>285,257</u>	<u>75,257</u>
<b>EXPENDITURES</b>			
General government			
Personnel	52,008	41,950	10,058
Operations	781,500	33,739	747,761
<b>Total expenditures</b>	<u>833,508</u>	<u>75,689</u>	<u>757,819</u>
Net changes in fund balances	(623,508)	209,568	833,076
<b>FUND BALANCES, beginning of year</b>	<u>1,111,854</u>	<u>1,111,854</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u><u>\$ 488,346</u></u>	<u><u>\$ 1,321,422</u></u>	<u><u>\$ 833,076</u></u>

**GUADALUPE COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
COUNTY RECORDS MANAGEMENT FUND – SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
<b>REVENUES</b>			
Charges for services	\$ 35,000	\$ 34,485	\$ (515)
<b>Total revenues</b>	<u>35,000</u>	<u>34,485</u>	<u>(515)</u>
<b>EXPENDITURES</b>			
General government			
Personnel	25,642	24,577	1,065
Operations	<u>13,000</u>	<u>7,000</u>	<u>6,000</u>
<b>Total expenditures</b>	<u>38,642</u>	<u>31,577</u>	<u>7,065</u>
Net changes in fund balances	(3,642)	2,908	6,550
<b>FUND BALANCES, beginning of year</b>	<u>51,733</u>	<u>51,733</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u><u>\$ 48,091</u></u>	<u><u>\$ 54,641</u></u>	<u><u>\$ 6,550</u></u>



**GUADALUPE COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
COURTHOUSE SECURITY FUND – SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
<b>REVENUES</b>			
Charges for services	\$ 60,000	\$ 63,051	\$ 3,051
<b>Total revenues</b>	<u>60,000</u>	<u>63,051</u>	<u>3,051</u>
<b>EXPENDITURES</b>			
Public safety			
Personnel services	61,241	53,722	7,519
Operations	41,200	8,013	33,187
<b>Total expenditures</b>	<u>102,441</u>	<u>61,735</u>	<u>40,706</u>
Net changes in fund balances	(42,441)	1,316	43,757
<b>FUND BALANCES, beginning of year</b>	<u>65,458</u>	<u>65,458</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ 23,017</u>	<u>\$ 66,774</u>	<u>\$ 43,757</u>

**GUADALUPE COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
DISTRICT CLERK RECORDS MANAGEMENT – SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
<b>REVENUES</b>			
Charges for services	\$ 9,000	\$ 9,515	\$ 515
<b>Total revenues</b>	<u>9,000</u>	<u>9,515</u>	<u>515</u>
<b>EXPENDITURES</b>			
Judicial Operations	<u>25,000</u>	<u>25,000</u>	<u>-</u>
<b>Total expenditures</b>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Net changes in fund balances	(16,000)	(15,485)	515
<b>FUND BALANCES, beginning of year</b>	<u>25,036</u>	<u>25,036</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u><u>\$ 9,036</u></u>	<u><u>\$ 9,551</u></u>	<u><u>\$ 515</u></u>

**GUADALUPE COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
JUSTICE COURT TECHNOLOGY FUND – SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
<b>REVENUES</b>			
Charges for services	\$ 34,000	\$ 26,043	\$ (7,957)
<b>Total revenues</b>	<u>34,000</u>	<u>26,043</u>	<u>(7,957)</u>
<b>EXPENDITURES</b>			
Judicial			
Operations	<u>64,108</u>	<u>49,475</u>	<u>14,633</u>
<b>Total expenditures</b>	<u>64,108</u>	<u>49,475</u>	<u>14,633</u>
Net changes in fund balances	(30,108)	(23,433)	6,675
<b>FUND BALANCES, beginning of year</b>	<u>84,592</u>	<u>84,592</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u><u>\$ 54,484</u></u>	<u><u>\$ 61,159</u></u>	<u><u>\$ 6,675</u></u>

**GUADALUPE COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
JUSTICE COURT SECURITY FUND – SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
<b>REVENUES</b>			
Charges for services	\$ 8,000	\$ 6,085	\$ (1,915)
<b>Total revenues</b>	<u>8,000</u>	<u>6,085</u>	<u>(1,915)</u>
<b>EXPENDITURES</b>			
Judicial			
Operations	<u>5,500</u>	<u>735</u>	<u>4,765</u>
<b>Total expenditures</b>	<u>5,500</u>	<u>735</u>	<u>4,765</u>
Net changes in fund balances	2,500	5,350	2,850
<b>FUND BALANCES, beginning of year</b>	<u>16,523</u>	<u>16,523</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ 19,023</u>	<u>\$ 21,873</u>	<u>\$ 2,850</u>

**GUADALUPE COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
COURT REPORTER SERVICE FUND – SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
<b>REVENUES</b>			
Charges for services	\$ 27,000	\$ 28,964	\$ 1,964
<b>Total revenues</b>	<u>27,000</u>	<u>28,964</u>	<u>1,964</u>
<b>EXPENDITURES</b>			
Judicial			
Operations	<u>27,000</u>	<u>27,000</u>	<u>-</u>
<b>Total expenditures</b>	<u>27,000</u>	<u>27,000</u>	<u>-</u>
Net changes in fund balances	-	1,964	1,964
<b>FUND BALANCES, beginning of year</b>	<u>12,856</u>	<u>12,856</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ 12,856</u>	<u>\$ 14,820</u>	<u>\$ 1,964</u>

**GUADALUPE COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
ALTERNATIVE DISPUTE RESOLUTION FUND – SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
<b>REVENUES</b>			
Charges for services	\$ 19,000	\$ 19,302	\$ 302
<b>Total revenues</b>	<u>19,000</u>	<u>19,302</u>	<u>302</u>
<b>EXPENDITURES</b>			
Judicial Operations	<u>50,000</u>	<u>-</u>	<u>50,000</u>
<b>Total expenditures</b>	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Net changes in fund balances	(31,000)	19,302	50,302
<b>FUND BALANCES, beginning of year</b>	<u>290,528</u>	<u>290,528</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ 259,528</u>	<u>\$ 309,830</u>	<u>\$ 50,302</u>

**GUADALUPE COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
COURT INITIATED GUARDIANSHIP FUND – SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
<b>REVENUES</b>			
Charges for services	\$ 7,000	\$ 7,660	\$ 660
<b>Total revenues</b>	<u>7,000</u>	<u>7,660</u>	<u>660</u>
<b>EXPENDITURES</b>			
Judicial Operations	<u>20,500</u>	<u>3,040</u>	<u>17,460</u>
<b>Total expenditures</b>	<u>20,500</u>	<u>3,040</u>	<u>17,460</u>
Net changes in fund balances	(13,500)	4,620	18,120
<b>FUND BALANCES, beginning of year</b>	<u>25,029</u>	<u>25,029</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u><u>\$ 11,529</u></u>	<u><u>\$ 29,649</u></u>	<u><u>\$ 18,120</u></u>

**GUADALUPE COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
FAMILY PROTECTION FEE FUND – SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
<b>REVENUES</b>			
Charges for services	\$ 9,000	\$ 9,460	\$ 460
<b>Total revenues</b>	<u>9,000</u>	<u>9,460</u>	<u>460</u>
<b>EXPENDITURES</b>			
Health and social services Operations	<u>5,000</u>	<u>5,000</u>	<u>-</u>
<b>Total expenditures</b>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Net changes in fund balances	4,000	4,460	460
<b>FUND BALANCES, beginning of year</b>	<u>59,300</u>	<u>59,300</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u><u>\$ 63,300</u></u>	<u><u>\$ 63,760</u></u>	<u><u>\$ 460</u></u>



**GUADALUPE COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
COUNTY AND DISTRICT COURTS TECHNOLOGY FUND – SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
<b>REVENUES</b>			
Charges for services	\$ 4,000	\$ 3,943	\$ (57)
<b>Total revenues</b>	<u>4,000</u>	<u>3,943</u>	<u>(57)</u>
<b>EXPENDITURES</b>			
Judicial			
Operations	<u>2,500</u>	<u>2,131</u>	<u>369</u>
<b>Total expenditures</b>	<u>2,500</u>	<u>2,131</u>	<u>369</u>
Net changes in fund balances	1,500	1,812	312
<b>FUND BALANCES, beginning of year</b>	<u>11,799</u>	<u>11,799</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ 13,299</u>	<u>\$ 13,611</u>	<u>\$ 312</u>

**GUADALUPE COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
SURPLUS FUNDS – ELECTION CONTRACTS – SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
<b>REVENUES</b>			
Charges for services	\$ 5,000	\$ 26,360	\$ 21,360
<b>Total revenues</b>	<u>5,000</u>	<u>26,360</u>	<u>21,360</u>
<b>EXPENDITURES</b>			
General government Operations	3,000	214	2,786
<b>Total expenditures</b>	<u>3,000</u>	<u>214</u>	<u>2,786</u>
Excess (Deficiency) of revenues over (under) expenditures	<u>2,000</u>	<u>26,145</u>	<u>24,145</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	2,000	26,145	24,145
<b>FUND BALANCES, beginning of year</b>	<u>65,904</u>	<u>65,904</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ 67,904</u>	<u>\$ 92,049</u>	<u>\$ 24,145</u>

**GUADALUPE COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE – BUDGET AND ACTUAL**  
**COUNTY ATTORNEY PRE-TRIAL INTERVENTION FUND – SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
<b>REVENUES</b>			
Charges for services	\$ 33,500	\$ 33,500	\$ -
<b>Total revenues</b>	<u>33,500</u>	<u>33,500</u>	<u>-</u>
<b>EXPENDITURES</b>			
Judicial			
Operations	<u>33,500</u>	<u>32,425</u>	<u>1,075</u>
<b>Total expenditures</b>	<u>33,500</u>	<u>32,425</u>	<u>1,075</u>
Net changes in fund balances	-	1,075	1,075
<b>FUND BALANCES, beginning of year</b>	<u>4,175</u>	<u>4,175</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ 4,175</u>	<u>\$ 5,250</u>	<u>\$ 1,075</u>

**GUADALUPE COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
BAIL BOND SECURITY FUND – SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
<b>REVENUES</b>			
Licenses and permits	\$ 1,590	\$ 1,560	\$ (30)
<b>Total revenues</b>	<u>1,590</u>	<u>1,560</u>	<u>(30)</u>
<b>EXPENDITURES</b>			
General government Operations	<u>3,500</u>	<u>-</u>	<u>3,500</u>
<b>Total expenditures</b>	<u>3,500</u>	<u>-</u>	<u>3,500</u>
Net changes in fund balances	(1,910)	1,560	3,470
<b>FUND BALANCES, beginning of year</b>	<u>16,675</u>	<u>16,675</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u><u>\$ 14,765</u></u>	<u><u>\$ 18,235</u></u>	<u><u>\$ 3,470</u></u>

**GUADALUPE COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
LAW ENFORCEMENT TRAINING FUND – SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental	\$ 15,754	\$ 15,754	\$ -
<b>Total revenues</b>	<u>15,754</u>	<u>15,754</u>	<u>-</u>
<b>EXPENDITURES</b>			
Public safety Operations	<u>32,126</u>	<u>15,971</u>	<u>16,155</u>
<b>Total expenditures</b>	<u>32,126</u>	<u>15,971</u>	<u>16,155</u>
Net changes in fund balances	(16,372)	(217)	16,155
<b>FUND BALANCES, beginning of year</b>	<u>16,378</u>	<u>16,378</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ 6</u>	<u>\$ 16,161</u>	<u>\$ 16,155</u>

**GUADALUPE COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
DEPARTMENT OF HOMELAND SECURITY GRANTS – SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental	\$ -	\$ -	\$ -
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>			
Public safety Operations	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, beginning of year</b>	<u>3,580</u>	<u>3,580</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u><u>\$ 3,580</u></u>	<u><u>\$ 3,580</u></u>	<u><u>\$ -</u></u>

**GUADALUPE COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
DISTRICT ATTORNEY GRANT – SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental	\$ 42,000	\$ 42,036	\$ 36
<b>Total revenues</b>	<u>42,000</u>	<u>42,036</u>	<u>36</u>
<b>EXPENDITURES</b>			
Judicial			
Personnel services	42,000	42,036	(36)
<b>Total expenditures</b>	<u>42,000</u>	<u>42,036</u>	<u>(36)</u>
Net changes in fund balances	-	-	-
<b>FUND BALANCES, beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**GUADALUPE COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE – BUDGET AND ACTUAL**  
**25<sup>TH</sup> JUDICIAL DISTRICT ATTORNEY – SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental	\$1,455,513	\$1,449,473	\$ (6,040)
Charges for services	6,000	7,989	1,989
Miscellaneous	400	902	502
<b>Total revenues</b>	<u>1,461,913</u>	<u>1,458,364</u>	<u>(3,549)</u>
<b>EXPENDITURES</b>			
Judicial			
Personnel services	1,442,925	1,362,234	80,691
Operations	67,440	53,441	13,999
<b>Total expenditures</b>	<u>1,510,365</u>	<u>1,415,675</u>	<u>94,690</u>
Excess (Deficiency) of revenues over (under) expenditures	<u>(48,452)</u>	<u>42,689</u>	<u>91,141</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	(48,452)	42,689	91,141
<b>FUND BALANCES, beginning of year</b>	<u>72,785</u>	<u>72,785</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ 24,333</u>	<u>\$ 115,474</u>	<u>\$ 91,141</u>



**GUADALUPE COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
DISTRICT ATTORNEY STATE FUNDS – SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental	\$ 7,500	\$ 21,790	\$ 14,290
<b>Total revenues</b>	<u>7,500</u>	<u>21,790</u>	<u>14,290</u>
<b>EXPENDITURES</b>			
Judicial Operations	7,500	21,790	(14,290)
<b>Total expenditures</b>	<u>7,500</u>	<u>21,790</u>	<u>(14,290)</u>
Net changes in fund balances	-	-	-
<b>FUND BALANCES, beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**GUADALUPE COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
DISTRICT ATTORNEY FOREFEITURE FUND – SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
<b>REVENUES</b>			
Fines and forfeitures	\$ 7,500	\$ 54,436	\$ 46,936
Earnings on investments	-	85	85
<b>Total revenues</b>	<u>7,500</u>	<u>54,521</u>	<u>47,021</u>
<b>EXPENDITURES</b>			
Judicial			
Personnel services	599	8,471	(7,872)
Operations	5,750	470	5,280
Other services	-	11,500	(11,500)
<b>Total expenditures</b>	<u>6,349</u>	<u>20,441</u>	<u>(14,092)</u>
Net changes in fund balances	1,151	34,081	32,930
<b>FUND BALANCES, beginning of year</b>	<u>66,511</u>	<u>66,511</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ 67,662</u>	<u>\$ 100,592</u>	<u>\$ 32,930</u>

**GUADALUPE COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
CONSTABLE PRECINCT 3 STATE FORFEITURE FUNDS – SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
<b>REVENUES</b>			
Earnings on investments	\$ -	\$ 1	\$ 1
<b>Total revenues</b>	<u>-</u>	<u>1</u>	<u>1</u>
<b>EXPENDITURES</b>			
Judicial Operations	\$ 2,834	\$ 1,174	1,660
<b>Total expenditures</b>	<u>2,834</u>	<u>1,174</u>	<u>1,660</u>
Net changes in fund balances	(2,834)	(1,173)	1,661
<b>FUND BALANCES, beginning of year</b>	<u>2,837</u>	<u>2,837</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ 3</u>	<u>\$ 1,664</u>	<u>\$ 1,661</u>

**GUADALUPE COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
CONSTABLE PRECINCT 3 FEDERAL FORFEITURE FUNDS – SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
<b>REVENUES</b>			
Fines and forfeitures	\$ -	\$ -	\$ -
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>			
Judicial			
Personnel services	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, beginning of year</b>	<u>52</u>	<u>52</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u><u>\$ 52</u></u>	<u><u>\$ 52</u></u>	<u><u>\$ -</u></u>

**GUADALUPE COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
SPECIAL VIT INTEREST FUND – SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
<b>REVENUES</b>			
Earnings on investments	\$ 4,401	\$ 4,401	\$ -
<b>Total revenues</b>	<u>4,401</u>	<u>4,401</u>	<u>-</u>
<b>EXPENDITURES</b>			
Public safety Operations	<u>7,339</u>	<u>6,797</u>	<u>542</u>
<b>Total expenditures</b>	<u>7,339</u>	<u>6,797</u>	<u>542</u>
Net changes in fund balances	<u>(2,938)</u>	<u>(2,396)</u>	<u>542</u>
<b>FUND BALANCES, beginning of year</b>	<u>2,945</u>	<u>2,945</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ 7</u>	<u>\$ 549</u>	<u>\$ 542</u>

**GUADALUPE COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
SPECIAL REVENUE FUNDS NOT REQUIRED  
TO HAVE A LEGALLY ADOPTED BUDGET  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Election Contracts Fund</u>	<u>Hot Check Fund/ County Attorney</u>	<u>Hot Check Fund/ District Attorney</u>
<b>REVENUES</b>			
Charges for services	\$ 121,510	\$ 5,577	\$ 375
<b>Total revenues</b>	<u>121,510</u>	<u>5,577</u>	<u>375</u>
<b>EXPENDITURES</b>			
General government			
Personnel services	22,672	-	-
Operations	72,478	-	-
Judicial			
Personnel services	-		
Operations	-	4,896	892
<b>Total expenditures</b>	<u>95,150</u>	<u>4,896</u>	<u>892</u>
Excess (Deficiency) of revenues over (under) expenditures	<u>26,360</u>	<u>681</u>	<u>(517)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	<u>(26,360)</u>	<u>-</u>	<u>-</u>
<b>Total other financing sources (uses)</b>	<u>(26,360)</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	-	681	(517)
<b>FUND BALANCES, beginning of year</b>	<u>-</u>	<u>20,936</u>	<u>2,219</u>
<b>FUND BALANCES, end of year</b>	<u>\$ -</u>	<u>\$ 21,617</u>	<u>\$ 1,702</u>

**GUADALUPE COUNTY, TEXAS  
COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS  
SEPTEMBER 30, 2016**

	<b>Workers' Compensation Fund</b>	<b>Medical Benefits Fund</b>	<b>Total</b>
<b>ASSETS</b>			
Current assets			
Cash and cash equivalents	\$ 774,300	2,326,225	\$ 3,100,525
Accounts receivable, net	25,000	198,037	223,037
Prepaid items	-	50,000	50,000
<b>Total assets</b>	<b>799,300</b>	<b>2,574,262</b>	<b>3,373,562</b>
<b>LIABILITIES</b>			
Current liabilities			
Accounts payable	2,982	51,865	54,847
Due to other funds	-	3,704	3,704
Claims payable - due within one year	11,926	161,718	173,644
<b>Total current liabilities</b>	<b>14,908</b>	<b>217,287</b>	<b>232,195</b>
Noncurrent liabilities			
Claims payable - due in more than one year	195,558	-	195,558
<b>Total noncurrent liabilities</b>	<b>195,558</b>	<b>-</b>	<b>195,558</b>
<b>TOTAL LIABILITIES</b>	<b>210,466</b>	<b>217,287</b>	<b>427,753</b>
<b>NET POSITION</b>			
Unrestricted	588,834	2,356,975	2,945,809
<b>TOTAL NET POSITION</b>	<b>\$ 588,834</b>	<b>\$ 2,356,975</b>	<b>\$ 2,945,809</b>

**GUADALUPE COUNTY, TEXAS  
COMBINING STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION  
INTERNAL SERVICE FUNDS  
SEPTEMBER 30, 2016**

	<b>Workers' Compensation Fund</b>	<b>Medical Benefits Fund</b>	<b>Total</b>
<b>REVENUES</b>			
Fees paid by county	\$ 353,048	4,646,325	\$ 4,999,373
Fees paid by employees	-	1,145,102	1,145,102
Miscellaneous	-	485,647	
<b>Total operating revenue</b>	<b>353,048</b>	<b>6,277,074</b>	<b>6,630,122</b>
<b>OPERATING EXPENSES</b>			
Administrative charges	350	65,245	65,595
Insurance premiums	328,697	994,805	1,323,502
Benefit claims	-	4,442,288	4,442,288
<b>Total operating expenses</b>	<b>329,047</b>	<b>5,502,338</b>	<b>5,831,385</b>
<b>Operating income (loss)</b>	<b>24,001</b>	<b>774,736</b>	<b>798,737</b>
<b>NON-OPERATING REVENUES</b>			
Interest and investment revenue	1,109	11,252	12,361
<b>Total non-operating revenues</b>	<b>1,109</b>	<b>11,252</b>	<b>12,361</b>
Change in net position	25,110	785,988	811,098
<b>TOTAL NET POSITION, beginning</b>	<b>563,724</b>	<b>1,570,987</b>	<b>2,134,711</b>
<b>TOTAL NET POSITION, ending</b>	<b>\$ 588,834</b>	<b>\$ 2,356,975</b>	<b>\$ 2,945,809</b>



**GUADALUPE COUNTY, TEXAS  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
SEPTEMBER 30, 2016**

	<u>Workers' Compensation Fund</u>	<u>Medical Benefits Fund</u>	<u>Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash received from participants	\$ 353,048	\$6,843,096	\$7,196,144
Cash paid to benefit claims and excess coverage	(340,622)	(5,720,593)	(6,061,215)
Disbursed for administrative services	(350)	(61,880)	(62,230)
	<u>12,076</u>	<u>1,060,623</u>	<u>1,072,699</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>			
Interest received	<u>1,109</u>	<u>11,252</u>	<u>12,361</u>
	<u>1,109</u>	<u>11,252</u>	<u>12,361</u>
<b>NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS</b>			
	<u>13,185</u>	<u>1,071,875</u>	<u>1,085,060</u>
<b>CASH AND EQUIVALENTS, beginning of year</b>			
	<u>761,115</u>	<u>1,254,350</u>	<u>2,015,465</u>
<b>CASH AND EQUIVALENTS, end of year</b>			
	<u>\$ 774,300</u>	<u>\$2,326,225</u>	<u>\$3,100,525</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ 24,001	\$ 774,736	\$ 798,737
<b>ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>			
Increase (Decrease) in accounts receivable	-	566,022	566,022
Increase (Decrease) in liabilities	<u>(11,925)</u>	<u>(280,135)</u>	<u>(292,060)</u>
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
	<u>\$ 12,076</u>	<u>\$1,060,623</u>	<u>\$1,072,699</u>

**GUADALUPE COUNTY, TEXAS  
 COMBINING STATEMENT OF FIDUCIARY  
 ASSETS AND LIABILITIES  
 AGENCY FUNDS  
 SEPTEMBER 30, 2016**

	Agency Funds			
	Inmate Fund	Tax Assessor- Collector	District Clerk Trust & Registry	County Clerk Trust & Registry
<b>ASSETS</b>				
Cash and investments	\$ 22,666	\$ 2,660,287	\$ 670,892	\$ 1,293,676
<b>TOTAL ASSETS</b>	<b>\$ 22,666</b>	<b>\$ 2,660,287</b>	<b>\$ 670,892</b>	<b>\$ 1,293,676</b>
<b>LIABILITIES</b>				
Funds held for others	\$ 22,666	\$ 2,660,287	\$ 670,892	\$ 1,293,676
<b>TOTAL LIABILITIES</b>	<b>\$ 22,666</b>	<b>\$ 2,660,287</b>	<b>\$ 670,892</b>	<b>\$ 1,293,676</b>

**Agency Funds**

<b>Adult Probation</b>	<b>Child Protection</b>	<b>Seized and Trust Funds</b>	<b>Unclaimed Property</b>	<b>Total Agency Funds</b>
\$ 499,388	\$ 14,019	\$ 438,716	\$ 41,902	\$ 5,641,546
<u>\$ 499,388</u>	<u>\$ 14,019</u>	<u>\$ 438,716</u>	<u>\$ 41,902</u>	<u>\$ 5,641,546</u>
\$ 499,388	\$ 14,019	\$ 438,716	\$ 41,902	\$ 5,641,546
<u>\$ 499,388</u>	<u>\$ 14,019</u>	<u>\$ 438,716</u>	<u>\$ 41,902</u>	<u>\$ 5,641,546</u>

**GUADALUPE COUNTY, TEXAS  
COMBINING STATEMENT OF CHANGES IN  
ASSETS AND LIABILITIES  
AGENCY FUNDS  
SEPTEMBER 30, 2016**

	<u>Balance 10/1/2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 9/30/2016</u>
<b><u>Inmate Fund</u></b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 16,124	\$ 767,044	\$ 760,502	\$ 22,666
<b>TOTAL ASSETS</b>	<u>\$ 16,124</u>	<u>\$ 767,044</u>	<u>\$ 760,502</u>	<u>\$ 22,666</u>
<b>LIABILITIES</b>				
Funds held for others	\$ 16,124	\$ 45,953	\$ 39,411	\$ 22,666
<b>TOTAL LIABILITIES</b>	<u>\$ 16,124</u>	<u>\$ 45,953</u>	<u>\$ 39,411</u>	<u>\$ 22,666</u>
<b><u>Tax Assessor-Collector</u></b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 2,672,935	\$ 258,783,472	\$ 258,796,120	\$ 2,660,287
<b>TOTAL ASSETS</b>	<u>\$ 2,672,935</u>	<u>\$ 258,783,472</u>	<u>\$ 258,796,120</u>	<u>\$ 2,660,287</u>
<b>LIABILITIES</b>				
Funds held for others	\$ 2,672,935	\$ 47,286,828	\$ 47,299,476	\$ 2,660,287
<b>TOTAL LIABILITIES</b>	<u>\$ 2,672,935</u>	<u>\$ 47,286,828</u>	<u>\$ 47,299,476</u>	<u>\$ 2,660,287</u>
<b><u>District Clerk Trust &amp; Registry</u></b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 336,850	\$ 1,078,862	\$ 940,251	\$ 475,461
Certificates of Deposit	200,925	14,845	20,339	195,431
<b>TOTAL ASSETS</b>	<u>\$ 537,775</u>	<u>\$ 1,093,707</u>	<u>\$ 960,590</u>	<u>\$ 670,892</u>
<b>LIABILITIES</b>				
Funds held for others	\$ 537,775	\$ 336,933	\$ 203,816	\$ 670,892
<b>TOTAL LIABILITIES</b>	<u>\$ 537,775</u>	<u>\$ 336,933</u>	<u>\$ 203,816</u>	<u>\$ 670,892</u>
<b><u>County Clerk Trust &amp; Registry</u></b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 180,515	\$ 769,968	\$ 196,670	\$ 753,813
Certificates of Deposit	529,763	441,026	430,926	539,863
<b>TOTAL ASSETS</b>	<u>\$ 710,278</u>	<u>\$ 1,210,994</u>	<u>\$ 627,596</u>	<u>\$ 1,293,676</u>
<b>LIABILITIES</b>				
Funds held for others	\$ 710,278	\$ 636,496	\$ 53,098	\$ 1,293,676
<b>TOTAL LIABILITIES</b>	<u>\$ 710,278</u>	<u>\$ 636,496</u>	<u>\$ 53,098</u>	<u>\$ 1,293,676</u>

**GUADALUPE COUNTY, TEXAS  
COMBINING STATEMENT OF CHANGES IN  
ASSETS AND LIABILITIES (CONTINUED)  
AGENCY FUNDS  
SEPTEMBER 30, 2016**

	<u>Balance 10/1/2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 9/30/2016</u>
<b>Adult Probation</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 634,935	\$ 2,735,922	\$ 2,871,469	\$ 499,388
<b>TOTAL ASSETS</b>	<u>\$ 634,935</u>	<u>\$ 2,735,922</u>	<u>\$ 2,871,469</u>	<u>\$ 499,388</u>
<b>LIABILITIES</b>				
Funds held for others	\$ 634,935	\$ 2,735,922	\$ 2,871,469	\$ 499,388
<b>TOTAL LIABILITIES</b>	<u>\$ 634,935</u>	<u>\$ 2,735,922</u>	<u>\$ 2,871,469</u>	<u>\$ 499,388</u>
<b>Child Protection</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 12,503	\$ 19,129	\$ 17,613	\$ 14,019
<b>TOTAL ASSETS</b>	<u>\$ 12,503</u>	<u>\$ 19,129</u>	<u>\$ 17,613</u>	<u>\$ 14,019</u>
<b>LIABILITIES</b>				
Funds held for others	\$ 12,503	\$ 13,708	\$ 12,192	\$ 14,019
<b>TOTAL LIABILITIES</b>	<u>\$ 12,503</u>	<u>\$ 13,708</u>	<u>\$ 12,192</u>	<u>\$ 14,019</u>
<b>Seized and Trust Funds</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 150,696	\$ 676,813	\$ 388,793	\$ 438,716
<b>TOTAL ASSETS</b>	<u>\$ 150,696</u>	<u>\$ 676,813</u>	<u>\$ 388,793</u>	<u>\$ 438,716</u>
<b>LIABILITIES</b>				
Funds held for others	\$ 150,696	\$ 455,087	\$ 167,067	\$ 438,716
<b>TOTAL LIABILITIES</b>	<u>\$ 150,696</u>	<u>\$ 455,087</u>	<u>\$ 167,067</u>	<u>\$ 438,716</u>
<b>Unclaimed Property</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 41,590	\$ 2,185	\$ 1,873	\$ 41,902
<b>TOTAL ASSETS</b>	<u>\$ 41,590</u>	<u>\$ 2,185</u>	<u>\$ 1,873</u>	<u>\$ 41,902</u>
<b>LIABILITIES</b>				
Funds held for others	\$ 41,590	\$ 2,185	\$ 1,873	\$ 41,902
<b>TOTAL LIABILITIES</b>	<u>\$ 41,590</u>	<u>\$ 2,185</u>	<u>\$ 1,873</u>	<u>\$ 41,902</u>

**GUADALUPE COUNTY, TEXAS  
 COMBINING STATEMENT OF CHANGES IN  
 ASSETS AND LIABILITIES (CONTINUED)  
 AGENCY FUNDS  
 SEPTEMBER 30, 2016**

	<u>Balance 10/1/2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 9/30/2016</u>
<b>Total All Agency Funds</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 4,046,148	\$ 264,833,395	\$ 263,973,291	\$ 4,906,252
Certificates of Deposit	730,688	455,871	451,265	735,294
<b>TOTAL ASSETS</b>	<u>\$ 4,776,836</u>	<u>\$ 265,289,266</u>	<u>\$ 264,424,556</u>	<u>\$ 5,641,546</u>
<b>LIABILITIES</b>				
Funds held for others	\$ 4,776,836	\$ 51,513,112	\$ 50,648,402	\$ 5,641,546
<b>TOTAL LIABILITIES</b>	<u>\$ 4,776,836</u>	<u>\$ 51,513,112</u>	<u>\$ 50,648,402</u>	<u>\$ 5,641,546</u>

**GUADALUPE COUNTY, TEXAS  
STATISTICAL SECTION  
SEPTEMBER 30, 2016**

This part of the Guadalupe County's 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 Guadalupe County's overall health.

**Financial Trends**

Net Position by Component  
Change in Net Position  
Fund Balances, Governmental Funds  
Changes in Fund Balances, Governmental Funds

*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**

Assessed Value and Actual Value of Property  
Property Tax Levies and Collections  
Property Tax Rates – All Overlapping Governments  
Principal Property Taxpayers

*These schedules contain information to help the reader assess the factors affecting the County's ability to generate its property and sales tax.*

**Debt Capacity**

Ratios of Outstanding Debt by Type  
Ratios of General Bonded Debt Outstanding  
Direct and Overlapping Governmental Activities Debt

*These schedules present information to help the reader assess the affordability of the County's current level of debt and the County's ability to issue additional debt in the future.*

**Demographic and Economic Information**

Demographic and Economic Statistics  
Schedule of Employment by Industry

*These schedules offer demographic and economic indicators to help the reader understand how the County's financial activities take place and to help make comparisons over time and with other governments.*

**GUADALUPE COUNTY, TEXAS  
STATISTICAL SECTION (CONTINUED)  
SEPTEMBER 30, 2016**

**Operating Information**

Capital Asset Statistics by Function  
Full Time Equivalent County Government Employees  
Operating Indicators by Function

*These 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.*



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

	Fiscal Year			
	2007	2008	2009	2010
<b>Governmental Activities</b>				
Net investment in capital assets	\$ 25,664	\$ 29,640	\$ 28,247	\$ 36,383
Restricted	317	157	187	257
Unrestricted	21,946	25,510	32,391	26,766
<b>Total governmental activities net position</b>	<b>\$ 47,927</b>	<b>\$ 55,307</b>	<b>\$ 60,825</b>	<b>\$ 63,406</b>

*Source: Audited Financial Statements*

Fiscal Year					
2011	2012	2013	2014	2015	2016
\$ 39,013	\$ 41,828	\$ 44,386	\$ 55,386	\$ 58,486	\$ 64,895
5,655	5,827	7,019	6,383	8,247	10,129
20,922	29,753	31,057	26,322	26,721	27,525
<u>\$ 65,590</u>	<u>\$ 77,408</u>	<u>\$ 82,462</u>	<u>\$ 88,091</u>	<u>\$ 93,454</u>	<u>\$ 102,549</u>

**GUADALUPE COUNTY, TEXAS  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)  
UNAUDITED**

	Fiscal Year			
	2007	2008	2009	2010
<b>Expenses</b>				
Governmental activities				
General government	\$ 6,428,584	\$ 6,854,394	\$ 7,830,513	\$ 8,674,334
Judicial	7,507,134	8,197,806	8,586,200	9,089,541
Public safety	13,793,072	14,849,005	16,676,072	17,710,994
Infrastructure and environmental support	4,349,623	4,186,228	4,538,561	5,007,359
Health and Social Services	4,264,741	4,101,436	4,248,397	4,517,483
Interest on long-term debt	519,698	503,508	651,252	818,503
<b>Total governmental activities expenses</b>	<b>36,862,852</b>	<b>38,692,377</b>	<b>42,530,995</b>	<b>45,818,214</b>
<b>Program Revenues</b>				
Governmental activities				
Charges for services				
General government	3,107,604	2,546,800	1,507,493	1,560,440
Judicial	1,576,806.00	1,503,238	2,145,790	2,203,309
Public safety	4,554,942	3,705,631	4,147,677	3,243,420
Infrastructure and environmental support	574,379	539,205	61,622	1,519,542
Health and Social Services	154,944	168,551	483,601	79,179
Operating grant and contributions	2,560,239	2,520,114	2,687,547	3,029,805
Capital grants and contributions	140,660	278,160	118,790	-
<b>Total governmental activities program revenues</b>	<b>12,669,574</b>	<b>11,261,699</b>	<b>11,152,520</b>	<b>11,635,695</b>
<b>Net (expense) revenue</b>				
Governmental activities	(24,193,278)	(27,430,678)	(31,378,475)	(34,182,519)
<b>Total governmental activities net expense</b>	<b>\$(24,193,278)</b>	<b>\$(27,430,678)</b>	<b>\$(31,378,475)</b>	<b>\$(34,182,519)</b>
<b>General revenues and other changes in net position</b>				
Governmental activities				
Taxes				
Property taxes	\$ 25,171,944	\$ 26,253,635	\$ 29,538,431	\$ 30,476,717
Sales and use taxes	4,684,240	4,748,085	4,669,169	4,671,993
Other taxes	108,678	2,270,859	2,315,443	1,099,123
Unrestricted earnings on investments	1,283,441	1,056,795	486,557	339,255
Miscellaneous	109,301	441,014	57,832	98,877
Special item - CPS agreement	-	-	-	-
Gain (Loss) on disposal of capital assets	(796,052)	38,717	28,756	77,230
<b>Total governmental activities</b>	<b>30,561,552</b>	<b>34,809,105</b>	<b>37,096,188</b>	<b>36,763,195</b>
<b>Changes in net position</b>				
Governmental activities	6,368,274	7,378,427	5,717,713	2,580,676
<b>Total primary government</b>	<b>\$ 6,368,274</b>	<b>\$ 7,378,427</b>	<b>\$ 5,717,713</b>	<b>\$ 2,580,676</b>

Source: Audited Financial Statements

Fiscal Year					
2011	2012	2013	2014	2015	2016
\$ 9,496,276	\$ 9,496,422	\$ 10,195,997	\$ 10,748,258	\$ 10,589,238	\$ 12,383,917
7,997,761	8,096,118	8,310,941	8,881,221	9,544,545	9,819,966
20,122,322	19,940,941	20,349,674	20,696,681	21,619,557	22,558,768
5,587,963	5,404,756	6,078,130	5,758,456	5,494,764	5,545,532
4,417,310	4,482,183	4,618,442	5,364,154	5,338,341	7,038,954
767,308	717,745	690,723	177,421	209,048	199,216
<u>48,388,940</u>	<u>48,138,165</u>	<u>50,243,907</u>	<u>51,626,191</u>	<u>52,795,493</u>	<u>57,546,353</u>
2,472,200	2,399,002	2,917,877	2,780,546	3,237,655	5,045,885
1,609,124	1,516,483	1,563,405	1,778,480	1,812,404	1,707,888
2,801,568	2,765,811	2,331,655	2,511,119	3,778,061	3,446,249
2,109,106	2,135,705	2,192,506	2,084,664	2,001,431	171,365
21,647	20,815	20,663	159,649	158,844	2,040,706
3,159,332	3,014,118	3,144,533	3,649,295	4,126,921	4,967,753
211,441	-	-	66,402	-	66,752
<u>12,384,418</u>	<u>11,851,934</u>	<u>12,170,639</u>	<u>13,030,155</u>	<u>15,115,316</u>	<u>17,446,598</u>
<u>(36,004,522)</u>	<u>(36,286,231)</u>	<u>(38,073,268)</u>	<u>(38,596,036)</u>	<u>(37,680,177)</u>	<u>(40,099,755)</u>
<u>\$ (36,004,522)</u>	<u>\$ (36,286,231)</u>	<u>\$ (38,073,268)</u>	<u>\$ (38,596,036)</u>	<u>\$ (37,680,177)</u>	<u>\$ (40,099,755)</u>
\$ 32,904,361	\$ 34,181,203	\$ 35,761,627	\$ 36,229,266	\$ 38,756,178	\$ 40,555,640
5,251,331	5,956,369	6,685,002	7,344,556	7,390,749	7,611,910
-	-	-	-	-	-
248,979	165,789	136,125	199,517	250,410	421,045
38,855	150,874	418,324	393,781	466,346	530,177
-	7,667,000	-	-	-	-
(255,617)	(16,412)	-	58,218	(135,225)	76,327
<u>38,187,909</u>	<u>48,104,823</u>	<u>43,001,078</u>	<u>44,225,338</u>	<u>46,728,458</u>	<u>49,195,099</u>
<u>2,183,387</u>	<u>11,818,592</u>	<u>4,927,810</u>	<u>5,629,302</u>	<u>9,048,281</u>	<u>9,095,344</u>
<u>\$ 2,183,387</u>	<u>\$ 11,818,592</u>	<u>\$ 4,927,810</u>	<u>\$ 5,629,302</u>	<u>\$ 9,048,281</u>	<u>\$ 9,095,344</u>

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

	Fiscal Year			
	2007	2008	2009	2010
<b>General fund</b>				
Nonspendable				
Prepaid items	\$ 344,315	\$ 316,860	\$ 237,078	\$ 279,507
Restricted				
Records management	-	-	-	-
Other purposes	-	-	-	-
Committed	-	-	-	-
Assigned for other purposes	-	-	-	-
Unassigned	10,665,523	10,341,481	12,538,034	12,677,955
<b>Total general fund</b>	<b>\$ 11,009,838</b>	<b>\$ 10,658,341</b>	<b>\$ 12,775,112</b>	<b>\$ 12,957,462</b>
<b>All other governmental funds</b>				
Nonspendable				
Prepaid items	\$ 109,945	\$ 169,500	\$ 96,670	\$ 142,836
Inventories	19,221	19,890	24,770	11,946
Restricted				
Debt Service Fund	227,801	59,450	121,656	190,722
Road and Bridge	996,863	1,224,041	1,693,341	1,493,286
Public Safety	-	-	-	-
Capital Projects	-	-	-	-
Other Purposes	3,965,468	4,870,759	10,222,728	5,279,263
Committed	1,426,794	2,602,416	1,428,334	1,042,555
Assigned for other purposes	2,186	5,137	5,750	4,454
<b>Total all other governmental funds</b>	<b>\$ 6,748,278</b>	<b>\$ 8,951,193</b>	<b>\$ 13,593,249</b>	<b>\$ 8,165,062</b>

Note: In conforming to provisions of GASB Statement No. 54, fund balances of prior periods were restated to the new fund balance classifications.

Source: Audited Financial Statements

<b>Fiscal Year</b>					
<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
\$ 341,437	\$ 245,326	\$ 337,430	\$ 345,140	\$ 759,915	\$ 611,057
-	1,327,856	915,503	717,528	625,712	496,536
2,113,652	55,892	235,953	135,219	144,852	162,999
500,000	5,250,000	500,000	5,399,266	250,000	725,000
1440	7,668,319	7,667,000	6,467,000	6,467,000	6,467,000
13,627,254	10,684,123	15,420,547	9,268,576	13,608,450	18,128,623
<u>\$ 16,583,783</u>	<u>\$ 25,231,516</u>	<u>\$ 25,076,433</u>	<u>\$ 22,332,729</u>	<u>\$ 21,855,929</u>	<u>\$ 26,591,215</u>
\$ 5,971	\$ 32,417	\$ 30,403	\$ 19,334	\$ 34,544	\$ 29,364
153,210	168,712	192,023	172,661	195,850	161,005
118,880	180,685	65,905	189,760	225,826	240,583
1,096,300	1,557,711	1,853,235	1,796,493	3,346,093	3,965,698
-	1,280,666	1,508,517	419,444	555,373	1,245,140
-	-	735,308	-	-	-
3,225,863	1,424,168	1,704,760	3,079,723	3,311,611	2,490,060
299,284	16,238	2,350,000	-	250,000	-
-	274,284	-	1,074,239	5,381,553	2,402,998
<u>\$ 4,899,508</u>	<u>\$ 4,934,881</u>	<u>\$ 8,440,151</u>	<u>\$ 6,751,654</u>	<u>\$ 13,300,850</u>	<u>\$ 10,534,848</u>

**GUADALUPE COUNTY, TEXAS**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**  
**UNAUDITED**

	Fiscal Year			
	2007	2008	2009	2010
<b>Revenues</b>				
Taxes				
Property tax	\$25,153,434	\$26,611,093	\$29,621,599	\$30,423,558
Sales and use tax	4,684,240	4,478,085	4,669,169	4,671,993
Other tax	108,678	2,270,859	2,315,443	2,228,974
Licenses and permits	466,791	174,066	193,672	210,420
Intergovernmental	2,607,662	2,515,488	2,747,324	2,683,829
Charges for services	7,183,595	6,216,774	6,183,246	5,686,786
Fines and forfeitures	1,581,621	1,622,058	1,578,473	1,444,721
Earnings on investments	-	-	-	-
Miscellaneous	1,903,950	1,919,731	984,918	841,804
<b>Total revenues</b>	<b>43,689,971</b>	<b>45,808,154</b>	<b>48,293,844</b>	<b>48,192,085</b>
<b>Expenditures</b>				
Current				
General government	4,456,106	7,163,247	7,113,606	7,617,893
Judicial **	7,230,843	7,901,046	8,442,959	8,848,004
Public safety	13,261,398	14,729,591	16,318,027	16,028,646
Infrastructure and environmental	5,493,032	5,888,136	6,321,518	6,340,086
Health and social services	4,326,924	4,177,704	3,901,306	5,008,854
Debt Service				
Principal	710,000	745,000	785,000	1,300,000
Interest and other charges	503,193	467,872	626,269	770,907
Capital outlay	3,340,601	2,884,140	7,926,332	7,523,530
<b>Total expenditures</b>	<b>39,322,097</b>	<b>43,956,736</b>	<b>51,435,017</b>	<b>53,437,920</b>
Excess of revenues over (under) expenditures	4,367,874	1,851,418	(3,141,173)	(5,245,835)
<b>Other financing sources (uses)</b>				
Transfers in	3,945,640	5,140,149	3,484,687	4,774,195
Transfers out	(3,945,640)	(5,140,149)	(3,484,687)	(4,774,195)
Proceeds from bonds	-	-	9,900,000	-
CPS Energy payment	-	-	-	-
Payment to Bond Escrow	-	-	-	-
Bond premium	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>9,900,000</b>	<b>-</b>
Net change in fund balances	<b>\$ 4,367,874</b>	<b>\$ 1,851,418</b>	<b>\$ 6,758,827</b>	<b>\$ (5,245,835)</b>
Debt service as a percentage of noncapital expenditures	3.4%	3.0%	3.2%	4.5%

\*\* The Judicial Activities line item was added in the 2007 report. The Judicial Activities amounts had previously been included in the General Government and Public Safety Activities.

Source: Audited Financial Statements



Fiscal Year					
2011	2012	2013	2014	2015	2016
\$ 32,821,340	\$ 34,047,992	\$ 35,764,629	\$ 36,272,071	\$ 38,770,220	\$ 40,530,367
5,128,516	5,837,212	6,555,430	7,184,231	7,222,615	7,384,111
2,388,717	2,539,465	2,803,549	2,927,884	3,146,521	3,171,034
104,418	141,088	129,929	154,924	139,592	162,316
5,100,213	4,729,613	4,296,518	5,016,773	6,571,884	7,010,784
3,177,371	3,058,006	3,300,854	3,420,318	3,831,135	3,965,083
1,205,879	1,277,925	1,454,543	1,611,072	1,557,842	1,633,787
200,772	159,876	131,481	167,995	232,001	408,685
232,309	262,284	546,680	572,755	687,500	796,638
<u>50,359,535</u>	<u>52,053,461</u>	<u>54,983,613</u>	<u>57,328,023</u>	<u>62,159,310</u>	<u>65,062,805</u>
8,568,776	7,938,050	9,043,511	9,913,448	9,182,540	10,642,478
7,704,889	7,908,862	8,153,235	8,919,448	9,645,210	9,770,212
18,981,948	18,917,958	19,295,498	19,693,070	20,782,404	21,476,216
6,906,632	6,495,953	6,781,572	6,946,140	7,086,459	5,422,295
4,700,120	4,704,871	4,861,691	5,321,778	5,253,659	7,994,779
1,355,000	1,410,000	1,475,000	1,790,000	1,885,000	1,900,000
723,717	674,784	667,166	229,173	147,371	138,167
1,957,688	2,086,877	6,355,753	4,809,609	2,104,271	5,749,361
<u>50,898,770</u>	<u>50,137,355</u>	<u>56,633,426</u>	<u>57,622,666</u>	<u>56,086,914</u>	<u>63,093,508</u>
(539,235)	1,916,106	(1,649,813)	(294,643)	6,072,396	1,969,297
3,377,880	3,408,024	6,304,845	11,911,014	10,811,298	5,568,747
(3,377,880)	(3,408,024)	(6,304,845)	(11,161,014)	(10,811,298)	(5,568,747)
-	-	5,000,000	8,035,000	-	-
-	7,667,000	-	-	-	-
-	-	-	(13,161,785)	-	-
-	-	-	-	-	-
<u>-</u>	<u>7,667,000</u>	<u>5,000,000</u>	<u>(4,376,785)</u>	<u>-</u>	<u>-</u>
<u>\$ (539,235)</u>	<u>\$ 9,583,106</u>	<u>\$ 3,350,187</u>	<u>\$ (4,671,428)</u>	<u>\$ 6,072,396</u>	<u>\$ 1,969,297</u>
4.2%	4.3%	4.3%	3.8%	3.8%	3.6%

**GUADALUPE COUNTY, TEXAS  
 ASSESSED VALUE AND ACTUAL VALUE  
 OF TAXABLE PROPERTY  
 LAST TEN FISCAL YEARS  
 UNAUDITED**

<u>Fiscal Year</u>	<u>Tax Year</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Industrial Property</u>	<u>All Other Property</u>	<u>Less Exemptions *</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate **</u>
2007	2006	\$ 4,260,620,430	\$ 794,878,863	\$ 786,908,666	\$ 1,418,586,228	\$ (2,084,617,690)	\$ 5,176,376,497	\$ 0.40310
2008	2007	5,011,234,309	947,112,502	813,325,398	1,745,866,450	(2,392,065,845)	6,125,472,814	0.38950
2009	2008	5,727,120,325	1,088,382,749	821,868,929	2,097,756,354	(2,875,402,136)	6,859,726,221	0.38950
2010	2009	6,008,537,429	1,158,382,924	854,308,941	2,132,780,059	(3,172,923,673)	6,981,085,680	0.38950
2011	2010	6,274,887,772	1,201,621,064	816,267,220	2,183,669,551	(3,146,942,797)	7,329,502,810	0.39990
2012	2011	6,455,723,607	1,158,152,630	1,165,647,116	2,325,352,167	(3,556,012,069)	7,548,863,451	0.40360
2013	2012	6,668,593,282	1,256,232,806	1,508,670,073	2,572,406,496	(4,152,888,905)	7,853,012,752	0.40360
2014	2013	6,994,877,567	1,314,650,253	1,358,151,370	2,786,796,060	(4,306,373,827)	8,098,101,423	0.39990
2015	2014	7,500,827,851	1,428,993,985	1,508,010,809	2,873,523,932	(4,638,410,904)	8,672,945,673	0.39410
2016	2015	8,271,356,457	1,532,166,890	1,633,126,431	3,093,768,642	(5,157,562,264)	9,372,856,156	0.39410

Source: Guadalupe County Appraisal District

Note:

\* Tax rates are per \$100 of assessed value

\*\* Exemptions include tax-exempt property, productivity loss for agriculture, property tax exemptions, and freeze adjusted properties.

**GUADALUPE COUNTY, TEXAS  
PROPERTY TAX LEVIES AND COLLECTIONS\*  
LAST TEN FISCAL YEARS  
UNAUDITED**

Fiscal Year	Tax Year	Total Tax Levy for Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percent of Levy	Amount	Amount	Percent of Levy
2007	2006	\$ 23,035,688	\$ 22,566,576	98.0%	\$ 426,282	\$ 22,992,858	99.8%
2008	2007	22,099,651	21,547,799	97.5%	514,234	22,062,033	99.8%
2009	2008	24,547,982	23,948,004	97.6%	547,897	24,495,901	99.8%
2010	2009	29,973,693	29,406,738	98.1%	487,943	29,894,681	99.7%
2011	2010	28,066,450	27,572,118	98.2%	413,376	27,985,494	99.7%
2012	2011	29,091,923	28,627,225	98.4%	358,307	28,985,532	99.6%
2013	2012	30,286,306	29,391,445	97.0%	272,626	29,664,071	97.9%
2014	2013	30,682,763	30,263,529	98.6%	187,394	30,450,923	99.2%
2015	2014	32,756,892	32,408,746	98.9%	160,005	32,568,751	99.4%
2016	2015	34,547,049	34,129,285	98.8%	-	34,129,285	98.8%

\* Excludes Road and Bridge Property Taxes

**GUADALUPE COUNTY, TEXAS  
PROPERTY TAX RATES  
DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN FISCAL YEARS  
UNAUDITED**

<b>Fiscal Year</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Tax Year</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
<b>Tax Rates</b>				
Guadalupe County	\$ 0.34810	\$ 0.32950	\$ 0.32950	\$ 0.33450
Lateral Road	0.05500	0.06000	0.06000	0.05500
Total tax rate	<u>\$ 0.40310</u>	<u>\$ 0.38950</u>	<u>\$ 0.38950</u>	<u>\$ 0.38950</u>
<b>Cities</b>				
City of Seguin	\$ 0.48140	\$ 0.48230	\$ 0.48230	\$ 0.46000
City of Shertz	0.43170	0.40900	0.40900	0.43420
City of Cibolo	0.31860	0.31860	0.31860	0.41000
City of Marion	0.39000	0.36880	0.39800	0.38240
City of Selma	0.28650	0.26210	0.24980	2.65000
City of New Braunfels	0.40990	0.40990	0.40990	0.40990
City of San Marcos	0.47020	0.53020	0.53020	0.53020
City of Santa Clara	-	-	-	0.12000
City of Luling	-	-	0.39530	0.39440
<b>School Districts</b>				
Schertz-Cibolo-UC ISD	1.61000	1.31500	1.38500	1.42000
Marion ISD	1.53150	1.23000	1.23000	1.22000
Seguin ISD	1.53510	1.16000	1.2498	1.24980
Navarro ISD	1.82000	1.44000	1.44000	1.44000
Comal ISD	1.64000	1.31000	1.31000	1.31000
Luling ISD	1.23900	1.03900	1.03900	1.03900
La Vernia ISD	1.51760	1.37880	1.37880	1.42500
New Braunfels ISD	1.65250	1.33880	1.33880	1.33910
Nixon ISD	1.25620	1.06640	1.06640	1.07600
Prairie Lea ISD	1.10000	0.94000	0.94000	0.94000
San Marcos ISD	1.70000	1.37000	1.37000	1.37000
Guadalupe County MUD #1	-	-	-	-
Guadalupe County MUD #2	-	-	-	-
York Creek Water	0.00380	0.00380	0.00380	0.00380

<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
\$ 0.34490	\$ 0.34560	\$ 0.34560	\$ 0.34190	\$ 0.33610	\$ 0.33110
0.05500	0.05800	0.05800	0.05800	0.05800	0.05400
<u>\$ 0.39990</u>	<u>\$ 0.40360</u>	<u>\$ 0.40360</u>	<u>\$ 0.39990</u>	<u>\$ 0.39410</u>	<u>\$ 0.38510</u>
\$ 0.48930	\$ 0.05073	\$ 0.05073	\$ 0.51730	\$ 0.52440	\$ 0.52560
0.44930	0.48430	0.49990	0.49740	0.49740	0.49110
0.41930	0.42560	0.43270	0.44540	0.44540	0.44540
0.43490	0.46650	0.49010	0.49010	0.51030	0.50240
0.27930	0.27930	0.27930	0.23420	0.22230	0.20650
0.40980	0.44836	0.46734	0.49823	0.49823	0.49823
0.53020	0.53020	0.53020	0.53020	0.53020	0.53020
0.12000	-	-	0.12000	0.11980	0.12000
0.43460	0.43460	0.44000	0.45420	0.47000	0.49640
1.43500	1.43500	1.46000	1.49000	1.49000	1.49000
1.31000	1.30320	1.28000	1.28000	1.28000	1.27500
1.24980	1.25980	1.27700	1.28000	1.31500	1.41000
1.46000	1.46000	1.43000	1.42000	1.39000	1.39000
1.37000	1.43000	1.43000	1.43000	1.39000	1.39000
1.03900	1.03900	1.11520	1.11520	1.11440	1.12650
1.40500	1.40500	1.39500	1.39000	1.33910	1.37500
1.33910	1.33910	1.33910	1.33910	1.33910	1.33910
1.26500	1.39500	1.20000	1.17000	1.15000	1.15000
0.95000	0.95000	0.97000	0.98000	0.98000	0.98000
1.35000	1.35000	1.35000	1.41410	1.41410	1.41410
-	-	-	-	-	-
-	-	-	-	-	-
0.00380	0.00380	0.00410	0.00440	0.00420	0.00480

**GUADALUPE COUNTY, TEXAS  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED**

<b>Taxpayer</b>	<b>Fiscal Year 2016</b>			<b>Fiscal Year 2006</b>		
	<b>Tax Year 2015</b>			<b>Tax Year 2005</b>		
	<b>Taxable Assessed Value (\$1000)</b>	<b>Rank</b>	<b>% of Total Assessed Valuation</b>	<b>Taxable Assessed Value (\$1000)</b>	<b>Rank</b>	<b>% of Total Assessed Valuation</b>
Guadalupe Power Partners	\$ 233,936	1	2.6%	\$ 56,140	3	0.7%
CMC Steel Texas (previously Structural Metals, Inc.)	130,474	2	1.5%	89,664	1	1.2%
LCRA Transmission Services	127,040	3	1.4%	42,454	6	0.6%
Texas Petroleum Investment	84,393	4	0.9%	61,625	2	0.8%
Amazon.com.KYDC LLC	82,417	5	0.9%			
Sanjel Capital USA Inc.	77,448	6	0.9%			
Temic Automotive	64,060	7	0.7%	30,719	8	0.4%
US Real Estate LP	58,192	8	0.7%			
Guadalupe Valley Electric Cooperative	44,897	9	0.5%			
Union Pacific Railroad Co	25,799	10	0.3%			
San Antonio MTA				42,606	5	0.6%
Rio Nogales Power Project (purchased by CPS Energy)				54,866	4	0.7%
San Filippi John & Son				23,454	9	0.3%
Southwestern Bell Telephone Co.				32,976	7	0.4%
Hexcel Corp				22,302	10	0.3%
Total	928,656		10.4%	456,806		6.0%
Other taxpayers	8,003,160		89.6%	7,077,442		93.9%
<b>Total Assessed Valuation</b>	<b>\$ 8,931,816</b>		<b>100.0%</b>	<b>\$ 7,534,248</b>		<b>100.0%</b>

Source: Guadalupe Appraisal District

**GUADALUPE COUNTY, TEXAS  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS  
UNAUDITED**

<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Certificates of Obligation</b>	<b>Tax Notes</b>	<b>Less: Amounts Available in Debt Service Fund</b>	<b>Total</b>	<b>Percentage of Estimated Actual Taxable Value* of Property</b>
2007	\$ 9,355,000	\$ 2,255,000	\$ -	\$ 227,801	\$ 11,382,199	0.22%
2008	9,325,000	2,255,000	-	59,450	11,520,550	0.19%
2009	9,290,000	790,000	9,900,000	121,656	19,858,344	0.29%
2010	9,255,000	-	9,425,000	190,723	18,489,277	0.26%
2011	8,395,000	-	8,930,000	118,880	17,206,120	0.23%
2012	7,495,000	-	8,420,000	180,685	15,734,315	0.21%
2013	6,555,000	5,000,000	7,885,000	65,905	19,374,095	0.25%
2014	7,785,000	5,000,000	-	189,760	12,595,240	0.16%
2015	5,950,000	4,950,000	-	225,826	10,674,174	0.12%
2016	4,100,000	4,900,000	-	240,583	8,759,417	0.10%

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

\* See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

**GUADALUPE COUNTY, TEXAS  
RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS  
UNAUDITED**

<u>Governmental Activities</u>							
Fiscal Year	General Obligation Bonds	Certificates of Obligation	Tax Notes	Total Primary Government	Percentage of Personal Income*	Percentage of Actual Taxable Value of Property**	Per Capita*
2007	\$ 9,355,000	\$ 2,255,000	\$ -	\$ 11,610,000	0.3%	0.2%	99
2008	3,955,000	2,255,000	-	6,210,000	0.2%	0.1%	50
2009	9,290,000	790,000	9,900,000	19,980,000	0.5%	0.3%	156
2010	9,255,000	-	9,425,000	18,680,000	0.4%	0.3%	141
2011	8,395,000	-	9,425,000	17,820,000	0.4%	0.2%	131
2012	7,495,000	-	8,420,000	15,915,000	0.3%	0.2%	114
2013	6,555,000	5,000,000	7,885,000	19,440,000	0.4%	0.2%	136
2014	7,785,000	5,000,000	-	12,785,000	0.2%	0.2%	87
2015	5,950,000	4,950,000	-	10,900,000	0.2%	0.1%	74
2016	4,100,000	4,900,000	-	9,000,000	0.2%	0.1%	59

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

\* Population data can be found in the Schedule of Demographic and Economic Statistics.

\* See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.



**GUADALUPE COUNTY, TEXAS  
DIRECT AND ESTIMATED OVERLAPPING  
GOVERNMENTAL ACTIVITIES DEBT  
SEPTEMBER 30, 2016  
UNAUDITED**

Taxing Jurisdiction	Gross Debt	Overlapping	
		Percentage	Amount
Cibolo, City of	\$ 42,415,000	98.54%	\$ 41,795,741
Comal ISD	588,496,597	3.77%	22,186,322
La Vernia ISD	41,314,801	6.86%	2,834,195
Luling ISD	2,835,000	15.73%	445,946
Luling, City of	-	2.16%	-
Marion ISD	21,935,000	99.66%	21,860,421
Marion, City of	44,500	99.48%	44,269
Navarro ISD	34,113,490	99.74%	34,024,795
New Braunfels ISD	163,564,877	23.43%	38,323,251
New Braunfels, City of	163,100,000	17.13%	27,939,030
Nixon-Smilely CISD	16,973,000	1.05%	178,217
Prairie Lea ISD	none	32.30%	-
San Marcos CISD	155,084,959	5.24%	8,126,452
San Marcos, City of	265,805,000	0.05%	132,903
Schertz, City of	73,175,000	72.76%	53,242,130
Schertz-Cibolo-Universal ISD	307,071,092	90.38%	277,530,853
Seguin ISD	141,158,356	94.71%	133,691,079
Seguin, City of	78,070,000	99.90%	77,991,930
Selma, City of	18,725,000	36.93%	6,915,143
Total overlapping debt			747,262,677
Guadalupe County			9,000,000
Total direct and overlapping debt			<u>\$ 756,262,677</u>
Ratio of direct and overlapping funded debt to 2015 taxable assessed valuation			6.50%
Per capita debt - direct and overlapping			\$ 5,136

Source: Municipal Advisory Council

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the County. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Guadalupe County. This process recognizes that, when considering the County's ability to issue and repay long-term debt, the entire burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

For debt repaid with property taxes, the percentage of overlapping debt for the school district not wholly located within the boundaries of Guadalupe County was estimated by determining the portion of the entities' taxable assessed value within the County's boundaries and divided its total taxable assessed value.

**GUADALUPE COUNTY, TEXAS  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
UNAUDITED**

<b>Fiscal Year</b>	<b>Population <sup>A</sup></b>	<b>Personal Income <sup>B</sup> (\$000s)</b>	<b>Per Capita Income <sup>B</sup></b>	<b>Unemployment Rate <sup>C</sup></b>
2007	117,667	\$ 3,814,340	\$ 32,416	3.7%
2008	123,398	4,219,048	34,191	4.2%
2009	128,265	4,302,434	33,543	6.4%
2010	132,560	4,488,669	33,861	6.7%
2011	135,857	4,843,762	35,653	6.5%
2012	139,733	5,159,631	36,925	5.7%
2013	143,189	5,455,941	38,103	5.4%
2014	147,272	5,839,572	39,652	4.3%
2015	151,249	6,216,789	41,103	3.6%
2016 <sup>D</sup>	151,249	6,216,789	41,103	3.6%

Data Sources:

A - U.S. Bureau of Economic Analysis

B - U.S. Bureau of Economic Analysis

C - Texas Workforce Commission

D - 2016 data was not released at time of publication

Note: Personal income information is a total for the year.

Unemployment rate information is an adjusted yearly average.

**GUADALUPE COUNTY, TEXAS  
SCHEDULE OF EMPLOYMENT BY INDUSTRY  
FOR CALENDAR YEARS 2006 AND 2015  
UNAUDITED**

Industry	2006		2015	
	Employees	Percent of Total County Employment	Employees	Percent of Total County Employment
Construction	2,592	9.4%	2,222	6.5%
Education health services	2,132	7.8%	3,195	9.4%
Financial activities	928	3.4%	1,099	3.2%
Information	185	0.7%	218	0.6%
Leisure hospitality	2,819	10.3%	3,947	11.6%
Manufacturing	5,309	19.3%	7,075	20.7%
Natural resources and mining	281	1.0%	383	1.1%
Other services	689	2.5%	1,114	3.3%
Professional business services	1,833	6.7%	2,261	6.6%
Trade, transportation utilities	5,213	19.0%	6,421	18.8%
Unclassified	37	0.1%	11	0.0%
Government				
Federal	202	0.7%	208	0.6%
State	140	0.5%	167	0.5%
Local	5,091	18.5%	5,825	17.1%
<b>Total</b>	<b>27,449</b>	<b>100%</b>	<b>34,144</b>	<b>100%</b>

Source:

Texas Workforce Commission, Labor Market and Career Information Department  
Texas Quarterly Census of Employment and Wages, Table 2. County Employment by Industry

Notes:

This schedule has been included as a supplemental chart since the number of employees is not available for "Principal Employers" information.

The 2015 was the most recent data available, 2016 data is projected to be available in May 2017.

**GUADALUPE COUNTY, TEXAS  
CAPITAL ASSETS STATISTICS BY FUNCTION  
LAST TEN FISCAL YEARS  
UNAUDITED**

Function	Fiscal Year			
	2007	2008	2009	2010
General government				
Buildings	4	4	5	5.5
Buildings for future use	1	1	1	0
Parking garage	0	0	0	1
Vehicles	5	6	7	9
Totals	10	11	13	15.5
Judicial				
Buildings	4	4	4	4.5
Vehicles	4	4	5	5
Totals	8	8	9	9.5
Public safety				
Buildings	5	5	5	5
Vehicles	121	129	137	125
Totals	126	134	142	130
Infrastructure and environmental services				
Buildings	4	4	4	4
Vehicles	60	60	61	73
Road maintenance equipment	65	65	65	65
Number of bridges	19	19	19	19
Paved roads in miles	598	598	600	609
Gravel roads in miles	55.25	55.25	55.25	50.23
Totals	801.25	801.25	804.25	820.23
Health and social services				
Buildings	1	1	2	2
Vehicles	4	4	7	7
Totals	5	5	9	9
Totals				
Buildings	18	18	20	21
Building for future use	1	1	1	0
Parking garage	0	0	0	1
Vehicles	194	203	217	219
Road maintenance equipment	65	65	65	65
Number of bridges	19	19	19	19
Paved roads in miles	598	598	600	609
Gravel roads in miles	55.25	55.25	55.25	50.23
	950.25	959.25	977.25	984.23

<b>Fiscal Year</b>					
<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
5.5	5.5	5.5	5.5	5.5	5.5
0	0	0	0	0	0
1	1	1	1	1	1
9	9	8	7	7	7
15.5	15.5	14.5	13.5	13.5	13.5
4.5	4.5	4.5	4.5	4.5	4.5
5	5	11	13	13	15
9.5	9.5	15.5	17.5	17.5	19.5
5	5	5	5	5	5
130	141	132	137	150	150
135	146	137	142	155	155
4	4	4	4	4	5
73	73	70	72	80	78
66	70	70	78	79	83
19	19	19	19	17	19
605	599	602	633	597	594
42.25	36.58	32.38	29.78	29.78	29.23
809.25	801.58	797.38	835.78	806.78	808.23
2	2	2	2	2	2
7	7	8	12	9	8
9	9	10	14	11	10
21	21	21	21	21	22
0	0	0	0	0	0
1	1	1	1	1	1
224	235	229	241	259	258
66	70	70	78	79	83
19	19	19	19	17	19
605	599	602	633	597	594
42.25	36.58	32.38	29.78	29.78	29.23
978.25	981.58	974.38	1022.78	1003.78	1006.23

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**GUADALUPE COUNTY, TEXAS  
 FULL-TIME EQUIVALENT COUNTY GOVERNMENT  
 EMPLOYEES BY FUNCTION  
 LAST TEN FISCAL YEARS  
 UNAUDITED**

<b>Function</b>	<b>Full-time Equivalent Employees as of September 30</b>									
	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Governmental activities										
General government	77	81	86	87	91	92	94	96	94	95
Judicial	218	228	225	229	231	235	237	241	245	249
Public safety	14	15	15	15	16	16	16	16	17	17
Infrastructure and environmental	111	115	119	123	124	126	127	123	128	134
Health and social services	69	70	70	70	70	70	70	70	70	71
<b>Total</b>	<b>489</b>	<b>509</b>	<b>515</b>	<b>524</b>	<b>532</b>	<b>539</b>	<b>544</b>	<b>546</b>	<b>554</b>	<b>566</b>

**GUADALUPE COUNTY, TEXAS  
OPERATING INDICATORS BY FUNCTION  
LAST TEN FISCAL YEARS  
UNAUDITED**

Function	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General government										
Tax office										
Ad valorem assessment notices issued	\$ 68,215	\$ 72,401	\$ 75,527	\$ 77,410	\$ 76,781	\$ 79,318	\$ 80,427	\$ 83,264	\$ 84,925	\$ 84,646
Motor vehicle registrations	107,905	109,527	118,003	120,925	125,579	130,478	134,982	138,385	140,272	145,014
Auto titles issued	20,838	20,355	18,720	20,205	21,655	23,141	24,705	25,843	26,454	26,783
County Clerk										
Marriage licenses	591	571	515	489	525	453	649	585	602	596
Birth certificates	3,169	3,054	3,105	2,559	2,483	2,434	2,556	2,575	2,674	2,578
Justice system										
Justice of the Peace Courts										
Criminal cases										
JP1 new cases filed	12,013	11,351	9,501	7,981	4,990	6,078	5,033	4,846	3,825	2,997
Cases disposed	10,540	9,516	7,980	8,437	4,853	6,320	6,392	6,089	5,248	4,381
JP2 new cases filed	916	656	1,082	685	443	1,035	1,577	2,695	2,092	1,407
Cases disposed	898	661	888	984	392	968	1,756	2,222	1,856	2,004
JP3 new cases filed	1,511	1,546	1,123	1,040	395	342	553	607	459	293
Cases disposed	1,528	1,340	1,138	736	407	436	453	533	499	358
JP4 new cases filed	3,981	3,605	3,114	2,985	1,852	3,058	2,516	2,726	2,636	2,303
Cases disposed	3,492	3,371	2,956	2,680	1,924	3,096	2,428	2,629	2,790	2,508
Civil cases										
JP1 new cases filed	161	233	154	170	111	231	616	261	371	382
Cases disposed	78	194	171	114	71	142	190	245	324	343
JP2 new cases filed	252	313	313	299	160	387	357	421	445	474
Cases disposed	183	234	276	232	121	373	320	382	454	452
JP3 new cases filed	201	371	329	289	211	255	193	103	296	274
Cases disposed	90	221	283	239	100	291	177	17	109	187
JP4 new cases filed	265	436	309	271	179	328	272	277	338	385
Cases disposed	287	345	265	201	110	241	247	214	228	315
County Courts										
Civil cases										
New cases filed	659	483	406	431	510	403	358	396	417	378
Disposed	522	541	555	344	438	432	393	423	428	370
Criminal cases										
Cases added to docket during year	2,544	2,557	2,503	2,217	2,278	2,138	1,905	1,462	1,616	1,449
disposition other than dismissal	2,020	1,863	1,773	1,454	1,408	1,389	1,460	1,295	1,252	1,224
Probate cases	1,020	1,488	917	1,473	901	701	1,222	445	260	243
Filed	293	303	310	314	323	343	370	438	517	354
District Courts										
Civil cases										
New cases filed	679	644	842	634	815	719	813	866	794	901
Disposed	1131	989	1220	661	721	653	683	638	866	795
Family cases										
New cases filed	1106	1154	1164	681	1660	1593	1632	1528	1549	1783
Disposed	1060	1000	1144	656	1395	1512	1647	1342	1393	1430
Criminal cases										
Cases added to docket during year	847	755	808	858	717	720	744	900	715	659
Dispositions	838	790	809	875	848	657	604	680	697	620
Juvenile cases										
Detention hearings	1042	762	658	589	518	423	463	496	473	318
New petitions filed	207	172	108	124	151	107	96	91	72	60
Disposed	335	296	167	130	129	95	96	84	76	47



**GUADALUPE COUNTY, TEXAS  
OPERATING INDICATORS BY FUNCTION (CONTINUED)  
LAST TEN FISCAL YEARS  
UNAUDITED**

Function	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Public safety										
Calls for service	16,630	17,375	17,649	16,956	16,385	16,729	15,348	15,361	15,557	16,863
911 calls	39,654	51,386	50,412	23,631	17,886	18,506	22,359	22,112	24,473	23,930
Citations	1,591	1,797	2,226	1,449	1,535	1,749	2,226	2,856	2,795	3,262
Civil papers served	2,228	2,157	2,301	2,405	2,460	2,358	2,526	2,136	1,829	2,164
Number of budgeted employees -										
Sheriff Department	88	94	106	106	108	111	113	115	118	119
Corrections and Rehabilitation										
County Jail										
Inmates housed (average per day)	487	413	447	461	382	362	322	329	447	391