

*ANNUAL FINANCIAL REPORT*

of

**TYLER COUNTY, TEXAS**

For the Year Ended  
December 31, 2016

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# TYLER COUNTY, TEXAS

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***INTRODUCTORY SECTION***

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**TYLER COUNTY, TEXAS**  
***LIST OF ELECTED AND APPOINTED OFFICIALS***  
December 31, 2016

**COMMISSIONERS' COURT:**

|                       |                           |
|-----------------------|---------------------------|
| Jacques L. Blanchette | County Judge              |
| Martin Nash           | Commissioner, Precinct #1 |
| Rusty Hughes          | Commissioner, Precinct #2 |
| Mike Marshall         | Commissioner, Precinct #3 |
| Jack Walston          | Commissioner, Precinct #4 |

**JUDICIAL:**

|              |                   |
|--------------|-------------------|
| Lou Ann Cloy | District Attorney |
| Chryl Pounds | District Clerk    |

**COUNTY COURT AT LAW:**

|                |              |
|----------------|--------------|
| Donece Gregory | County Clerk |
|----------------|--------------|

**JUSTICE COURTS:**

|               |                               |
|---------------|-------------------------------|
| Trisher Ford  | Justice of Peace, Precinct #1 |
| Greg Dawson   | Justice of Peace, Precinct #2 |
| Milton Powers | Justice of Peace, Precinct #3 |
| Jim Moore     | Justice of Peace, Precinct #4 |

**LAW ENFORCEMENT:**

|                   |                        |
|-------------------|------------------------|
| Bryan Weatherford | County Sheriff         |
| Dale Freeman      | Constable, Precinct #1 |
| John Fuller       | Constable, Precinct #2 |
| Wade Skinner      | Constable, Precinct #3 |
| Jim Zachary       | Constable, Precinct #4 |

**FINANCIAL ADMINISTRATION:**

|                |                        |
|----------------|------------------------|
| Lynette Cruse  | Tax Assessor/Collector |
| Sue Saunders   | County Treasurer       |
| Jackie Skinner | County Auditor*        |

\*Designated appointed official. All others are elected.

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***FINANCIAL SECTION***

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## *INDEPENDENT AUDITORS' REPORT*

To the Honorable County Judge and  
Members of the Commissioners' Court of  
Tyler 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 Tyler County, Texas (the "County"), as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

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

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

### **Auditors' Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County'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 County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the County as of December 31, 2016, and the respective changes in financial position for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information, schedule of changes in net pension liability and related ratios, schedule of contributions, and schedule of funding progress, identified as Required Supplementary Information on the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Required Supplementary Information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

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

The combining 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 statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section has 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 it.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated August 15, 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.

*BELT HARRIS PECHACEK, LLLP*

Belt Harris Pechacek, LLLP  
*Certified Public Accountants*  
Houston, Texas  
August 15, 2017

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***MANAGEMENT'S DISCUSSION AND ANALYSIS***

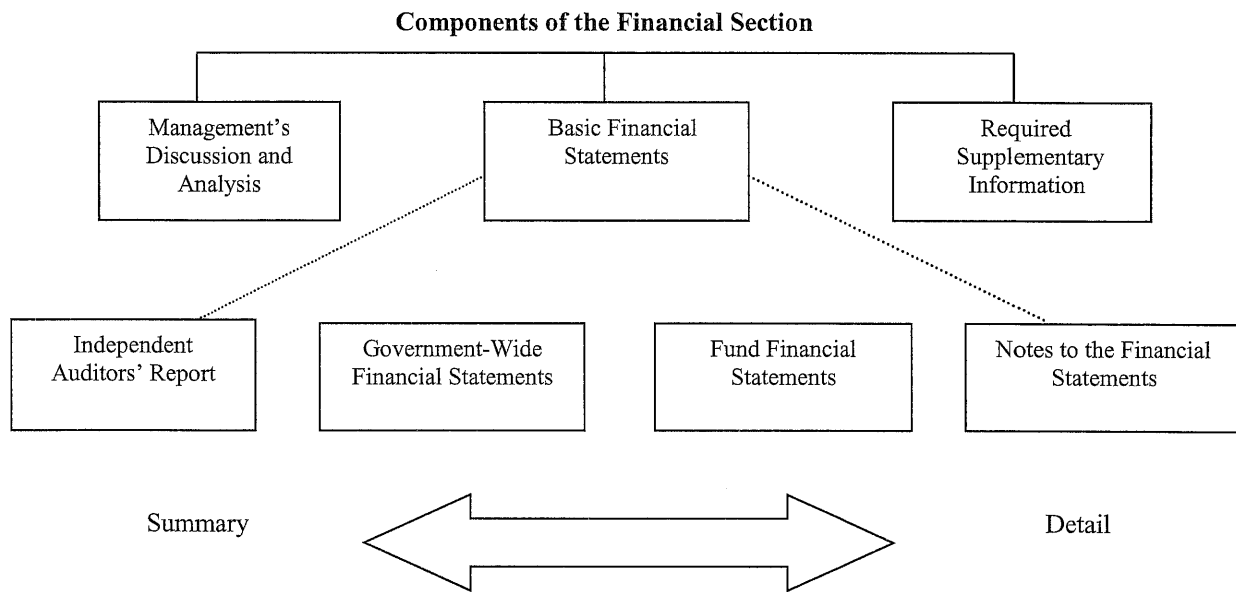
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**TYLER COUNTY, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Year Ended December 31, 2016**

The purpose of the Management's Discussion and Analysis (MD&A) is to give the readers an objective and easily readable analysis of the financial activities of Tyler County, Texas (the "County") for the year ending December 31, 2016. The analysis is based on currently known facts, decisions, or economic conditions. It presents short and long-term analysis of the County's activities, compares current year results with those of the prior year, and discusses the positive and negative aspects of that comparison. Please read the MD&A in conjunction with the transmittal letter and the County's financial statements, which follow this section.

**THE STRUCTURE OF OUR ANNUAL REPORT**



The County's basic financial statements include (1) government-wide financial statements, (2) individual fund financial statements, and (3) notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

**Government-Wide Statements**

The government-wide statements report information for the County as a whole. These statements include transactions and balances relating to all assets, including infrastructure capital assets. These statements are designed to provide information about cost of services, operating results, and financial position of the County as an economic entity. The Statement of Net Position and the Statement of Activities, which appear first in the County's financial statements, report information on the County's activities that enable the reader to understand the financial condition of the County. These statements are prepared using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account even if cash has not yet changed hands.

The Statement of Net Position presents information on all of the County's assets, liabilities, and deferred outflows/inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating. Other nonfinancial factors, such as the County's property tax base and the condition of the County's infrastructure, need to be considered in order to assess the overall health of the County.

**TYLER COUNTY, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**For the Year Ended December 31, 2016**

The Statement of Activities presents information showing how the County's net position changed during the most recent 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 – the accrual method rather than modified accrual that is used in the fund level statements.

The Statement of Net Position and the Statement of Activities are reported as one class of activity:

1. *Governmental Activities* – The County's basic services are reported here including general government, administration of justice, public transportation, public safety, health and human services, community enrichment, and tax administration. Interest payments on the County's debt are also reported here. Property tax, court fines, and other fees finance most of these activities.

The government-wide financial statements can be found after the MD&A.

## **FUND FINANCIAL STATEMENTS**

Funds may be considered as operating companies of the parent corporation, which is the County. They are usually segregated for specific activities or objectives. The County uses fund accounting to ensure and demonstrate compliance with finance-related legal reporting requirements. The two categories of County funds are governmental and fiduciary.

### **Governmental Funds**

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the County's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The County maintains 29 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general, road and bridge, and emergency disaster relief funds which are considered to be major funds for reporting purposes.

The County adopts an annual appropriated budget for its general, road and bridge, and select special revenue funds. Budgetary comparison schedules have been provided for the general, road and bridge, and select special revenue funds to demonstrate compliance with their budgets.

### **Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The County maintains 31 fiduciary funds. The County's fiduciary activities are reported separately in a statement of fiduciary net position.

**TYLER COUNTY, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
For the Year Ended December 31, 2016

**Notes to Financial Statements**

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

**Other Information**

In addition to basic financial statements, this MD&A, and accompanying notes, this report also presents certain Required Supplementary Information (RSI). The RSI includes budgetary comparison schedules for the general, road and bridge, and emergency disaster relief funds, a schedule of changes in net pension liability and related ratios and schedule of contributions for the Texas County District Retirement System, and a schedule of funding progress for other post employment benefits. RSI can be found after the notes to the basic financial statements.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve, over time, as a useful indicator of the County's financial position. Assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by \$30,341,123 as of December 31, 2016. This compares with \$29,398,907 from the prior fiscal year. A portion of the County's net position, 45 percent, reflects its investments in capital assets (e.g., land, construction in progress, building, equipment, and infrastructure) less any debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens. Consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the assets themselves cannot be used to liquidate these liabilities.

**TYLER COUNTY, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
For the Year Ended December 31, 2016

**Statement of Net Position:**

The following table reflects the condensed Statement of Net Position:

|   | <b>Governmental Activities</b> |                      |
|---|--------------------------------|----------------------|
|   | <b>2016</b>                    | <b>2015</b>          |
| Current and other assets                        | \$ 27,698,255                  | \$ 26,439,596        |
| Capital assets, net                             | 14,289,049                     | 14,616,248           |
| <b>Total Assets</b>                             | <b>41,987,304</b>              | <b>41,055,844</b>    |
| Deferred outflows - pension                     | 2,039,111                      | 686,406              |
| <b>Total Deferred Outflows<br/>of Resources</b> | <b>2,039,111</b>               | <b>686,406</b>       |
| Long-term liabilities                           | 3,610,814                      | 2,415,105            |
| Other liabilities                               | 307,552                        | 339,114              |
| <b>Total Liabilities</b>                        | <b>3,918,366</b>               | <b>2,754,219</b>     |
| Deferred inflows - property tax                 | 9,475,896                      | 9,522,970            |
| Deferred inflows - pension                      | 291,030                        | 66,154               |
| <b>Total Deferred Inflows<br/>of Resources</b>  | <b>9,766,926</b>               | <b>9,589,124</b>     |
| <b>Net Position:</b>                            |                                |                      |
| Net investment in capital assets                | 13,569,399                     | 13,734,163           |
| Restricted                                      | 10,570,216                     | 7,436,198            |
| Unrestricted                                    | 6,201,508                      | 8,228,546            |
| <b>Total Net Position</b>                       | <b>\$ 30,341,123</b>           | <b>\$ 29,398,907</b> |

A portion of the County's net position, \$10,570,216 or 35 percent, represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position, \$6,201,508 or 20 percent, may be used to meet the County's ongoing obligation to citizens and creditors.

The County's total net position increase by \$942,216 during the current fiscal year. This increase was primarily due to the addition of two capital assets projects, the senior citizen center and the ongoing courthouse renovations.

**TYLER COUNTY, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
For the Year Ended December 31, 2016

**Statement of Activities:**

The following table provides a summary of the County's changes in net position:

|                                    | <b>Governmental Activities</b> |                      |
|------------------------------------|--------------------------------|----------------------|
|                                    | <b>2016</b>                    | <b>2015</b>          |
| <b>Revenues</b>                    |                                |                      |
| Program revenues:                  |                                |                      |
| Charges for services               | \$ 1,877,641                   | \$ 1,916,741         |
| Operating grants and contributions | 1,226,703                      | 772,767              |
| Capital grants and contributions   | -                              | 1,281,019            |
| General revenues:                  |                                |                      |
| Taxes                              | 10,032,313                     | 9,832,776            |
| Investment income                  | 45,140                         | 96,322               |
| Other revenues                     | 493,512                        | 909,312              |
| <b>Total Revenues</b>              | <b>13,675,309</b>              | <b>14,808,937</b>    |
| <b>Expenses</b>                    |                                |                      |
| General government                 | 5,149,475                      | 3,063,693            |
| Administration of justice          | 917,211                        | 802,514              |
| Roads and bridges                  | 3,571,434                      | 4,743,326            |
| Public safety                      | 2,655,194                      | 2,255,438            |
| Health and human services          | 101,803                        | 308,854              |
| Community enrichment               | 55,651                         | 43,158               |
| Tax administration                 | 259,717                        | 248,033              |
| Interest on long term debt         | 22,607                         | 10,953               |
| <b>Total Expenses</b>              | <b>12,733,093</b>              | <b>11,475,969</b>    |
| <b>Change in Net Position</b>      | <b>942,216</b>                 | <b>3,332,968</b>     |
| Beginning net position             | 29,398,907                     | 26,065,939           |
| <b>Ending Net Position</b>         | <b>\$ 30,341,123</b>           | <b>\$ 29,398,907</b> |

Overall, governmental activities revenue decreased \$1,133,628 primarily as a result of a decrease in capital grants and contributions, which was offset by an increase in property tax revenue during the year. Total expenses increased over the prior year by \$1,257,124, which is primarily associated with personnel expenses.

**FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS**

As noted earlier, fund accounting is used to demonstrate and ensure compliance with finance-related legal requirements.

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

The County's governmental funds reflect a combined fund balance of \$16,138,175. Of this, \$3,401,004 is unassigned and available for day-to-day operations of the County, \$108,869 is nonspendable, \$2,058,086 is

**TYLER COUNTY, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
For the Year Ended December 31, 2016

assigned for various purposes, \$3,943,999 is restricted for road and bridge projects, and \$6,626,217 is restricted within the County's special revenue funds.

The general fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the general fund was \$3,401,004. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 39 percent of total general fund expenditures, while total fund balance represents 64 percent of total fund expenditures.

There was an increase in the combined fund balance of \$1,239,062 over the prior year. The general fund experienced a decrease of \$1,894,956. This decrease is attributed to a planned decrease in fund balance with a transfer of \$2,500,000 to the disaster relief fund for future use during any unexpected disasters experienced in the County.

The road and bridge fund experienced an increase of \$597,184, which can be attributed to an increase in transfers in from general fund and an increase in reimbursement from FEMA grant funds.

The emergency disaster relief fund experienced a \$2,508,424 increase to fund balance. This large increase is the result of a transfer in the amount of \$2,500,000 from the general fund. This transfer was to set aside funds for the County for future disasters.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

Actual general fund revenues were over final budgeted revenues by \$1,515,964 during the year. This net positive variance is attributable to taxes exceeding the anticipated amount in the original budget projections. General fund disbursements were under the final budget by \$3,771,171.

**CAPITAL ASSETS**

At the end of year 2016, the County had invested \$14,289,049 in a variety of capital assets and infrastructure (net of accumulated depreciation). Major capital asset events during the current year include the following:

- Senior citizen center for \$209,073
- Courthouse renovations for \$192,699
- One vehicle for the sheriff's department in the amount of \$33,210
- Road and bridge equipment in the amount of \$230,539

More detailed information about the County's capital assets can be found in note III.C. to the financial statements.

**LONG-TERM DEBT**

At the end of the year, the County reported total capital leases of \$719,650. In addition, the County reported other long-term liabilities of \$2,891,164 related to net pension liability, compensated absences, and a net other post-employment benefit obligation.

More detailed information about the County's long-term liabilities can be found in note III.D. to the financial statements.

**TYLER COUNTY, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
For the Year Ended December 31, 2016

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The County met challenges this year. New industries did not realize income that was predicted. Therefore, the County did not realize the anticipated increase in revenue. The revenue loss in other departments resulted in a decrease in collections. The tax collection rate has remained steady at 95 percent. The Commissioners' Court has slightly increased the tax rate to continue the same level of services to the tax payer. The 2017 budget will be met with challenges from new federal guidelines as well as the state of the economy, but the County is committed to offer the same level of services to its citizens.

**CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide a general overview of the finances of the County. Questions concerning this report or requests for additional financial information should be directed to Jackie Skinner, County Auditor, Tyler County, 100 West Bluff, Woodville, TX, 75979; telephone 409-283-3652.

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***BASIC FINANCIAL STATEMENTS***

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# TYLER COUNTY, TEXAS

## STATEMENT OF NET POSITION

December 31, 2016

|   | <u>Primary<br/>Government<br/>Governmental<br/>Activities</u> |
|---|---|
| <b><u>Assets</u></b>                            |   |
| Cash and cash equivalents                       | \$ 14,032,467   |
| Investments                                     | 2,445,091   |
| Receivables, net                                | 8,317,655   |
| Due from other governments                      | 2,794,173   |
| Prepays   | 108,869   |
| <b>Total Current Assets</b>                     | <u>27,698,255</u>   |
| Capital assets:                                 |   |
| Nondepreciable                                  | 600,300   |
| Net depreciable capital assets                  | 13,688,749  |
| <b>Total Noncurrent Assets</b>                  | <u>14,289,049</u>   |
| <b>Total Assets</b>                             | <u>41,987,304</u>   |
| <b><u>Deferred Outflows of Resources</u></b>    |   |
| Deferred outflows - pension                     | 2,039,111   |
| <b>Total Deferred Outflows of Resources</b>     | <u>2,039,111</u>  |
| <b><u>Liabilities</u></b>                       |   |
| Current liabilities:                            |   |
| Accounts payable and accrued liabilities        | 307,552   |
| Noncurrent liabilities:                         |   |
| Long-term liabilities due within one year       | 578,573   |
| Long-term liabilities due in more than one year | 3,032,241   |
| <b>Total Liabilities</b>                        | <u>3,610,814</u>  |
| <b><u>Deferred Inflows of Resources</u></b>     |   |
| Property taxes                                  | 9,475,896   |
| Deferred inflows - pension                      | 291,030   |
| <b>Total Deferred Inflows of Resources</b>      | <u>9,766,926</u>  |
| <b><u>Net Position</u></b>                      |   |
| Net investment in capital assets                | 13,569,399  |
| Restricted for:                                 |   |
| Road and bridge                                 | 3,943,999   |
| Other purposes                                  | 6,626,217   |
| Unrestricted                                    | 6,201,508   |
| <b>Total Net Position</b>                       | <u>\$ 30,341,123</u>  |

See Notes to Financial Statements.

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# TYLER COUNTY, TEXAS

## STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2016

| Functions/Programs                   | Expenses             | Program Revenues        |  | Net (Expense)<br>Revenue and<br>Changes in Net<br>Position |
|--------------------------------------|----------------------|-------------------------|--|--|
|                                      |                      | Charges for<br>Services | Operating<br>Grants and<br>Contributions |  |
| <b>Governmental Activities:</b>      |                      |                         |  |  |
| General government                   | \$ 5,149,475         | \$ 1,304,913            | \$ 1,226,703                             | \$ (2,617,859)   |
| Administration of justice            | 917,211              | 61,103                  | -  | (856,108)  |
| Roads and bridges                    | 3,571,434            | 502,026                 | -  | (3,069,408)  |
| Public safety                        | 2,655,194            | 9,599                   | -  | (2,645,595)  |
| Health and human services            | 101,803              | -                       | -  | (101,803)  |
| Community enrichment                 | 55,651               | -                       | -  | (55,651)   |
| Tax administration                   | 259,717              | -                       | -  | (259,717)  |
| Interest and fiscal charges          | 22,607               | -                       | -  | (22,607)   |
| <b>Total Governmental Activities</b> | <b>\$ 12,733,093</b> | <b>\$ 1,877,641</b>     | <b>\$ 1,226,703</b>                      | <b>(9,628,749)</b>   |
| <b>General Revenues:</b>             |                      |                         |  |  |
|                                      |                      |                         |  | 9,471,847  |
|                                      |                      |                         |  | 560,466  |
|                                      |                      |                         |  | 45,140   |
|                                      |                      |                         |  | 493,512  |
|                                      |                      |                         | <b>Total General Revenues</b>            | <b>10,570,965</b>  |
|                                      |                      |                         | <b>Change in Net Position</b>            | <b>942,216</b>   |
|                                      |                      |                         | Beginning net position                   | <b>29,398,907</b>  |
|                                      |                      |                         | <b>Ending Net Position</b>               | <b>\$ 30,341,123</b>                                       |

See Notes to Financial Statements.

# TYLER COUNTY, TEXAS

## BALANCE SHEET

### GOVERNMENTAL FUNDS

December 31, 2016

|  | <u>General</u>       | <u>Road and<br/>Bridge</u> | <u>Emergency<br/>Disaster<br/>Relief</u> | <u>Nonmajor<br/>Governmental</u> |
|--|----------------------|----------------------------|--|----------------------------------|
| <b><u>Assets</u></b>   |                      |                            |  |                                  |
| Cash and cash equivalents  | \$ 3,934,898         | \$ 3,776,192               | 4,830,966                                | \$ 1,490,411                     |
| Investments  | 2,137,570            | -                          | -  | 307,521                          |
| Receivables, net   | 6,085,692            | 2,078,388                  | -  | -                                |
| Due from other governments   | 1,766,551            | 999,980                    | -  | 27,642                           |
| Prepays  | 108,869              | -                          | -  | -                                |
| Due from other funds   | 27,642               | -                          | -  | -                                |
| <b>Total Assets</b>  | <b>\$ 14,061,222</b> | <b>\$ 6,854,560</b>        | <b>4,830,966</b>                         | <b>\$ 1,825,574</b>              |
| <b><u>Liabilities</u></b>  |                      |                            |  |                                  |
| Accounts payable   | \$ 243,410           | \$ 61,461                  | -  | \$ 2,681                         |
| Due to other funds   | -                    | -                          | -  | 27,642                           |
| <b>Total Liabilities</b>   | <b>243,410</b>       | <b>61,461</b>              | <b>-</b>                                 | <b>30,323</b>                    |
| <b><u>Deferred Inflows of Resources</u></b>                                    |                      |                            |  |                                  |
| Unavailable revenue - property taxes   | 8,249,853            | 2,849,100                  | -  | -                                |
| <b><u>Fund Balances</u></b>  |                      |                            |  |                                  |
| Nonspendable   |                      |                            |  |                                  |
| Prepays  | 108,869              | -                          | -  | -                                |
| Restricted:  |                      |                            |  |                                  |
| Road and bridge  | -                    | 3,943,999                  | -  | -                                |
| Special revenue funds  | -                    | -                          | 4,830,966                                | 1,795,251                        |
| Assigned:  |                      |                            |  |                                  |
| Airport  | 30,563               | -                          | -  | -                                |
| Rodeo arena/fairgrounds  | 33,822               | -                          | -  | -                                |
| Economic development   | 49,998               | -                          | -  | -                                |
| Benevolence  | 1,003                | -                          | -  | -                                |
| Waste collection center  | 422,614              | -                          | -  | -                                |
| County right of way  | 728,459              | -                          | -  | -                                |
| Emergency operations center  | 136,334              | -                          | -  | -                                |
| Nutrition center   | 129,394              | -                          | -  | -                                |
| Courthouse restoration   | 514,474              | -                          | -  | -                                |
| Legislative  | 11,425               | -                          | -  | -                                |
| Unassigned   | 3,401,004            | -                          | -  | -                                |
| <b>Total Fund Balances</b>   | <b>5,567,959</b>     | <b>3,943,999</b>           | <b>4,830,966</b>                         | <b>1,795,251</b>                 |
| <b>Total Liabilities, Deferred Inflows<br/>of Resources, and Fund Balances</b> | <b>\$ 14,061,222</b> | <b>\$ 6,854,560</b>        | <b>4,830,966</b>                         | <b>\$ 1,825,574</b>              |

**Total  
Governmental  
Funds**

\$ 14,032,467  
2,445,091  
8,164,080  
2,794,173  
108,869  
27,642  
\$ 27,572,322

\$ 307,552  
27,642  
335,194

11,098,953

108,869

3,943,999  
6,626,217

30,563  
33,822  
49,998  
1,003

422,614  
728,459  
136,334  
129,394  
514,474  
11,425

3,401,004  
16,138,175

\$ 27,572,322

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**TYLER COUNTY, TEXAS**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO**  
**THE STATEMENT OF NET POSITION**  
**December 31, 2016**

|  |  |                      |
|--|--|----------------------|
| Fund balances - total governmental funds   |  | \$ 16,138,175        |
| 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 the governmental funds.                   |  |                      |
| Nondepreciable capital assets  |  | 600,300              |
| Depreciable capital assets, net  |  | 13,688,749           |
| Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds.                          |  |                      |
| Deferred inflows - property tax  |  | 1,623,057            |
| Deferred outflows and deferred inflows related to pension activity during the current period.  |  |                      |
| Deferred outflows - pension  |  | 2,039,111            |
| Deferred inflows - pension   |  | (291,030)            |
| Long-term liabilities, including compensated absences, are not due and payable in the current period and, therefore, are not reported in the governmental funds. |  |                      |
| Long-term liabilities due within one year  |  | (578,573)            |
| Long-term liabilities due in more than one year  |  | (3,032,241)          |
| Court fines receivable, net of related allowance, are not current financial resources and, therefore, are not reported in the governmental funds.                |  |                      |
|  |  | 153,575              |
|  | <b>Net Position of Governmental Activities</b> | <u>\$ 30,341,123</u> |

See Notes to Financial Statements.

**TYLER COUNTY, TEXAS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
For the Year Ended December 31, 2016

|  | <u>General</u>      | <u>Road and<br/>Bridge</u> | <u>Emergency<br/>Disaster<br/>Relief</u> | <u>Nonmajor<br/>Governmental</u> |
|--|---------------------|----------------------------|--|----------------------------------|
| <b>Revenues</b>  |                     |                            |  |                                  |
| Taxes  | \$ 7,534,041        | \$ 2,410,518               | \$ -                                     | \$ -                             |
| Intergovernmental  | 172,125             | 735,357                    | -  | 319,221                          |
| Auto registration  | -                   | 479,809                    | -  | -                                |
| Other fees   | 1,224,947           | 22,217                     | -  | 140,189                          |
| Investment income  | 25,471              | 7,838                      | 8,424                                    | 3,407                            |
| Other revenues   | 434,868             | 55,362                     | -  | 882                              |
| <b>Total Revenues</b>  | <u>9,391,452</u>    | <u>3,711,101</u>           | <u>8,424</u>                             | <u>463,699</u>                   |
| <b>Expenditures</b>  |                     |                            |  |                                  |
| General government   | 4,292,591           | -                          | -  | 260,865                          |
| Administration of justice  | 895,524             | -                          | -  | 19,521                           |
| Roads and bridges  | -                   | 2,983,344                  | -  | -                                |
| Public safety  | 2,407,076           | -                          | -  | 81,338                           |
| Health and human services  | 343,673             | -                          | -  | -                                |
| Community enrichment   | 55,520              | -                          | -  | -                                |
| Tax administration   | 259,104             | -                          | -  | -                                |
| <b>Debt service:</b>   |                     |                            | -  |                                  |
| Principal  | 70,542              | 91,893                     | -  | -                                |
| Interest   | 8,464               | 14,143                     | -  | -                                |
| <b>Capital outlay</b>  | 325,261             | 228,987                    | -  | 168                              |
| <b>Total Expenditures</b>  | <u>8,657,755</u>    | <u>3,318,367</u>           | <u>-</u>                                 | <u>361,892</u>                   |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | 733,697             | 392,734                    | 8,424                                    | 101,807                          |
| <b>Other Financing Sources (Uses)</b>                                |                     |                            |  |                                  |
| Transfers in   | 120,208             | 202,050                    | 2,500,000                                | 46,811                           |
| Transfers (out)  | (2,748,861)         | -                          | -  | (120,208)                        |
| Sale of capital assets   | -                   | 2,400                      | -  | -                                |
| <b>Total Other Financing Sources (Uses)</b>                          | <u>(2,628,653)</u>  | <u>204,450</u>             | <u>2,500,000</u>                         | <u>(73,397)</u>                  |
| <b>Net Change in Fund Balances</b>                                   | (1,894,956)         | 597,184                    | 2,508,424                                | 28,410                           |
| Beginning fund balances  | 7,462,915           | 3,346,815                  | 2,322,542                                | 1,766,841                        |
| <b>Ending Fund Balances</b>  | <u>\$ 5,567,959</u> | <u>\$ 3,943,999</u>        | <u>4,830,966</u>                         | <u>\$ 1,795,251</u>              |

See Notes to Financial Statements.

**Total  
Governmental  
Funds**

\$ 9,944,559  
1,226,703  
479,809  
1,387,353  
45,140  
491,112  

---

13,574,676

4,553,456  
915,045  
2,983,344  
2,488,414  
343,673  
55,520  
259,104

162,435  
22,607  
554,416  

---

12,338,014

1,236,662

2,869,069  
(2,869,069)  
2,400  

---

2,400

1,239,062

14,899,113  

---

\$ 16,138,175

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# TYLER COUNTY, TEXAS

## *RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES*

For the Year Ended December 31, 2016

Net changes in fund balances – total governmental funds \$ 1,239,062

Amounts reported for governmental activities in the Statement of Activities are different because:

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.

|                                 |             |
|---------------------------------|-------------|
| Capital outlay                  | 767,697     |
| Depreciation expense            | (1,060,028) |
| Net effect of capital disposals | (34,868)    |

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

|                  |        |
|------------------|--------|
| Deferred revenue | 87,754 |
|------------------|--------|

Court fines receivable, net of related allowance, are not current financial resources and, therefore, are not reported in the governmental funds.

10,479

Net pension liability and deferred outflows and deferred inflows related to the net pension liability are not reported in the governmental funds.

|                             |             |
|-----------------------------|-------------|
| Net pension liability       | (1,155,284) |
| Deferred outflows - pension | 1,352,705   |
| Deferred inflows - pension  | (224,876)   |

The issuance of long-term debt (e.g., bonds, leases, certificates of obligation) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when it is first issued; whereas, these amounts are deferred and amortized in the Statement of Activities.

|                    |         |
|--------------------|---------|
| Principal payments | 162,435 |
|--------------------|---------|

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. This adjustment reflects the net change in the OPEB obligation and compensated absences.

|                      |           |
|----------------------|-----------|
| Net OPEB obligation  | (178,807) |
| Compensated absences | (24,053)  |

|  |                   |
|--|-------------------|
| <b>Change in Net Position of Governmental Activities</b> | <b>\$ 942,216</b> |
|--|-------------------|

See Notes to Financial Statements.

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**TYLER COUNTY, TEXAS**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**AGENCY FUNDS**  
**December 31, 2016**

|                               |                          | <u>Total Agency Funds</u> |
|-------------------------------|--------------------------|---------------------------|
| <b><u>Assets</u></b>          |                          |                           |
| Cash and cash equivalents     |                          | \$ 6,867,694              |
|                               | <b>Total Assets</b>      | <u>\$ 6,867,694</u>       |
| <br><b><u>Liabilities</u></b> |                          |                           |
| Due to other units            |                          | \$ 6,867,694              |
|                               | <b>Total Liabilities</b> | <u>\$ 6,867,694</u>       |

See Notes to Financial Statements.

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**TYLER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended December 31, 2016

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

Tyler County, Texas (the “County”) is an independent government entity created in 1846 from Liberty County by an act of the Texas Legislature. The County is governed by Commissioners’ Court, composed of four County Commissioners and the County Judge, all of whom are elected officials.

The County’s financial statements include the accounts of all County operations. The County provides a vast array of services including administration of general government, justice, road and bridges, public safety, health and human services, community enrichment, and tax administration.

Considerations regarding the potential for inclusion of other entities, organizations, or functions in the County’s financial reporting entity are based on criteria prescribed by generally accepted accounting principles. These same criteria are evaluated in considering whether the County is a part of any other governmental or other type of reporting entity. The overriding elements associated with prescribed criteria considered in determining that the County’s financial reporting entity status is that of a primary government are that it has a separately elected governing body, it is legally separate, and it is fiscally independent of other state and local governments. Additionally, prescribed criteria under generally accepted accounting principles include considerations pertaining to organizations for which the primary government is financially accountable and considerations pertaining to organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete.

The County’s basic financial statements include the primary government only. The County has no oversight responsibility for any other entities since they are not considered financially accountable to the County. Financial accountability is determined on the basis of budget adoption, taxing authority, funding, and appointment of the respective governing body.

**B. Government-Wide Financial Statements**

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. The County has no business-type activities.

**C. Basis of Presentation – Government-Wide Financial Statements**

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

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

**TYLER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended December 31, 2016

**D. Basis of Presentation – Fund Financial Statements**

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

The County reports the following governmental funds:

The *general fund* is used to account for and report all financial transactions not accounted for and reported in another fund. The principal sources of receipts include local property taxes, fees, fines and forfeitures, and charges for services. Disbursements include general government, administration of justice, public safety, health and human services, community enrichment, and tax administration. The general fund is always considered a major fund for reporting purposes.

The *special revenue funds* are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The following special revenue funds are considered major funds for reporting purposes:

*Road and bridge fund* – This fund is used to account for receipts of property taxes levied and vehicle registration fees. Uses of funds are restricted for the maintenance of roads, bridges, and the operations of related facilities. All precinct operations, as well as permanent road monies, are accounted for in this fund.

*Emergency disaster relief fund* – This fund is used to account for funds to be used for future disasters.

Additionally, the County reports the following fund types:

*Fiduciary funds* are used to account for and report resources held for the benefit of parties outside the County. The County maintains one type of fiduciary fund, agency funds. The agency funds are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the County holds for others in an agency capacity.

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

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

**TYLER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended December 31, 2016**

**E. Measurement Focus and Basis of Accounting**

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

The government-wide and fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

**F. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance**

**1. Cash and Cash Equivalents**

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

The County maintains a pooled cash account. Each fund whose monies are deposited in the pooled cash account has equity therein, and interest earned on the investment of these monies is allocated based upon relative equity at the previous month end. Amounts on deposit in interest bearing accounts and other investments are displayed on the combined balance sheet as "cash and cash equivalents."

**TYLER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended December 31, 2016

**2. Investments**

The Public Funds Investment Act, Chapter 2256 of the Local Government Code of Texas authorizes 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 and instrumentalities;
- (c) collateral mortgage obligations, although significantly limited;
- (d) other obligations, the principal and interest on which are unconditionally guaranteed or insured or backed by the full faith and credit of the State of Texas or the United States or their respective agencies and instrumentalities;
- (e) obligations of state, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm of not less than "A" or its equivalent;
- (f) certificates of deposit issued by state and national banks or savings and loan domiciled in Texas in accordance with specific criteria;
- (g) fully collateralized repurchase agreements, bankers' acceptances, commercial paper, mutual funds, and investment pools all of which are required to meet certain restrictive criteria.

**3. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities columns in the government-wide financial statements. In accordance with GASB Statement No. 34, infrastructure has been capitalized retroactively. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

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.

Property, plant, and equipment of the County are depreciated using the straight-line method over the following estimated useful years:

| Asset Description          | Estimated Useful Life |
|----------------------------|-----------------------|
| Equipment                  | 5 to 10 years         |
| Buildings and improvements | 10 to 50 years        |
| Infrastructure             | 5 to 50 years         |

**TYLER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended December 31, 2016

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

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The County has three items that qualify for reporting in this category. A deferred outflow of resources is recognized as a result of the change in actuarial assumptions related to the County's defined benefit pension plan. This amount is deferred and amortized over the average of the expected service lives of the pension plan members. Another deferred charge has been recognized for the difference between the projected and actual investment earnings on the pension plan assets. This amount is deferred and amortized over a period of five years. A deferred charge has been recognized for employer pension plan contributions that were made subsequent to the measurement date through the end of the County's fiscal year. This amount is deferred and recognized as a reduction to the net pension liability during the measurement period in which the contributions were made.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Deferred charges are recognized as a result of differences between the actuarial expectations and the actual economic experience related to the County's defined benefit pension plan. This amount is deferred and amortized over the average of the expected service lives of pension plan members. At the government-wide level, the County reports a deferred inflow of resources for that portion of property taxes that was collected for use in the subsequent period. At the fund level, the County has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

**5. Compensated Employee Absences**

It is the County's policy to permit employees to accumulate earned but unused vacation, compensatory time, and sick pay benefits. Additionally, Sheriff's department employees are allowed to accumulate holidays. No liability is reported for unpaid accumulated sick leave since it does not vest. Vacation, compensatory time, and holiday pay that is expected to be liquidated with expendable, available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it when it matures or becomes due. Amounts of vested or accumulated vacation leave and compensatory time that are not expected to be liquidated with expendable, available financial resources are maintained separately and represent a reconciling item between the fund and government-wide presentations.

**6. Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method, if material. Bonds payable are reported net of the applicable bond premium or discount.

**TYLER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended December 31, 2016

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.

The property tax rate is allocated each year between the general and road and bridge funds.

Assets acquired under the terms of a capital lease are recorded as liabilities and capitalized in the government-wide financial statements at the present value of net minimum lease payments at inception of the lease. In the year of acquisition, capital lease transactions are recorded as other financing sources and as capital outlay expenditures in the applicable fund. Lease payments representing both principal and interest are recorded as expenditures in the general and road and bridge funds upon payment with an appropriate reduction of principal recorded in the government-wide financial statements.

**7. Net Position Flow Assumption**

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

**8. Fund Balance Flow Assumptions**

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

**9. Fund Balance Policies**

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

Amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact are classified as nonspendable fund balance. Amounts that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions are classified as restricted.

**TYLER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended December 31, 2016**

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

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

**10. 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, liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**11. Pensions**

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

**G. Revenues and Expenditures/Expenses**

**1. Program Revenues**

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

**TYLER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended December 31, 2016

**2. Property Taxes**

General property taxes are recorded as receipts when levied for the current year and due, payable, and collected in the current year.

The property tax calendar dates are:

- Levy date and due date – October 1
- Collection dates – October 1 through June 30
- Lien date – July 1

The County bills and collects its own taxes and those for certain government entities within the County. Collections of the property taxes and subsequent remittances to the proper entities are accounted for in the tax assessor’s agency fund. Tax collections deposited for the County are distributed on a periodic basis to the general and road and bridge funds of the County. This distribution is based upon the tax rate established for each fund by order of the Commissioners’ Court for the tax year for which the collections are made.

The appraisal of property within the County is the responsibility of the County-wide appraisal district, which is required under the Property Tax Code to assess all property within the appraisal district on the basis of 100 percent of its appraised value and is prohibited from applying any assessment ratios. The appraisal district must review the value of the property within the County every three years unless the County, at its own discretion, requires more frequent reviews. The County may challenge the appraised values through various appeals and, if necessary, legal action. Under this legislation, the County sets tax rates on County property.

**II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

The original budget is adopted by the Commissioners’ Court prior to the beginning of the year. The legal level of control is the department level as defined by State statute. Management is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total disbursements of any fund must be approved by the Commissioners’ Court.

Budgets are adopted on a GAAP basis for all budgeted funds. Several supplemental budget appropriations were made for the year ended December 31, 2016.

**III. DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

As of December 31, 2016, the County had the following investments:

| <u>Investment Type</u>              | <u>Value</u> | <u>Weighted Average Maturity (Years)</u> |
|-------------------------------------|--------------|--|
| Certificates of deposit             | \$ 2,445,091 | 0.70                                     |
| Portfolio weighted average maturity |              | 0.70                                     |

*Interest rate risk.* In accordance with its investment policy, the County manages its exposure to declines in fair market values by limiting the stated maturity of its investment portfolio to no more than two years.



**TYLER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended December 31, 2016

*Custodial credit risk – deposits.* In the case of deposits, this is the risk that in the event of a bank failure, the County’s deposits may not be returned to it. The County’s investment policy requires funds on deposit at the depository bank to be collateralized by securities and FDIC insurance. As of December 31, 2016, the market values of pledged securities and FDIC insurance exceeded bank balances.

**B. Receivables**

Amounts are aggregated into a single accounts receivable (net of allowance for uncollectibles) line for certain funds and aggregated columns. Below is the detail of receivables for the general fund and road and bridge fund, including the applicable allowances for uncollectible accounts:

|                             | <b>General</b> | <b>Road and<br/>Bridge</b> | <b>Total</b> |
|-----------------------------|----------------|----------------------------|--------------|
| Property taxes              | \$ 6,045,192   | \$ 2,101,792               | \$ 8,146,984 |
| Other taxes                 | 102,520        | -                          | 102,520      |
| Allowance for uncollectible | (62,020)       | (23,404)                   | (85,424)     |
|                             | \$ 6,085,692   | \$ 2,078,388               | \$ 8,164,080 |

**TYLER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended December 31, 2016

**C. Capital Assets**

A summary of changes in capital assets for the year end is as follows:

|  | <b>Beginning<br/>Balance*</b> | <b>Increases</b>    | <b>(Decreases)</b>                      | <b>Ending<br/>Balance</b> |
|--|-------------------------------|---------------------|---|---------------------------|
| <b>Governmental Activities</b>                     |                               |                     |   |                           |
| Capital assets not being depreciated:              |                               |                     |   |                           |
| Land   | \$ -                          | \$ 49,096           | \$ -                                    | \$ 49,096                 |
| Construction in progress                           | 149,431                       | 401,773             | -                                       | 551,204                   |
| Total capital assets not being depreciated         | 149,431                       | 450,869             | -                                       | 600,300                   |
| Other capital assets:                              |                               |                     |   |                           |
| Equipment  | 5,823,877                     | 270,188             | (124,298)                               | 5,969,767                 |
| Buildings and improvements                         | 4,433,874                     | 6,958               | -                                       | 4,440,832                 |
| Infrastructure                                     | 62,208,121                    | 39,682              | -                                       | 62,247,803                |
| Total other capital assets                         | 72,465,872                    | 316,828             | (124,298)                               | 72,658,402                |
| Less accumulated depreciation for:                 |                               |                     |   |                           |
| Equipment  | (4,051,528)                   | (469,672)           | 89,430                                  | (4,431,770)               |
| Buildings and improvements                         | (1,357,160)                   | (102,701)           | -                                       | (1,459,861)               |
| Infrastructure                                     | (52,590,367)                  | (487,655)           | -                                       | (53,078,022)              |
| Total accumulated depreciation                     | (57,999,055)                  | (1,060,028)         | 89,430                                  | (58,969,653)              |
| Other capital assets, net                          | 14,466,817                    | (743,200)           | (34,868)                                | 13,688,749                |
| <b>Governmental Activities Capital Assets, Net</b> | <b>\$ 14,616,248</b>          | <b>\$ (292,331)</b> | <b>\$ (34,868)</b>                      | <b>14,289,049</b>         |
|  |                               |                     | Less associated debt                    | (719,650)                 |
|  |                               |                     | <b>Net Investment in Capital Assets</b> | <b>\$ 13,569,399</b>      |

\*Beginning balances have been restated.

Depreciation was charged to governmental functions as follows:

|   |                     |
|---|---------------------|
| General government  | \$ 41,553           |
| Roads and bridges   | 811,567             |
| Health and human services                                 | 34,445              |
| Public safety   | 172,463             |
| <b>Total Governmental Activities Depreciation Expense</b> | <b>\$ 1,060,028</b> |

**D. Long-Term Debt**

The following is a summary of changes in the County's total governmental long-term liabilities for the year ended December 31, 2016. In general, the County uses the general and road and bridge funds to liquidate governmental long-term liabilities.

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.

**TYLER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended December 31, 2016

|                                      | Beginning<br>Balance | Additions           | Reductions          | Ending<br>Balance   | Due Within<br>One Year |
|--------------------------------------|----------------------|---------------------|---------------------|---------------------|------------------------|
| <b>Governmental Activities:</b>      |                      |                     |                     |                     |                        |
| Capital leases                       | \$ 882,085           | \$ -                | \$ (162,435)        | \$ 719,650          | \$ 398,674             |
|                                      | <u>882,085</u>       | <u>-</u>            | <u>(162,435)</u>    | <u>719,650</u>      | <u>* 398,674</u>       |
| Other:                               |                      |                     |                     |                     |                        |
| Compensated absences                 | 175,835              | 174,249             | (150,196)           | 199,888             | 179,899                |
| Net pension liability                | 703,687              | 1,155,284           | -                   | 1,858,971           | -                      |
| Net OPEB obligation                  | 653,498              | 178,807             | -                   | 832,305             | -                      |
|                                      | <u>1,533,020</u>     | <u>1,508,340</u>    | <u>(150,196)</u>    | <u>2,891,164</u>    | <u>179,899</u>         |
| <b>Total Governmental Activities</b> | <u>\$ 2,415,105</u>  | <u>\$ 1,508,340</u> | <u>\$ (312,631)</u> | <u>\$ 3,610,814</u> | <u>\$ 578,573</u>      |

Long-term debt due in more than one year \$ 3,032,241

\* Debt associated with capital assets \$ 719,650

Long-term debt obligations of the County as of December 31, 2016 are as follows:

|                               | Interest Rate | Original<br>Amount          | Balance           |
|-------------------------------|---------------|-----------------------------|-------------------|
| <b>Capital leases</b>         |               |                             |                   |
| First National Bank Southlake | 2.55%         | \$ 157,600                  | \$ 146,648        |
| First National Bank Southlake | 2.55%         | \$ 167,600                  | 153,568           |
| First National Bank Southlake | 2.55%         | \$ 198,100                  | 191,376           |
| First National Bank Southlake | 2.55%         | \$ 56,808                   | 38,403            |
| First National Bank Southlake | 3.25%         | \$ 25,590                   | 10,531            |
| First National Bank Southlake | 3.25%         | \$ 27,590                   | 11,354            |
| First National Bank Southlake | 3.25%         | \$ 28,340                   | 11,663            |
| First National Bank Southlake | 3.25%         | \$ 28,340                   | 11,663            |
| First National Bank Southlake | 3.25%         | \$ 28,490                   | 11,725            |
| First National Bank Southlake | 3.25%         | \$ 28,490                   | 11,725            |
| First National Bank Southlake | 3.25%         | \$ 32,645                   | 19,945            |
| First National Bank Southlake | 3.25%         | \$ 32,645                   | 19,945            |
| First National Bank Southlake | 3.25%         | \$ 33,185                   | 20,276            |
| First National Bank Southlake | 3.25%         | \$ 33,185                   | 20,276            |
| First National Bank Southlake | 3.25%         | \$ 33,185                   | 20,276            |
| First National Bank Southlake | 3.25%         | \$ 33,185                   | 20,276            |
|                               |               | <b>Total Capital Leases</b> | <u>\$ 719,650</u> |

**TYLER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended December 31, 2016

Future minimum payments, including interest, to retire capital leases are as follows:

| Year<br>Ending<br>Dec. 31 | Capital Leases    |                  |
|---------------------------|-------------------|------------------|
|                           | Principal         | Interest         |
| 2017                      | \$ 398,674        | \$ 19,644        |
| 2018                      | 279,327           | 12,912           |
| 2019                      | 41,649            | 1,354            |
| <b>Total</b>              | <b>\$ 719,650</b> | <b>\$ 33,910</b> |

Machinery and equipment acquired under current capital lease obligations totaled \$1,213,400 and accumulated depreciation totaled \$415,903.

**E. Interfund Transfers**

Transfers between the primary governmental funds during the 2016 year were as follows:

| Transfers in                 | Transfers out               | Amounts             |
|------------------------------|-----------------------------|---------------------|
| Major funds:                 |                             |                     |
| General fund                 | Nonmajor governmental funds | \$ 120,208          |
| Emergency disaster fund      | General fund                | 2,500,000           |
| Road and bridge fund         | General fund                | 202,050             |
| Nonmajor governmental funds: |                             |                     |
| Nonmajor governmental funds  | General fund                | 46,811              |
|                              | <b>Total</b>                | <b>\$ 2,869,069</b> |

Amounts transferred between funds relate to amounts collected by general, road and bridge, and special revenue funds for various governmental disbursements.

The composition of interfund balances as of December 31, 2016 is as follows:

| Due to       | Due from                    | Amounts          |
|--------------|-----------------------------|------------------|
| General fund | Nonmajor governmental funds | \$ 27,642        |
|              | <b>Total</b>                | <b>\$ 27,642</b> |

Amounts recorded as due to/from are considered to be temporary loans and will be repaid during the following year.

**TYLER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended December 31, 2016

**F. Restatement of Net Position/Fund Balance**

The County has restated beginning net position due to the addition of capital assets and associated depreciation at the government-wide level as required by generally accepted accounting principles. Beginning net position and fund balance of the general fund were also restated for a prior year accounts payable related to construction in progress. The beginning net position/fund balance was restated as follows:

|   | <b>Governmental<br/>Activities</b> | <b>General</b>      |
|---|------------------------------------|---------------------|
| Beginning net position/fund balance - as reported     | \$ 29,258,118                      | \$ 7,520,859        |
| Change in reporting of capital assets                 | 214,608                            | -                   |
| Change in reporting of depreciation                   | (15,875)                           | -                   |
| Restatement - accounts payable                        | (57,944)                           | (57,944)            |
| <b>Beginning Net Position/Fund Balance - Restated</b> | <b>\$ 29,398,907</b>               | <b>\$ 7,462,915</b> |

**IV. OTHER INFORMATION**

**A. 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; and natural disasters for which the County carries commercial insurance. In addition, the County participates along with 279 other entities in the Texas Association of Counties' Workers' Compensation Self-Insurance Fund (the "Pool"). The Pool was created by the Texas Association of Counties in 1974 to insure the County for workers' compensation related claims. This Pool purchases commercial insurance at group rates for participants in the Pool. The County has no additional risk or responsibility to the Pool in which it participates, outside of payment of insurance premiums. The County has not significantly reduced insurance coverage or had settlements that exceeded coverage amounts for the past three fiscal years.

**B. Contingent Liabilities**

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

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends, including frequency and amount of payouts, and other economic and social factors. No claims are reported at year end.

**TYLER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended December 31, 2016

**C. Pension Plan**

**Texas County and District Retirement System**

Plan Description

The Texas County and District Retirement System (TCDRS) is a statewide, agent multiple-employer, public-employee retirement system. TCDRS serves 700 actively participating counties and districts throughout Texas. Each employer maintains its own customized plan of benefits. Plan provisions are adopted by the Commissioners' Court of each employer, within the options available in the TCDRS Act. Because of that, the County has the flexibility and local control to select benefits and pay for those benefits based on its needs and budgets.

Each employer has a defined benefit plan that functions similarly to a cash balance plan. The assets of the plans are pooled for investment purposes, but each employer's plan assets may be used only for the payment of benefits to the members of that employer's plan. In accordance with Texas law, it is intended that the pension plan be construed and administered in a manner that the retirement system will be considered a tax-qualified plan under Section 401(a) of the Internal Revenue Code. TCDRS issues a publicly available comprehensive annual financial report that can be obtained at [www.tcdrs.org](http://www.tcdrs.org).

All eligible employees (except temporary staff) of the County are required to participate in the TCDRS.

Benefits Provided

TCDRS provides retirement, disability, and death benefits. The benefit provisions are adopted by the Commissioners' Court within the options available in Texas state statutes governing TCDRS. Members can retire at age 60 and above with eight or more years of service, with 30 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 of service, but must leave their accumulated contributions in the plan to receive any County-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by the County.

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

The Commissioner's Court adopted the rate of seven percent as the contributed rate payable by the employee members for calendar year 2016. The Commissioners' Court may change the employee contribution rate and the County contribution rate within the options available in the TCDRS Act.

**TYLER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended December 31, 2016

Employees Covered by Benefit Terms

At the December 31, 2015 valuation and measurement date, the following employees were covered by the benefit terms:

|  |                   |
|--|-------------------|
| Inactive employees or beneficiaries currently receiving benefits | 79                |
| Inactive employees entitled to, but not yet receiving, benefits  | 101               |
| Active employees   | 139               |
| <b>Total</b>   | <u><u>319</u></u> |

Contributions

A combination of three elements funds each employer’s plan: employee deposits, employer contributions, and investment income.

- The deposit rate for employees is four percent, five percent, six percent, or seven percent of compensation, as adopted by the employer’s governing body.
- Participating employers are required, by law, to contribute at actuarially determined rates, which are determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method.
- Investment income funds a large part of the benefits employees earn.

Employers have the option of paying more than the required contribution rate each year. Extra contributions can help employers “prefund” benefit increases, such as a cost-of-living adjustment to retirees, and they can be used to help offset or mitigate future increases in the required rate due to negative plan experience. There are two approaches for making extra contributions:

- (a) paying an elected contribution rate higher than the required rate and
- (b) making an extra lump-sum contribution to the employer account.

Employees for the County were required to contribute seven percent of their annual gross earnings during the fiscal year. The contribution rates for the County were 11.08 percent and 11.02 percent in calendar years 2015 and 2016, respectively. The County’s contributions to TCDRS for the fiscal year ended December 31, 2016 were \$534,223 and were less than the required contributions.

Net Pension Liability

The County’s Net Pension Liability (NPL) was measured as of December 31, 2015 and the Total Pension Liability (TPL) used to calculate the NPL was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The actuarial assumptions that determined the TPL as of December 31, 2015 were based on the results of an actuarial experience study for the period January 1, 2009 through October 31, 2012, except where required to be different by GASB 68.

**TYLER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended December 31, 2016**

Key assumptions used in the December 31, 2015 actuarial valuation are as follows:

|                            |  |
|----------------------------|--|
| Valuation Timing           | Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of the fiscal year in the which the contributions are reported.   |
| Actuarial Cost Method      | Entry age normal   |
| Amortization Method        | Level of percentage of payroll, closed   |
| Asset Valuation Method     |  |
| Smoothing period           | 5 years  |
| Recognition method         | Non-asymptotic   |
| Inflation                  | 3.0%   |
| Salary Increases           | Varies by age and service. 4.9% average over career, including inflation   |
| Investment Rate of Return  | 8.10%  |
| Cost of Living Adjustments | Cost-of-living adjustments for the County are not considered to be substantively automatic under GASB 68. Therefore, an 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. |

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

| Asset Class                        | Benchmark  | Target Allocation | Geometric Real Rate of Return (Expected minus Inflation) |
|------------------------------------|--|-------------------|--|
| US Equities                        | Dow Jones U.S. Total Stock Market Index  | 14.50%            | 5.45%  |
| Private Equity                     | Cambridge Associates Global Private Equity & Venture Capital Index                 | 14.00%            | 8.45%  |
| Global Equities                    | MSCI World (net) Index   | 1.50%             | 5.75%  |
| International Equities - Developed | MSCI World Ex USA (net)  | 10.00%            | 5.45%  |
| International Equities - Emerging  | MSCI World Ex USA (net)  | 8.00%             | 6.45%  |
| Investment-Grade Bonds             | Barclays Capital Aggregate Bond Index  | 3.00%             | 1.00%  |
| High-Yield Bonds                   | Citigroup High-Yield Cash-Pay Capped Index   | 3.00%             | 5.10%  |
| Opportunistic Credit               | Citigroup High-Yield Cash-Pay Capped Index   | 2.00%             | 5.09%  |
| Direct Lending                     | Citigroup High-Yield Cash-Pay Capped Index   | 5.00%             | 6.40%  |
| Distressed Debt                    | Citigroup High-Yield Cash-Pay Capped Index   | 3.00%             | 8.10%  |
| REIT Equities                      | 67% FTSE NAREIT Equity REITs Index + 33% FRSE EPRA/NAREIT Global Real Estate Index | 3.00%             | 4.00%  |
| Commodities                        | Bloomberg Commodities Index  |                   |  |
| Master Limited Partnerships (MLP)  | Alerian MLP Index  | 3.00%             | 6.80%  |
| Private Real Estate Partnerships   | Cambridge Associates Real Estate Index   | 5.00%             | 6.90%  |
| Hedge Funds                        | Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index                     | 25.00%            | 5.25%  |

Discount Rate

The discount rate used to measure the TPL was 8.1 percent. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's fiduciary net position was projected to be



**TYLER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended December 31, 2016

available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL.

Changes in the NPL

|   | Increase (Decrease)        |                                |                          |
|---|----------------------------|--------------------------------|--------------------------|
|   | Total Pension<br>Liability | Plan Fiduciary<br>Net Position | Net Pension<br>Liability |
|   | (A)                        | (B)                            | (A) - (B)                |
| Changes for the year:   |                            |                                |                          |
| Service cost  | \$ 629,956                 | \$ -                           | \$ 629,956               |
| Interest  | 1,524,880                  | -                              | 1,524,880                |
| Change of benefit terms                                       | (101,284)                  | -                              | (101,284)                |
| Difference between expected and actual experience             | (329,236)                  | -                              | (329,236)                |
| Change of assumptions   | 211,853                    | -                              | 211,853                  |
| Contributions - employer                                      | -                          | 508,134                        | (508,134)                |
| Contributions - employee                                      | -                          | 321,025                        | (321,025)                |
| Net investment income   | -                          | (31,270)                       | 31,270                   |
| Benefit payments, including refunds of employee contributions | (997,586)                  | (997,586)                      | -                        |
| Administrative expense  | -                          | (13,044)                       | 13,044                   |
| Other changes   | -                          | (3,960)                        | 3,960                    |
| <b>Net changes</b>  | <b>938,583</b>             | <b>(216,701)</b>               | <b>1,155,284</b>         |
| Balance at December 31, 2014                                  | 18,951,709                 | 18,248,022                     | 703,687                  |
| <b>Balance at December 31, 2015</b>                           | <b>\$ 19,890,292</b>       | <b>\$ 18,031,321</b>           | <b>\$ 1,858,971</b>      |

Sensitivity of the NPL to Changes in the Discount Rate

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

|  | 1% Decrease in<br>Discount Rate<br>(7.10%) | Discount Rate<br>(8.10%) | 1% Increase in<br>Discount Rate<br>(9.10%) |
|--|--|--------------------------|--|
| County's Net Pension Liability (Asset) | \$ 4,325,215                               | \$ 1,858,971             | \$ (204,629)                               |

Pension Plan Fiduciary Net Position

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

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

For the fiscal year ended December 31, 2016, the County recognized pension expense of \$562,024.

**TYLER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended December 31, 2016

At December 31, 2016, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|   | <b>Deferred<br/>Outflows<br/>of Resources</b> | <b>Deferred<br/>Inflows<br/>of Resources</b> |
|---|---|--|
| Differences between expected and actual economic experience | \$ -  | \$ 291,030                                   |
| Changes in actuarial assumptions                            | 158,890                                       | -  |
| Difference between projected and actual investment earnings | 1,345,989                                     | -  |
| Contributions subsequent to the measurement date            | 534,233                                       | -  |
| <b>Total</b>  | <b>\$ 2,039,111</b>                           | <b>\$ 291,030</b>                            |

\$534,233 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the NPL for the fiscal year ending December 31, 2017. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

| <b>Year Ended December 31:</b> | <b>Pension<br/>Expense</b> |
|--------------------------------|----------------------------|
| 2017                           | \$ 296,263                 |
| 2018                           | 296,263                    |
| 2019                           | 318,314                    |
| 2020                           | 303,008                    |
| 2021                           | -                          |
| Thereafter                     | -                          |
| <b>Total</b>                   | <b>\$ 1,213,848</b>        |

**D. Other Post Employment Benefits**

Plan Description

In order to recognize and reward long-term employees, as well as to provide an incentive for remaining in the County's employment, the County administers a single-employer defined benefit other post employment benefits (OPEB) plan, known as Tyler County Retiree Health Care Plan (the "Plan").

Retirees who meet the criteria are eligible for health coverage that is 100 percent paid for by the County. Retirees must be 62 years of age and have eight years of continuous service with the County. Retirees who retire before age 62 are eligible for health coverage that is 80 percent paid for by the County based on the following eligibility rule of 25 years of continuous service with the County and meet the 75 points rule. Health coverage ends at age 65 and four months. Members terminating before normal retirement conditions are not eligible for retiree health care.

The County does not provide death-in-service benefits to a surviving spouse of an employee. Surviving spouses are eligible for Consolidated Omnibus Budget Reconciliation Act (COBRA) benefits only.

Unless qualified based on normal retirement benefits above, the County does not provide health benefits to a disabled retiree. Disabled retirees are eligible for COBRA benefits only.

Effective August 1, 2006, retirees will have a flat \$10,000 life benefit with no age reduction. This coverage is offered at no cost to the retiree.

**TYLER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended December 31, 2016

Retirees may purchase health care coverage for eligible spouses and dependents at their own expense.  
Funding Policy

The County has elected to finance the OPEB plan on a pay-as-you-go basis.

Annual OPEB Cost

The County's annual OPEB cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of accrual that, if paid on an ongoing basis, is projected to cover the normal cost each year and to amortize any unfunded actuarial liabilities (or funding excesses) over a period not to exceed 30 years.

The County's annual OPEB cost for the fiscal year ending December 31, 2016 is as follows:

|   |                          |
|---|--------------------------|
| Annual required contribution (ARC)                | \$ 205,431               |
| Interest on OPEB obligation                       | 26,140                   |
| Adjustment to ARC                                 | <u>(25,465)</u>          |
| Annual OPEB cost (expense) end of year            | 206,106                  |
| Net estimated employer contributions              | <u>(27,299)</u>          |
| Increase in net OPEB obligation                   | 178,807                  |
| Net OPEB obligation - as of beginning of the year | <u>653,498</u>           |
| Net OPEB obligation - as of end of the year       | <u><u>\$ 832,305</u></u> |

The County's annual OPEB cost, the amount contributed by the employer, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year ending December 31, 2016 and the preceding two fiscal years were as follows:

| <u>Fiscal Year<br/>Ended</u> | <u>Annual OPEB<br/>Cost</u> | <u>Amount<br/>Contributed</u> | <u>Percentage<br/>Contributed</u> | <u>Net OPEB<br/>Obligation</u> |
|------------------------------|-----------------------------|-------------------------------|-----------------------------------|--------------------------------|
| 2014                         | \$ 159,445                  | \$ 64,464                     | 40.4%                             | \$ 579,552                     |
| 2015                         | \$ 164,494                  | \$ 90,548                     | 55.0%                             | \$ 653,498                     |
| 2016                         | \$ 206,106                  | \$ 27,299                     | 13.2%                             | \$ 832,305                     |

Funded Status

The funded status of the County's retiree health care plan under GASB Statement No. 45 as of December 31, 2016 is as follows:

| <u>Actuarial<br/>Valuation<br/>Date as of</u> | <u>Actuarial<br/>Value of<br/>Assets<br/>(a)</u> | <u>Actuarial<br/>Accrued<br/>Liability (AAL)<br/>(b)</u> | <u>Unfunded<br/>AAL<br/>(UAAL)<br/>(b-a)</u> | <u>Funded<br/>Ratio<br/>(a/b)</u> | <u>Annual<br/>Covered<br/>Payroll<br/>(d)</u> | <u>Ratio of UAAL<br/>to Annual<br/>Covered Payroll<br/>(b-a)/d</u> |
|---|--|--|--|-----------------------------------|---|--|
| 12/31/16                                      | \$ -   | \$1,512,751  | \$1,512,751                                  | 0.0%                              | \$4,848,558                                   | 31.2%  |

Under the reporting parameters, the County's retiree health care plan is zero percent funded with an estimated actuarial accrued liability exceeding actuarial assets by \$1,512,751 at December 31, 2016. As of the most recent valuation, the ratio of the unfunded actuarial accrued liability to annual covered payroll is 31.2 percent.

**TYLER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended December 31, 2016**

Actuarial Methods and Assumptions

The Entry Age Normal 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 actuarial cost method then provides for a systematic funding for 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 the County's 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:

|                            |  |
|----------------------------|--|
| Inflation rate             | 2.50% per annum  |
| Investment rate of return  | 4.00% net of expenses  |
| Actuarial cost method      | Entry Age Normal Cost Method   |
| Amortization method        | Level as a percentage of employee payroll                                  |
| Amortization period        | 30-year open amortization  |
| Payroll growth             | 3.00% per annum  |
| Healthcare cost trend rate | Initial rate of 7.50% declining to an ultimate rate of 5.50% after 9 years |

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status and the ARC of the County's retiree health care plan are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress presented as RSI provides multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

***REQUIRED SUPPLEMENTARY INFORMATION***

**TYLER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Page 1 of 2)**  
**GENERAL FUND**

For the Year Ended December 31, 2016

|                                   | <u>Budgeted Amounts</u> |                  | <u>Actual<br/>Amounts</u> | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|-----------------------------------|-------------------------|------------------|---------------------------|---|
|                                   | <u>Original</u>         | <u>Final</u>     |                           |   |
| <b>Revenues</b>                   |                         |                  |                           |   |
| Taxes                             | \$ 6,397,536            | \$ 6,397,536     | \$ 7,534,041              | \$ 1,136,505  |
| Intergovernmental                 | 221,000                 | 221,000          | 172,125                   | (48,875)  |
| Other fees                        | 1,118,322               | 1,118,322        | 1,224,947                 | 106,625   |
| Interest                          | 17,080                  | 17,080           | 25,471                    | 8,391   |
| Other revenues                    | 121,550                 | 121,550          | 434,868                   | 313,318   |
| <b>Total Revenues</b>             | <u>7,875,488</u>        | <u>7,875,488</u> | <u>9,391,452</u>          | <u>1,515,964</u>  |
| <b>Expenditures</b>               |                         |                  |                           |   |
| <b>General Government:</b>        |                         |                  |                           |   |
| General operations                | 5,096,973               | 5,467,452        | 2,910,931                 | 2,556,521   |
| County judge                      | 182,970                 | 184,276          | 147,342                   | 36,934  |
| County treasurer                  | 99,114                  | 122,214          | 122,214                   | -   |
| County auditor                    | 146,655                 | 147,173          | 144,636                   | 2,537   |
| County clerk                      | 282,590                 | 311,883          | 310,716                   | 1,167   |
| Maintenance                       | 447,219                 | 465,782          | 436,885                   | 28,897  |
| County court                      | 297,650                 | 357,446          | 219,867                   | 137,579   |
|                                   | <u>6,553,171</u>        | <u>7,056,226</u> | <u>4,292,591</u>          | <u>2,763,635</u>  |
| <b>Administration of Justice:</b> |                         |                  |                           |   |
| Justice of the peace              | 275,899                 | 279,357          | 271,152                   | 8,205   |
| District attorney                 | 351,025                 | 356,827          | 343,048                   | 13,779  |
| Judicial                          | 63,604                  | 105,548          | 85,486                    | 20,062  |
| District clerk                    | 205,655                 | 206,046          | 195,838                   | 10,208  |
|                                   | <u>896,183</u>          | <u>947,778</u>   | <u>895,524</u>            | <u>52,254</u>   |
| <b>Public Safety:</b>             |                         |                  |                           |   |
| DPS                               | 34,968                  | 34,968           | 1,000                     | 33,968  |
| Sheriff's department jail         | 468,897                 | 546,072          | 546,072                   | -   |
| Sheriff's department office       | 1,581,158               | 1,649,774        | 1,528,888                 | 120,886   |
| Constables                        | 170,590                 | 190,534          | 183,625                   | 6,909   |
| Emergency operations center       | 196,735                 | 196,735          | 147,491                   | 49,244  |
|                                   | <u>2,452,348</u>        | <u>2,618,083</u> | <u>2,407,076</u>          | <u>211,007</u>  |
| <b>Health and Human Services:</b> |                         |                  |                           |   |
| Veterans services                 | 47,497                  | 47,507           | 31,476                    | 16,031  |
| County extension                  | 49,033                  | 51,029           | 46,124                    | 4,905   |
| Waste collection center           | 179,932                 | 182,434          | 163,606                   | 18,828  |
| Health and sanitation             | 25,000                  | 58,215           | 52,215                    | 6,000   |
| Nutrition center                  | 40,474                  | 50,252           | 50,252                    | -   |
|                                   | <u>341,936</u>          | <u>389,437</u>   | <u>343,673</u>            | <u>45,764</u>   |

**TYLER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Page 2 of 2)**  
**GENERAL FUND**

For the Year Ended December 31, 2016

|  | <u>Budgeted Amounts</u> |                       | <u>Actual<br/>Amounts</u> | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|--|-------------------------|-----------------------|---------------------------|---|
|  | <u>Original</u>         | <u>Final</u>          |                           |   |
| <b><u>Expenditures (continued)</u></b>       |                         |                       |                           |   |
| <b>Community Enrichment</b>                  |                         |                       |                           |   |
| Airport                                      | \$ 11,357               | \$ 11,409             | \$ 9,024                  | \$ 2,385  |
| Rodeo arena/fairgrounds                      | 22,530                  | 37,167                | 37,167                    | -   |
| Economic development                         | 10,600                  | 10,600                | 5,500                     | 5,100   |
| Benevolence                                  | 1,000                   | 1,000                 | 279                       | 721   |
| Legislative services                         | 10,500                  | 10,500                | 1,750                     | 8,750   |
| County right of way                          | 501,000                 | 501,000               | 1,800                     | 499,200   |
| Courthouse restoration                       | 75,000                  | 75,000                | -                         | 75,000  |
|  | <u>631,987</u>          | <u>646,676</u>        | <u>55,520</u>             | <u>591,156</u>  |
| <b>Tax Administration</b>                    |                         |                       |                           |   |
| Tax assessor collector                       | 246,556                 | 267,015               | 259,104                   | 7,911   |
|  | <u>246,556</u>          | <u>267,015</u>        | <u>259,104</u>            | <u>7,911</u>  |
| <b>Debt Service</b>                          |                         |                       |                           |   |
| Principal                                    | -                       | 70,542                | 70,542                    | -   |
| Interest and fiscal charges                  | -                       | 8,464                 | 8,464                     | -   |
|  | <u>-</u>                | <u>79,006</u>         | <u>79,006</u>             | <u>-</u>  |
| <b>Capital Outlay</b>                        |                         |                       |                           |   |
|  | 146,393                 | 424,705               | 325,261                   | 99,444  |
|  | <u>146,393</u>          | <u>424,705</u>        | <u>325,261</u>            | <u>99,444</u>   |
| <b>Total Expenditures</b>                    | <u>11,268,574</u>       | <u>12,428,926</u>     | <u>8,657,755</u>          | <u>3,771,171</u>  |
| <b>Excess (Deficiency) of</b>                |                         |                       |                           |   |
| <b>Revenues Over (Under) Expenditures</b>    | <u>(3,393,086)</u>      | <u>(4,553,438)</u>    | <u>733,697</u>            | <u>5,287,135</u>  |
| <b><u>Other Financing Sources (Uses)</u></b> |                         |                       |                           |   |
| Transfers in                                 | 2,200                   | 2,200                 | 120,208                   | 118,008   |
| Transfers (out)                              | (2,915,700)             | (2,748,861)           | (2,748,861)               | -   |
| <b>Total Other Financing (Uses)</b>          | <u>(2,913,500)</u>      | <u>(2,746,661)</u>    | <u>(2,628,653)</u>        | <u>118,008</u>  |
| <b>Net Change in Fund Balance</b>            | <u>\$ (6,306,586)</u>   | <u>\$ (7,300,099)</u> | <u>(1,894,956)</u>        | <u>\$ 5,405,143</u>   |
| Beginning fund balance                       |                         |                       | <u>7,462,915</u>          |   |
| <b>Ending Fund Balance</b>                   |                         |                       | <u>\$ 5,567,959</u>       |   |

**Notes to Required Supplementary Information:**

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

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**TYLER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**ROAD AND BRIDGE FUND**  
For the Year Ended December 31, 2016

|  | Budgeted Amounts    |                       | Actual<br>Amounts   | Variance with<br>Final Budget |
|--|---------------------|-----------------------|---------------------|-------------------------------|
|  | Original            | Final                 |                     | Positive<br>(Negative)        |
| <b>Revenues</b>  |                     |                       |                     |                               |
| Property taxes   | \$ 2,133,550        | \$ 2,133,550          | \$ 2,410,518        | \$ 276,968                    |
| Intergovernmental  | 23,000              | 23,000                | 735,357             | 712,357                       |
| Auto registration  | 470,000             | 470,000               | 479,809             | 9,809                         |
| Other fees   | 23,600              | 23,600                | 22,217              | (1,383)                       |
| Investment income  | 4,400               | 4,400                 | 7,838               | 3,438                         |
| Other revenue  | 1,250               | 1,250                 | 55,362              | 54,112                        |
| <b>Total Revenues</b>                                    | <b>2,655,800</b>    | <b>2,655,800</b>      | <b>3,711,101</b>    | <b>1,055,301</b>              |
| <b>Expenditures</b>                                      |                     |                       |                     |                               |
| Roads and bridges  | 2,998,147           | 3,607,855             | 2,983,344           | 624,511                       |
| Capital outlay   | 216,337             | 256,871               | 228,987             | 27,884                        |
| Principal  | 25,000              | 96,963                | 91,893              | 5,070                         |
| Interest charges   | -                   | 16,982                | 14,143              | 2,839                         |
| <b>Total Expenditures</b>                                | <b>3,239,484</b>    | <b>3,978,671</b>      | <b>3,318,367</b>    | <b>660,304</b>                |
| <b>(Deficiency) of Revenues<br/>(Under) Expenditures</b> | <b>(583,684)</b>    | <b>(1,322,871)</b>    | <b>392,734</b>      | <b>1,715,605</b>              |
| <b>Other Financing Sources (Uses)</b>                    |                     |                       |                     |                               |
| Transfers in   | 2,888,838           | 2,888,838             | 3,142,938           | 254,100                       |
| Transfers (out)  | (2,684,579)         | (2,940,888)           | (2,940,888)         | -                             |
| Sale of capital asset                                    | -                   | -                     | 2,400               | 2,400                         |
| <b>Total Other Financing Sources</b>                     | <b>204,259</b>      | <b>(52,050)</b>       | <b>204,450</b>      | <b>256,500</b>                |
| <b>Net Change in Fund Balance</b>                        | <b>\$ (379,425)</b> | <b>\$ (1,374,921)</b> | <b>597,184</b>      | <b>\$ 1,972,105</b>           |
| Beginning fund balance                                   |                     |                       | 3,346,815           |                               |
| <b>Ending Fund Balance</b>                               |                     |                       | <b>\$ 3,943,999</b> |                               |

**Notes to Required Supplementary Information:**

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
2. Transfers between subfunds have not been eliminated in order to more accurately demonstrate compliance with budgeted amounts.

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**TYLER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**EMERGENCY DISASTER RELIEF FUND**  
For the Year Ended December 31, 2016

|  | <u>Budgeted Amounts</u> |                    | <u>Actual<br/>Amounts</u> | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|--|-------------------------|--------------------|---------------------------|---|
|  | <u>Original</u>         | <u>Final</u>       |                           |   |
| <b><u>Revenues</u></b>   |                         |                    |                           |   |
| Investment income  | \$ 5,000                | \$ 5,000           | \$ 8,424                  | \$ 3,424  |
| <b>Total Revenues</b>  | <u>5,000</u>            | <u>5,000</u>       | <u>8,424</u>              | <u>3,424</u>  |
| <b><u>Expenditures</u></b>   |                         |                    |                           |   |
| Public safety  | 1,710,000               | 1,710,000          | -                         | 1,710,000   |
| Capital outlay   | 95,000                  | 95,000             | -                         | 95,000  |
| <b>Total Expenditures</b>  | <u>1,805,000</u>        | <u>1,805,000</u>   | <u>-</u>                  | <u>1,805,000</u>  |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | <u>(1,800,000)</u>      | <u>(1,800,000)</u> | <u>8,424</u>              | <u>1,808,424</u>  |
| <b><u>Other Financing Sources (Uses)</u></b>                         |                         |                    |                           |   |
| Transfers in   | -                       | 2,500,000          | 2,500,000                 | -   |
| <b>Total Other Financing Sources</b>                                 | <u>-</u>                | <u>2,500,000</u>   | <u>2,500,000</u>          | <u>-</u>  |
| <b>Net Change in Fund Balance</b>                                    | <u>\$ (1,800,000)</u>   | <u>\$ 700,000</u>  | <u>2,508,424</u>          | <u>\$ 1,808,424</u>   |
| Beginning fund balance   |                         |                    | <u>2,322,542</u>          |   |
| <b>Ending Fund Balance</b>   |                         |                    | <u>\$ 4,830,966</u>       |   |

**Notes to Required Supplementary Information:**

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

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**TYLER COUNTY, TEXAS**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM**  
For the Year Ended December 31, 2016

|   | Measurement Year*           |                             |
|---|-----------------------------|-----------------------------|
|   | 2014                        | 2015                        |
| <b>Total Pension Liability</b>  |                             |                             |
| Service cost  | \$ 627,951                  | \$ 629,956                  |
| Interest (on the total pension liability)                                     | 1,436,071                   | 1,524,880                   |
| Changes of benefit terms  | (788)                       | (101,284)                   |
| Difference between expected and actual experience                             | (88,205)                    | (329,236)                   |
| Change of assumptions   | -                           | 211,853                     |
| Benefit payments, including refunds of employee contributions                 | (873,220)                   | (997,586)                   |
| <b>Net Change in Total Pension Liability</b>                                  | <u>1,101,809</u>            | <u>938,583</u>              |
| Beginning total pension liability   | <u>17,849,900</u>           | <u>18,951,709</u>           |
| <b>Ending Total Pension Liability</b>   | <u><u>\$ 18,951,709</u></u> | <u><u>\$ 19,890,292</u></u> |
| <b>Plan Fiduciary Net Position</b>  |                             |                             |
| Contributions - employer  | \$ 564,834                  | \$ 508,134                  |
| Contributions - employee  | 303,700                     | 321,025                     |
| Net investment income   | 1,178,307                   | (31,270)                    |
| Benefit payments, including refunds of employee contributions                 | (873,219)                   | (997,586)                   |
| Administrative expense  | (13,651)                    | (13,044)                    |
| Other   | (109,315)                   | (3,960)                     |
| <b>Net Change in Plan Fiduciary Net Position</b>                              | <u>1,050,656</u>            | <u>(216,701)</u>            |
| Beginning plan fiduciary net position   | <u>17,197,366</u>           | <u>18,248,022</u>           |
| <b>Ending Plan Fiduciary Net Position</b>                                     | <u><u>\$ 18,248,022</u></u> | <u><u>\$ 18,031,321</u></u> |
| <b>Net Pension Liability</b>  | <u><u>\$ 703,687</u></u>    | <u><u>\$ 1,858,971</u></u>  |
| <b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b> | 96.29%                      | 90.65%                      |
| <b>Covered Employee Payroll</b>   | \$ 4,338,577                | \$ 4,586,125                |
| <b>Net Pension Liability as a Percentage of Covered Employee Payroll</b>      | 16.22%                      | 40.53%                      |

\*Only two years of information are currently available. The County will build this schedule over the next eight-year period.

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**TYLER COUNTY, TEXAS**  
**SCHEDULE OF CONTRIBUTIONS**  
**TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM**  
**For the Year Ended December 31, 2016**

|   | Fiscal Year*       |                  |               |
|---|--------------------|------------------|---------------|
|   | 2014               | 2015             | 2016          |
| Actuarially determined contribution                                     | \$ 479,848         | \$ 508,134       | 534,311       |
| Contributions in relation to the actuarially<br>determined contribution | 564,955            | 508,134          | 534,233       |
| Contribution deficiency (excess)  | <u>\$ (85,107)</u> | <u>\$ -</u>      | <u>78</u>     |
| <br>Covered employee payroll  | <br>\$ 4,338,577   | <br>\$ 4,586,125 | <br>4,848,558 |
| <br>Contributions as a percentage of covered<br>employee payroll        | <br>13.02%         | <br>11.08%       | <br>11.02%    |

\*Only three years of information are currently available. The County will build this schedule over the next seven-year period.

Notes to Required Supplementary Information:

There were no benefit changes during the year.





**TYLER COUNTY, TEXAS**  
**SCHEDULE OF FUNDING PROGRESS**  
**POST EMPLOYMENT HEALTHCARE BENEFITS<sup>1</sup>**  
For the Year Ended December 31, 2016

| Actuarial<br>Valuation<br>Date | Actuarial<br>Value of<br>Assets<br>(a) | Actuarial<br>Accrued<br>Liability<br>(AAL) -<br>Projected<br>Unit Credit<br>(b) | Unfunded<br>AAL<br>(UAAL)<br>(b-a) | Funded<br>Ratio<br>(a/b) | Annual<br>Covered<br>Payroll<br>(c) | UAAL as a<br>Percentage<br>of Covered<br>Payroll<br>[(b-a)/c] |
|--------------------------------|--|---|------------------------------------|--------------------------|-------------------------------------|---|
| 12/31/11                       | \$ -                                   | \$ 1,287,498  | \$ 1,287,498                       | 0.0%                     | \$ 3,977,658                        | 32.4%   |
| 12/31/13                       | \$ -                                   | \$ 1,218,944  | \$ 1,218,944                       | 0.0%                     | \$ 4,286,957                        | 28.4%   |
| 12/31/16                       | \$ -                                   | \$ 1,512,751  | \$ 1,512,751                       | 0.0%                     | \$ 4,848,558                        | 31.2%   |

<sup>1</sup>Valuations are performed every three years in accordance with GASB Statement No. 45 parameters.

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***COMBINING STATEMENTS  
AND SCHEDULES***

**TYLER COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS (page 1 of 3)**  
**December 31, 2016**

|                             |  | <b>Special Revenue Funds</b>                 |                                 |  |                               |
|-----------------------------|--|--|---------------------------------|--|-------------------------------|
|                             |  | <b>District<br/>Clerk<br/>Appropriations</b> | <b>County<br/>Clerk<br/>RMP</b> | <b>County<br/>District<br/>Attorney<br/>Forfeiture</b> | <b>Sheriff<br/>Forfeiture</b> |
| <b><u>Assets</u></b>        |  |  |                                 |  |                               |
|                             | Cash and cash equivalents                  | \$ 48,735                                    | \$ 527,171                      | \$ 14,239  | \$ -                          |
|                             | Investments                                | -  | -                               | -  | -                             |
|                             | Due from other governments                 | -  | -                               | -  | -                             |
|                             | <b>Total Assets</b>                        | <b>\$ 48,735</b>                             | <b>\$ 527,171</b>               | <b>\$ 14,239</b>                                       | <b>\$ -</b>                   |
| <b><u>Liabilities</u></b>   |  |  |                                 |  |                               |
|                             | Accounts payable                           | \$ -   | \$ 235                          | \$ -   | \$ -                          |
|                             | Due to other funds                         | -  | -                               | -  | -                             |
|                             | <b>Total Liabilities</b>                   | <b>-</b>                                     | <b>235</b>                      | <b>-</b>   | <b>-</b>                      |
| <b><u>Fund Balances</u></b> |  |  |                                 |  |                               |
|                             | Restricted                                 | 48,735                                       | 526,936                         | 14,239   | -                             |
|                             | <b>Total Fund Balances</b>                 | <b>48,735</b>                                | <b>526,936</b>                  | <b>14,239</b>  | <b>-</b>                      |
|                             | <b>Total Liabilities and Fund Balances</b> | <b>\$ 48,735</b>                             | <b>\$ 527,171</b>               | <b>\$ 14,239</b>                                       | <b>\$ -</b>                   |

**Special Revenue Funds**

| <b>District Clerk RMP</b> | <b>Law Library</b> | <b>Jail Interest and Sinking</b> | <b>Violence Against Women</b> | <b>Small Business Loan</b> | <b>Peace Officer Service Fee</b> |
|---------------------------|--------------------|----------------------------------|-------------------------------|----------------------------|----------------------------------|
| \$ -                      | \$ 36,315          | \$ 584,978                       | \$ -                          | \$ 558                     | \$ 35,492                        |
| -                         | -                  | 307,521                          | -                             | -                          | -                                |
| -                         | -                  | -                                | 18,462                        | -                          | -                                |
| <u>\$ -</u>               | <u>\$ 36,315</u>   | <u>\$ 892,499</u>                | <u>\$ 18,462</u>              | <u>\$ 558</u>              | <u>\$ 35,492</u>                 |
| <br>                      |                    |                                  |                               |                            |                                  |
| \$ -                      | \$ 992             | \$ -                             | \$ -                          | \$ -                       | \$ -                             |
| -                         | -                  | -                                | 18,462                        | -                          | -                                |
| <u>-</u>                  | <u>992</u>         | <u>-</u>                         | <u>18,462</u>                 | <u>-</u>                   | <u>-</u>                         |
| <br>                      |                    |                                  |                               |                            |                                  |
| -                         | 35,323             | 892,499                          | -                             | 558                        | 35,492                           |
| -                         | 35,323             | 892,499                          | -                             | 558                        | 35,492                           |
| <u>\$ -</u>               | <u>\$ 36,315</u>   | <u>\$ 892,499</u>                | <u>\$ 18,462</u>              | <u>\$ 558</u>              | <u>\$ 35,492</u>                 |

**TYLER COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS (page 2 of 3)**  
**December 31, 2016**

|  |  | <b>Special Revenue Funds</b>   |                       |   |  |
|--|--|--------------------------------|-----------------------|---|--|
|  |  | <b>Courthouse<br/>Security</b> | <b>County<br/>RMP</b> | <b>State<br/>Child Abuse<br/>Prevention</b> | <b>County<br/>District<br/>Attorney<br/>Fees</b> |
| <b><u>Assets</u></b>                       |  |                                |                       |   |  |
| Cash and cash equivalents                  |  | \$ 2,079                       | \$ 82,814             | \$ 400                                      | \$ 1,670   |
| Investments                                |  | -                              | -                     | -   | -  |
| Due from other governments                 |  | -                              | -                     | -   | -  |
| <b>Total Assets</b>                        |  | <b>\$ 2,079</b>                | <b>\$ 82,814</b>      | <b>\$ 400</b>                               | <b>\$ 1,670</b>                                  |
| <b><u>Liabilities</u></b>                  |  |                                |                       |   |  |
| Accounts payable                           |  | \$ 1,454                       | \$ -                  | \$ -  | \$ -   |
| Due to other funds                         |  | -                              | -                     | -   | -  |
| <b>Total Liabilities</b>                   |  | <b>1,454</b>                   | <b>-</b>              | <b>-</b>                                    | <b>-</b>   |
| <b><u>Fund Balances</u></b>                |  |                                |                       |   |  |
| Restricted                                 |  | 625                            | 82,814                | 400   | 1,670  |
| <b>Total Fund Balances</b>                 |  | <b>625</b>                     | <b>82,814</b>         | <b>400</b>                                  | <b>1,670</b>                                     |
| <b>Total Liabilities and Fund Balances</b> |  | <b>\$ 2,079</b>                | <b>\$ 82,814</b>      | <b>\$ 400</b>                               | <b>\$ 1,670</b>                                  |

**Special Revenue Funds**

| <b>Civil Fees</b> | <b>Homeland Security</b> | <b>Child Welfare Board</b> | <b>Child Safety</b> | <b>DETCOG Social Services Block Grant</b> | <b>District Court Technology</b> |
|-------------------|--------------------------|----------------------------|---------------------|---|----------------------------------|
| \$ 49,376         | \$ 9,806                 | \$ 1,890                   | \$ 68,095           | \$ 278                                    | \$ 18,607                        |
| -                 | -                        | -                          | -                   | -   | -                                |
| -                 | -                        | -                          | -                   | -   | -                                |
| <u>\$ 49,376</u>  | <u>\$ 9,806</u>          | <u>\$ 1,890</u>            | <u>\$ 68,095</u>    | <u>\$ 278</u>                             | <u>\$ 18,607</u>                 |
| \$ -              | \$ -                     | \$ -                       | \$ -                | \$ -                                      | \$ -                             |
| -                 | -                        | -                          | -                   | -   | -                                |
| -                 | -                        | -                          | -                   | -   | -                                |
| 49,376            | 9,806                    | 1,890                      | 68,095              | 278                                       | 18,607                           |
| <u>49,376</u>     | <u>9,806</u>             | <u>1,890</u>               | <u>68,095</u>       | <u>278</u>                                | <u>18,607</u>                    |
| <u>\$ 49,376</u>  | <u>\$ 9,806</u>          | <u>\$ 1,890</u>            | <u>\$ 68,095</u>    | <u>\$ 278</u>                             | <u>\$ 18,607</u>                 |

**TYLER COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS (page 3 of 3)**  
December 31, 2016

|  |  | Special Revenue Funds                |                             |                  |                     |
|--|--|--------------------------------------|-----------------------------|------------------|---------------------|
|  |  | CDBG<br>Senior<br>Citizen<br>Project | Moving<br>Violation<br>Fees | TC<br>Chapter 19 | TC<br>Special Trust |
| <b><u>Assets</u></b>                       |  |                                      |                             |                  |                     |
| Cash and cash equivalents                  |  | \$ -                                 | \$ 46                       | \$ 5,000         | \$ 2,858            |
| Investments                                |  | -                                    | -                           | -                | -                   |
| Due from other governments                 |  | -                                    | -                           | -                | -                   |
| <b>Total Assets</b>                        |  | <b>\$ -</b>                          | <b>\$ 46</b>                | <b>\$ 5,000</b>  | <b>\$ 2,858</b>     |
| <b><u>Liabilities</u></b>                  |  |                                      |                             |                  |                     |
| Accounts payable                           |  | \$ -                                 | \$ -                        | \$ -             | \$ -                |
| Due to other funds                         |  | -                                    | -                           | -                | -                   |
| <b>Total Liabilities</b>                   |  | <b>-</b>                             | <b>-</b>                    | <b>-</b>         | <b>-</b>            |
| <b><u>Fund Balances</u></b>                |  |                                      |                             |                  |                     |
| Restricted                                 |  | -                                    | 46                          | 5,000            | 2,858               |
| <b>Total Fund Balances</b>                 |  | <b>-</b>                             | <b>46</b>                   | <b>5,000</b>     | <b>2,858</b>        |
| <b>Total Liabilities and Fund Balances</b> |  | <b>\$ -</b>                          | <b>\$ 46</b>                | <b>\$ 5,000</b>  | <b>\$ 2,858</b>     |



| <u>Special Revenue Funds</u>         |                                     |  |
|--------------------------------------|-------------------------------------|--|
| <u>CVA<br/>Coordinating<br/>Team</u> | <u>State<br/>Crime<br/>Stoppers</u> | <u>Total<br/>Nonmajor<br/>Governmental<br/>Funds</u> |
| \$ -                                 | \$ 4                                | \$ 1,490,411   |
| -                                    | -                                   | 307,521  |
| 9,180                                | -                                   | 27,642   |
| <u>\$ 9,180</u>                      | <u>\$ 4</u>                         | <u>\$ 1,825,574</u>                                  |
| <br>                                 |                                     |  |
| \$ -                                 | \$ -                                | \$ 2,681   |
| 9,180                                | -                                   | 27,642   |
| <u>9,180</u>                         | <u>-</u>                            | <u>30,323</u>  |
| <br>                                 |                                     |  |
| -                                    | 4                                   | 1,795,251  |
| -                                    | 4                                   | 1,795,251  |
| <u>\$ 9,180</u>                      | <u>\$ 4</u>                         | <u>\$ 1,825,574</u>                                  |

**TYLER COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS (page 1 of 3)**  
For the Year Ended December 31, 2016

|  | Special Revenue Funds               |                        |  |                       |
|--|-------------------------------------|------------------------|--|-----------------------|
|  | District<br>Clerk<br>Appropriations | County<br>Clerk<br>RMP | County<br>District<br>Attorney<br>Forfeiture | Sheriff<br>Forfeiture |
| <b>Revenues</b>  |                                     |                        |  |                       |
| Intergovernmental  | \$ -                                | \$ -                   | \$ -   | \$ -                  |
| Other fees   | -                                   | 76,141                 | -  | -                     |
| Investment income  | 88                                  | 911                    | 27   | -                     |
| Other revenues   | -                                   | -                      | -  | -                     |
| <b>Total Revenues</b>  | <u>88</u>                           | <u>77,052</u>          | <u>27</u>                                    | <u>-</u>              |
| <b>Expenditures</b>  |                                     |                        |  |                       |
| General government   | -                                   | 13,476                 | -  | -                     |
| Administration of justice  | -                                   | -                      | 855  | -                     |
| Public safety  | -                                   | -                      | -  | 1,432                 |
| Capital outlay   | -                                   | -                      | -  | -                     |
| <b>Total Expenditures</b>  | <u>-</u>                            | <u>13,476</u>          | <u>855</u>                                   | <u>1,432</u>          |
| <b>Excess (Deficiency) of<br/>Revenues Over (Under) Expenditures</b> | <u>88</u>                           | <u>63,576</u>          | <u>(828)</u>                                 | <u>(1,432)</u>        |
| <b>Other Financing Sources (Uses)</b>                                |                                     |                        |  |                       |
| Transfers in   | -                                   | -                      | -  | -                     |
| Transfers (out)  | -                                   | -                      | -  | -                     |
| <b>Total Other Financing<br/>Sources (Uses)</b>                      | <u>-</u>                            | <u>-</u>               | <u>-</u>                                     | <u>-</u>              |
| <b>Net Change in Fund Balances</b>                                   | 88                                  | 63,576                 | (828)  | (1,432)               |
| Beginning fund balances  | <u>48,647</u>                       | <u>463,360</u>         | <u>15,067</u>                                | <u>1,432</u>          |
| <b>Ending Fund Balances</b>  | <u>\$ 48,735</u>                    | <u>\$ 526,936</u>      | <u>\$ 14,239</u>                             | <u>\$ -</u>           |

**Special Revenue Funds**

| <b>District Clerk RMP</b> | <b>Law Library</b> | <b>Jail Interest and Sinking</b> | <b>Violence Against Women</b> | <b>Small Business Loan</b> | <b>Peace Officer Service Fee</b> |
|---------------------------|--------------------|----------------------------------|-------------------------------|----------------------------|----------------------------------|
| \$ -                      | \$ -               | \$ -                             | \$ 62,662                     | \$ 6,690                   | \$ -                             |
| 1,590                     | 7,773              | -                                | -                             | -                          | 10,735                           |
| 1                         | 38                 | 1,853                            | -                             | -                          | 62                               |
| -                         | -                  | 144                              | -                             | -                          | -                                |
| <u>1,591</u>              | <u>7,811</u>       | <u>1,997</u>                     | <u>62,662</u>                 | <u>6,690</u>               | <u>10,797</u>                    |
| 3,402                     | -                  | -                                | -                             | 6,132                      | -                                |
| -                         | 17,489             | -                                | -                             | -                          | -                                |
| -                         | -                  | 72,030                           | -                             | -                          | 7,380                            |
| -                         | -                  | -                                | -                             | -                          | -                                |
| <u>3,402</u>              | <u>17,489</u>      | <u>72,030</u>                    | <u>-</u>                      | <u>6,132</u>               | <u>7,380</u>                     |
| <u>(1,811)</u>            | <u>(9,678)</u>     | <u>(70,033)</u>                  | <u>62,662</u>                 | <u>558</u>                 | <u>3,417</u>                     |
| 1,811                     | 45,000             | -                                | -                             | -                          | -                                |
| -                         | -                  | -                                | (62,662)                      | -                          | -                                |
| <u>1,811</u>              | <u>45,000</u>      | <u>-</u>                         | <u>(62,662)</u>               | <u>-</u>                   | <u>-</u>                         |
| -                         | 35,322             | (70,033)                         | -                             | 558                        | 3,417                            |
| -                         | 1                  | 962,532                          | -                             | -                          | 32,075                           |
| <u>\$ -</u>               | <u>\$ 35,323</u>   | <u>\$ 892,499</u>                | <u>\$ -</u>                   | <u>\$ 558</u>              | <u>\$ 35,492</u>                 |

**TYLER COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS (page 2 of 3)**  
**For the Year Ended December 31, 2016**

|  | Special Revenue Funds  |                  |                                    |  |
|--|------------------------|------------------|------------------------------------|--|
|  | Courthouse<br>Security | County<br>RMP    | State<br>Child Abuse<br>Prevention | County<br>District<br>Attorney<br>Fees |
| <b>Revenues</b>  |                        |                  |                                    |  |
| Intergovernmental  | \$ -                   | \$ -             | \$ -                               | \$ -                                   |
| Other fees   | 9,499                  | 3,771            | 100                                | 1,191                                  |
| Investment income  | 26                     | 148              | -                                  | -                                      |
| Other revenues   | -                      | -                | -                                  | -                                      |
| <b>Total Revenues</b>  | <b>9,525</b>           | <b>3,919</b>     | <b>100</b>                         | <b>1,191</b>                           |
| <b>Expenditures</b>  |                        |                  |                                    |  |
| General government   | 34,226                 | 2,300            | -                                  | -                                      |
| Administration of justice  | -                      | -                | -                                  | 1,177                                  |
| Public safety  | -                      | -                | -                                  | -                                      |
| Capital outlay   | 168                    | -                | -                                  | -                                      |
| <b>Total Expenditures</b>  | <b>34,394</b>          | <b>2,300</b>     | <b>-</b>                           | <b>1,177</b>                           |
| <b>Excess (Deficiency) of<br/>Revenues Over (Under) Expenditures</b> | <b>(24,869)</b>        | <b>1,619</b>     | <b>100</b>                         | <b>14</b>                              |
| <b>Other Financing Sources (Uses)</b>                                |                        |                  |                                    |  |
| Transfers in   | -                      | -                | -                                  | -                                      |
| Transfers (out)  | -                      | -                | -                                  | (8,142)                                |
| <b>Total Other Financing<br/>Sources (Uses)</b>                      | <b>-</b>               | <b>-</b>         | <b>-</b>                           | <b>(8,142)</b>                         |
| <b>Net Change in Fund Balances</b>                                   | <b>(24,869)</b>        | <b>1,619</b>     | <b>100</b>                         | <b>(8,128)</b>                         |
| Beginning fund balances  | 25,494                 | 81,195           | 300                                | 9,798                                  |
| <b>Ending Fund Balances</b>  | <b>\$ 625</b>          | <b>\$ 82,814</b> | <b>\$ 400</b>                      | <b>\$ 1,670</b>                        |

**Special Revenue Funds**

| <b>Civil Fees</b> | <b>Homeland Security</b> | <b>Child Welfare Board</b> | <b>Child Safety</b> | <b>DETCOG Social Services Block Grant</b> | <b>District Court Technology</b> |
|-------------------|--------------------------|----------------------------|---------------------|---|----------------------------------|
| \$ -              | \$ -                     | \$ -                       | \$ -                | \$ -                                      | \$ -                             |
| 4,185             | -                        | -                          | 22,504              | -   | 2,646                            |
| 89                | 18                       | 3                          | 109                 | -   | 31                               |
| 175               | -                        | 538                        | -                   | -   | -                                |
| <u>4,449</u>      | <u>18</u>                | <u>541</u>                 | <u>22,613</u>       | <u>-</u>                                  | <u>2,677</u>                     |
| 866               | -                        | -                          | -                   | -   | -                                |
| -                 | -                        | -                          | -                   | -   | -                                |
| -                 | -                        | -                          | 449                 | -   | -                                |
| -                 | -                        | -                          | -                   | -   | -                                |
| <u>866</u>        | <u>-</u>                 | <u>-</u>                   | <u>449</u>          | <u>-</u>                                  | <u>-</u>                         |
| 3,583             | 18                       | 541                        | 22,164              | -   | 2,677                            |
| -                 | -                        | -                          | -                   | -   | -                                |
| -                 | -                        | -                          | -                   | -   | -                                |
| -                 | -                        | -                          | -                   | -   | -                                |
| 3,583             | 18                       | 541                        | 22,164              | -   | 2,677                            |
| 45,793            | 9,788                    | 1,349                      | 45,931              | 278                                       | 15,930                           |
| <u>\$ 49,376</u>  | <u>\$ 9,806</u>          | <u>\$ 1,890</u>            | <u>\$ 68,095</u>    | <u>\$ 278</u>                             | <u>\$ 18,607</u>                 |

**TYLER COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS (page 3 of 3)**  
For the Year Ended December 31, 2016

|  | Special Revenue Funds                |                             |                  |                     |
|--|--------------------------------------|-----------------------------|------------------|---------------------|
|  | CDBG<br>Senior<br>Citizen<br>Project | Moving<br>Violation<br>Fees | TC<br>Chapter 19 | TC<br>Special Trust |
| <b>Revenues</b>  |                                      |                             |                  |                     |
| Intergovernmental  | \$ 200,463                           | \$ -                        | \$ -             | \$ -                |
| Other fees   | -                                    | 54                          | -                | -                   |
| Investment income  | -                                    | -                           | -                | 3                   |
| Other revenues   | -                                    | -                           | -                | 25                  |
| <b>Total Revenues</b>  | <b>200,463</b>                       | <b>54</b>                   | <b>-</b>         | <b>28</b>           |
| <b>Expenditures</b>  |                                      |                             |                  |                     |
| General government   | 200,463                              | -                           | -                | -                   |
| Administration of justice  | -                                    | -                           | -                | -                   |
| Public safety  | -                                    | 47                          | -                | -                   |
| Capital outlay   | -                                    | -                           | -                | -                   |
| <b>Total Expenditures</b>  | <b>200,463</b>                       | <b>47</b>                   | <b>-</b>         | <b>-</b>            |
| <b>Excess (Deficiency) of<br/>Revenues Over (Under) Expenditures</b> | <b>-</b>                             | <b>7</b>                    | <b>-</b>         | <b>28</b>           |
| <b>Other Financing Sources (Uses)</b>                                |                                      |                             |                  |                     |
| Transfers in   | -                                    | -                           | -                | -                   |
| Transfers (out)  | -                                    | (2)                         | -                | -                   |
| <b>Total Other Financing<br/>Sources (Uses)</b>                      | <b>-</b>                             | <b>(2)</b>                  | <b>-</b>         | <b>-</b>            |
| <b>Net Change in Fund Balances</b>                                   | <b>-</b>                             | <b>5</b>                    | <b>-</b>         | <b>28</b>           |
| Beginning fund balances  | -                                    | 41                          | 5,000            | 2,830               |
| <b>Ending Fund Balances</b>  | <b>\$ -</b>                          | <b>\$ 46</b>                | <b>\$ 5,000</b>  | <b>\$ 2,858</b>     |

| <u>Special Revenue Funds</u>         |                                     |  |  |
|--------------------------------------|-------------------------------------|--|--|
| <u>CVA<br/>Coordinating<br/>Team</u> | <u>State<br/>Crime<br/>Stoppers</u> | <u>Total<br/>Nonmajor<br/>Governmental<br/>Funds</u> |  |
| \$ 49,402                            | \$ 4                                | \$ 319,221   |  |
| -                                    | -                                   | 140,189  |  |
| -                                    | -                                   | 3,407  |  |
| -                                    | -                                   | 882  |  |
| <u>49,402</u>                        | <u>4</u>                            | <u>463,699</u>                                       |  |
| -                                    | -                                   | 260,865  |  |
| -                                    | -                                   | 19,521   |  |
| -                                    | -                                   | 81,338   |  |
| -                                    | -                                   | 168  |  |
| <u>-</u>                             | <u>-</u>                            | <u>361,892</u>                                       |  |
| <u>49,402</u>                        | <u>4</u>                            | <u>101,807</u>                                       |  |
| -                                    | -                                   | 46,811   |  |
| <u>(49,402)</u>                      | <u>-</u>                            | <u>(120,208)</u>                                     |  |
| <u>(49,402)</u>                      | <u>-</u>                            | <u>(73,397)</u>                                      |  |
| -                                    | 4                                   | 28,410   |  |
| <u>-</u>                             | <u>-</u>                            | <u>1,766,841</u>                                     |  |
| <u>\$ -</u>                          | <u>\$ 4</u>                         | <u>\$ 1,795,251</u>                                  |  |

**TYLER COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**GENERAL FUND SUB-FUNDS (Page 1 of 2)**  
December 31, 2016

|  | <u>General</u>       | <u>Airport</u>   | <u>Rodeo Arena<br/>Fairgrounds</u> | <u>Economic<br/>Development</u> |
|--|----------------------|------------------|------------------------------------|---------------------------------|
| <b><u>Assets</u></b>   |                      |                  |                                    |                                 |
| Cash and cash equivalents  | \$ 1,846,067         | \$ 37,540        | \$ 33,995                          | \$ 49,998                       |
| Investments  | 2,137,570            | -                | -                                  | -                               |
| Receivables, net   | 6,085,692            | -                | -                                  | -                               |
| Due from other governments   | 1,766,551            | -                | -                                  | -                               |
| Prepays  | 108,869              | -                | -                                  | -                               |
| Due from other funds   | 27,642               | -                | -                                  | -                               |
| <b>Total Assets</b>  | <b>\$ 11,972,391</b> | <b>\$ 37,540</b> | <b>\$ 33,995</b>                   | <b>\$ 49,998</b>                |
| <b><u>Liabilities</u></b>  |                      |                  |                                    |                                 |
| Accounts payable   | \$ 212,665           | \$ 6,977         | \$ 173                             | \$ -                            |
| <b>Total Liabilities</b>   | <b>212,665</b>       | <b>6,977</b>     | <b>173</b>                         | <b>-</b>                        |
| <b><u>Deferred Inflows of Resources</u></b>                                    |                      |                  |                                    |                                 |
| Unavailable revenue - property taxes   | 8,249,853            | -                | -                                  | -                               |
| <b><u>Fund Balances</u></b>  |                      |                  |                                    |                                 |
| Nonspendable   | 108,869              | -                | -                                  | -                               |
| Assigned   | -                    | 30,563           | 33,822                             | 49,998                          |
| Unassigned   | 3,401,004            | -                | -                                  | -                               |
| <b>Total Fund Balances</b>   | <b>3,509,873</b>     | <b>30,563</b>    | <b>33,822</b>                      | <b>49,998</b>                   |
| <b>Total Liabilities, Deferred Inflows<br/>of Resources, and Fund Balances</b> | <b>\$ 11,972,391</b> | <b>\$ 37,540</b> | <b>\$ 33,995</b>                   | <b>\$ 49,998</b>                |



| <u>Benevolence</u> | <u>Collection Center</u> | <u>County Right of Way</u> | <u>Emergency Operations</u> | <u>Nutrition Center</u> | <u>Courthouse Restoration</u> |
|--------------------|--------------------------|----------------------------|-----------------------------|-------------------------|-------------------------------|
| \$ 1,003           | \$ 428,516               | \$ 730,259                 | \$ 143,434                  | \$ 138,187              | \$ 514,474                    |
| -                  | -                        | -                          | -                           | -                       | -                             |
| -                  | -                        | -                          | -                           | -                       | -                             |
| -                  | -                        | -                          | -                           | -                       | -                             |
| -                  | -                        | -                          | -                           | -                       | -                             |
| <u>\$ 1,003</u>    | <u>\$ 428,516</u>        | <u>\$ 730,259</u>          | <u>\$ 143,434</u>           | <u>\$ 138,187</u>       | <u>\$ 514,474</u>             |
| <u>\$ -</u>        | <u>\$ 5,902</u>          | <u>\$ 1,800</u>            | <u>\$ 7,100</u>             | <u>\$ 8,793</u>         | <u>\$ -</u>                   |
| <u>-</u>           | <u>5,902</u>             | <u>1,800</u>               | <u>7,100</u>                | <u>8,793</u>            | <u>-</u>                      |
| -                  | -                        | -                          | -                           | -                       | -                             |
| -                  | -                        | -                          | -                           | -                       | -                             |
| -                  | -                        | -                          | -                           | -                       | -                             |
| 1,003              | 422,614                  | 728,459                    | 136,334                     | 129,394                 | 514,474                       |
| -                  | -                        | -                          | -                           | -                       | -                             |
| <u>1,003</u>       | <u>422,614</u>           | <u>728,459</u>             | <u>136,334</u>              | <u>129,394</u>          | <u>514,474</u>                |
| <u>\$ 1,003</u>    | <u>\$ 428,516</u>        | <u>\$ 730,259</u>          | <u>\$ 143,434</u>           | <u>\$ 138,187</u>       | <u>\$ 514,474</u>             |

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**TYLER COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**GENERAL FUND SUB-FUNDS (Page 2 of 2)**  
December 31, 2016

|  | Legislative<br>Services | Interfund<br>Activity<br>Elimination | Total<br>General Funds |
|--|-------------------------|--------------------------------------|------------------------|
| <b><u>Assets</u></b>   |                         |                                      |                        |
| Cash and cash equivalents  | \$ 11,425               | \$ -                                 | \$ 3,934,898           |
| Investments  | -                       | -                                    | 2,137,570              |
| Receivables, net   | -                       | -                                    | 6,085,692              |
| Due from other governments   | -                       | -                                    | 1,766,551              |
| Prepays  | -                       | -                                    | 108,869                |
| Due from other funds   | -                       | -                                    | 27,642                 |
| <b>Total Assets</b>  | <b>\$ 11,425</b>        | <b>\$ -</b>                          | <b>\$ 14,061,222</b>   |
| <b><u>Liabilities</u></b>  |                         |                                      |                        |
| Accounts payable   | \$ -                    | \$ -                                 | \$ 243,410             |
| <b>Total Liabilities</b>   | <b>-</b>                | <b>-</b>                             | <b>243,410</b>         |
| <b><u>Deferred Inflows of Resources</u></b>                                    |                         |                                      |                        |
| Unavailable revenue - property taxes   | -                       | -                                    | 8,249,853              |
| <b><u>Fund Balances</u></b>  |                         |                                      |                        |
| Nonspendable   | -                       | -                                    | 108,869                |
| Assigned   | 11,425                  | -                                    | 2,058,086              |
| Unassigned   | -                       | -                                    | 3,401,004              |
| <b>Total Fund Balances</b>   | <b>11,425</b>           | <b>-</b>                             | <b>5,567,959</b>       |
| <b>Total Liabilities, Deferred Inflows<br/>of Resources, and Fund Balances</b> | <b>\$ 11,425</b>        | <b>\$ -</b>                          | <b>\$ 14,061,222</b>   |

**TYLER COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES**  
**GENERAL FUND SUB-FUNDS (Page 1 of 2)**  
**For the Year Ended December 31, 2016**

|  | <u>General</u>      | <u>Airport</u>   | <u>Rodeo Arena<br/>Fairgrounds</u> | <u>Economic<br/>Development</u> |
|--|---------------------|------------------|------------------------------------|---------------------------------|
| <b><u>Revenues</u></b>   |                     |                  |                                    |                                 |
| Taxes  | \$ 7,534,041        | \$ -             | \$ -                               | \$ -                            |
| Intergovernmental  | 172,125             | -                | -                                  | -                               |
| Other fees   | 1,130,797           | 3,025            | 400                                | -                               |
| Investment income  | 22,405              | 58               | 123                                | 96                              |
| Other revenues   | 397,946             | 15,313           | 15,313                             | -                               |
| <b>Total Revenues</b>  | <b>9,257,314</b>    | <b>18,396</b>    | <b>15,836</b>                      | <b>96</b>                       |
| <b><u>Expenditures</u></b>   |                     |                  |                                    |                                 |
| General government   | 4,292,591           | -                | -                                  | -                               |
| Administration of justice  | 895,524             | -                | -                                  | -                               |
| Public safety  | 2,259,585           | -                | -                                  | -                               |
| Health and human services  | 129,815             | -                | -                                  | -                               |
| Community enrichment   | -                   | 9,024            | 37,167                             | 5,500                           |
| Tax administration   | 259,104             | -                | -                                  | -                               |
| <b>Debt service:</b>   |                     |                  |                                    |                                 |
| Principal  | 70,542              | -                | -                                  | -                               |
| Interest   | 8,464               | -                | -                                  | -                               |
| <b>Capital outlay</b>  | <b>299,631</b>      | <b>12,629</b>    | <b>-</b>                           | <b>-</b>                        |
| <b>Total Expenditures</b>  | <b>8,215,256</b>    | <b>21,653</b>    | <b>37,167</b>                      | <b>5,500</b>                    |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | <b>1,042,058</b>    | <b>(3,257)</b>   | <b>(21,331)</b>                    | <b>(5,404)</b>                  |
| <b><u>Other Financing Sources (Uses)</u></b>                         |                     |                  |                                    |                                 |
| Transfers in   | 120,208             | 12,000           | 21,000                             | 10,500                          |
| Transfers (out)  | (3,478,118)         | -                | -                                  | -                               |
| <b>Total Other Financing<br/>Sources (Uses)</b>                      | <b>(3,357,910)</b>  | <b>12,000</b>    | <b>21,000</b>                      | <b>10,500</b>                   |
| <b>Net Change in Fund Balances</b>                                   | <b>(2,315,852)</b>  | <b>8,743</b>     | <b>(331)</b>                       | <b>5,096</b>                    |
| Beginning fund balances  | 5,825,725           | 21,820           | 34,153                             | 44,902                          |
| <b>Ending Fund Balances</b>  | <b>\$ 3,509,873</b> | <b>\$ 30,563</b> | <b>\$ 33,822</b>                   | <b>\$ 49,998</b>                |

| <u>Benevolence</u> | <u>Collection Center</u> | <u>County Right of Way</u> | <u>Emergency Operations</u> | <u>Nutrition Center</u> | <u>Courthouse Restoration</u> |
|--------------------|--------------------------|----------------------------|-----------------------------|-------------------------|-------------------------------|
| \$ -               | \$ -                     | \$ -                       | \$ -                        | \$ -                    | \$ -                          |
| -                  | -                        | -                          | -                           | -                       | -                             |
| -                  | 90,725                   | -                          | -                           | -                       | -                             |
| -                  | 844                      | 1,303                      | 358                         | 284                     | -                             |
| -                  | 3,871                    | -                          | -                           | 2,425                   | -                             |
| -                  | 95,440                   | 1,303                      | 358                         | 2,709                   | -                             |
| -                  | -                        | -                          | -                           | -                       | -                             |
| -                  | -                        | -                          | -                           | -                       | -                             |
| -                  | -                        | -                          | 147,491                     | -                       | -                             |
| -                  | 163,606                  | -                          | -                           | 50,252                  | -                             |
| 279                | -                        | 1,800                      | -                           | -                       | -                             |
| -                  | -                        | -                          | -                           | -                       | -                             |
| -                  | -                        | -                          | -                           | -                       | -                             |
| -                  | -                        | -                          | -                           | 13,001                  | -                             |
| 279                | 163,606                  | 1,800                      | 147,491                     | 63,253                  | -                             |
| (279)              | (68,166)                 | (497)                      | (147,133)                   | (60,544)                | -                             |
| 1,000              | 150,000                  | 200,000                    | 192,808                     | 58,500                  | 75,000                        |
| -                  | -                        | (2,051)                    | -                           | -                       | -                             |
| 1,000              | 150,000                  | 197,949                    | 192,808                     | 58,500                  | 75,000                        |
| 721                | 81,834                   | 197,452                    | 45,675                      | (2,044)                 | 75,000                        |
| 282                | 340,780                  | 531,007                    | 90,659                      | 131,438                 | 439,474                       |
| <u>\$ 1,003</u>    | <u>\$ 422,614</u>        | <u>\$ 728,459</u>          | <u>\$ 136,334</u>           | <u>\$ 129,394</u>       | <u>\$ 514,474</u>             |



**TYLER COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES**  
**GENERAL FUND SUB-FUNDS (Page 2 of 2)**  
For the Year Ended December 31, 2016

|  | <u>Legislative<br/>Services</u> | <u>Interfund<br/>Activity<br/>Elimination</u> | <u>Total<br/>General Funds</u> |
|--|---------------------------------|---|--------------------------------|
| <b><u>Revenues</u></b>   |                                 |   |                                |
| Taxes  | \$ -                            | \$ -  | \$ 7,534,041                   |
| Intergovernmental  | -                               | -   | 172,125                        |
| Other fees   | -                               | -   | 1,224,947                      |
| Investment income  | -                               | -   | 25,471                         |
| Other revenues   | -                               | -   | 434,868                        |
| <b>Total Revenues</b>  | <u>-</u>                        | <u>-</u>                                      | <u>9,391,452</u>               |
| <b><u>Expenditures</u></b>   |                                 |   |                                |
| General government   | -                               | -   | 4,292,591                      |
| Administration of justice  | -                               | -   | 895,524                        |
| Public safety  | -                               | -   | 2,407,076                      |
| Health and human services  | -                               | -   | 343,673                        |
| Community enrichment   | 1,750                           | -   | 55,520                         |
| Tax administration   | -                               | -   | 259,104                        |
| <b>Debt service:</b>   |                                 |   |                                |
| Principal  | -                               | -   | 70,542                         |
| Interest   | -                               | -   | 8,464                          |
| <b>Capital outlay</b>  | <u>-</u>                        | <u>-</u>                                      | <u>325,261</u>                 |
| <b>Total Expenditures</b>  | <u>1,750</u>                    | <u>-</u>                                      | <u>8,657,755</u>               |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | <u>(1,750)</u>                  | <u>-</u>                                      | <u>733,697</u>                 |
| <b><u>Other Financing Sources (Uses)</u></b>                         |                                 |   |                                |
| Transfers in   | 10,500                          | (731,308)                                     | 120,208                        |
| Transfers (out)  | -                               | 731,308                                       | (2,748,861)                    |
| <b>Total Other Financing<br/>Sources (Uses)</b>                      | <u>10,500</u>                   | <u>-</u>                                      | <u>(2,628,653)</u>             |
| <b>Net Change in Fund Balances</b>                                   | 8,750                           | -   | (1,894,956)                    |
| Beginning fund balances  | <u>2,675</u>                    | <u>-</u>                                      | <u>7,462,915</u>               |
| <b>Ending Fund Balances</b>  | <u>\$ 11,425</u>                | <u>\$ -</u>                                   | <u>\$ 5,567,959</u>            |

# TYLER COUNTY, TEXAS

## COMBINING BALANCE SHEET

### ROAD AND BRIDGE FUNDS

December 31, 2016

|  | Road and<br>Bridge<br>General | Road and<br>Bridge<br>Precinct No. 1 | Road and<br>Bridge<br>Precinct No. 2 | Road and<br>Bridge<br>Precinct No. 3 |
|--|-------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| <b><u>Assets</u></b>   |                               |                                      |                                      |                                      |
| Cash and cash equivalents  | \$ 20,000                     | \$ 808,506                           | \$ 636,000                           | \$ 953,922                           |
| Receivables, net   | 2,078,388                     | -                                    | -                                    | -                                    |
| Due from other governments   | 602,193                       | 38,788                               | 31,529                               | 225,195                              |
| <b>Total Assets</b>  | <b>\$ 2,700,581</b>           | <b>\$ 847,294</b>                    | <b>\$ 667,529</b>                    | <b>\$ 1,179,117</b>                  |
| <b><u>Liabilities</u></b>  |                               |                                      |                                      |                                      |
| Accounts payable   | \$ -                          | \$ 15,344                            | \$ 16,449                            | \$ 15,093                            |
| <b>Total Liabilities</b>   | <b>-</b>                      | <b>15,344</b>                        | <b>16,449</b>                        | <b>15,093</b>                        |
| <b><u>Deferred Inflows of Resources</u></b>                                    |                               |                                      |                                      |                                      |
| Unavailable revenue - property taxes   | 2,849,100                     | -                                    | -                                    | -                                    |
| <b><u>Fund Balances</u></b>  |                               |                                      |                                      |                                      |
| Restricted   | -                             | 831,950                              | 651,080                              | 1,164,024                            |
| Unassigned   | (148,519)                     | -                                    | -                                    | -                                    |
| <b>Total Fund Balances</b>   | <b>(148,519)</b>              | <b>831,950</b>                       | <b>651,080</b>                       | <b>1,164,024</b>                     |
| <b>Total Liabilities, Deferred Inflows<br/>of Resources, and Fund Balances</b> | <b>\$ 2,700,581</b>           | <b>\$ 847,294</b>                    | <b>\$ 667,529</b>                    | <b>\$ 1,179,117</b>                  |



| <b>Road and<br/>Bridge<br/>Precinct No. 4</b> | <b>Interfund<br/>Activity<br/>Elimination</b> | <b>Total<br/>Road and<br/>Bridge Funds</b> |
|---|---|--|
| \$ 1,357,764                                  | \$ -  | \$ 3,776,192                               |
| -   | -   | 2,078,388                                  |
| 102,275                                       | -   | 999,980                                    |
| <u>\$ 1,460,039</u>                           | <u>\$ -</u>                                   | <u>\$ 6,854,560</u>                        |
| <br>  |   |  |
| \$ 14,575                                     | \$ -  | \$ 61,461                                  |
| <u>14,575</u>                                 | <u>-</u>                                      | <u>61,461</u>                              |
| <br>  |   |  |
| -   | -   | 2,849,100                                  |
| <br>  |   |  |
| 1,445,464                                     | -   | 4,092,518                                  |
| -   | -   | (148,519)                                  |
| <u>1,445,464</u>                              | <u>-</u>                                      | <u>3,943,999</u>                           |
| <br>  |   |  |
| <u>\$ 1,460,039</u>                           | <u>\$ -</u>                                   | <u>\$ 6,854,560</u>                        |

# TYLER COUNTY, TEXAS

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

### ROAD AND BRIDGE FUNDS

For the Year Ended December 31, 2016

|  | Road and<br>Bridge<br>General | Road and<br>Bridge<br>Precinct No. 1 | Road and<br>Bridge<br>Precinct No. 2 | Road and<br>Bridge<br>Precinct No. 3 |
|--|-------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| <b><u>Revenues</u></b>   |                               |                                      |                                      |                                      |
| Property taxes   | \$ 2,410,518                  | \$ -                                 | \$ -                                 | \$ -                                 |
| Intergovernmental  | -                             | 144,503                              | 176,254                              | 228,683                              |
| Auto registration  | 479,809                       | -                                    | -                                    | -                                    |
| Other fees   | 22,217                        | -                                    | -                                    | -                                    |
| Investment income  | -                             | 1,637                                | 1,217                                | 2,258                                |
| Other revenue  | -                             | 746                                  | 10,920                               | 33,962                               |
| <b>Total Revenues</b>  | 2,912,544                     | 146,886                              | 188,391                              | 264,903                              |
| <b><u>Expenditures</u></b>   |                               |                                      |                                      |                                      |
| Roads and bridges  | -                             | 673,703                              | 651,423                              | 944,510                              |
| Capital outlay   | -                             | 15,213                               | -                                    | 120,002                              |
| Principal  | -                             | 28,363                               | 6,722                                | 56,808                               |
| Interest charges   | -                             | 9,529                                | 3,278                                | 1,336                                |
| <b>Total Expenditures</b>  | -                             | 726,808                              | 661,423                              | 1,122,656                            |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | 2,912,544                     | (579,922)                            | (473,032)                            | (857,753)                            |
| <b><u>Other Financing Sources (Uses)</u></b>                         |                               |                                      |                                      |                                      |
| Transfers in   | -                             | 718,973                              | 695,613                              | 898,013                              |
| Transfers (out)  | (2,902,535)                   | -                                    | (19,039)                             | -                                    |
| Sale of capital asset  | -                             | -                                    | -                                    | -                                    |
| <b>Total Other Financing<br/>Sources (Uses)</b>                      | (2,902,535)                   | 718,973                              | 676,574                              | 898,013                              |
| <b>Net Change in Fund Balances</b>                                   | 10,009                        | 139,051                              | 203,542                              | 40,260                               |
| Beginning fund balances  | (158,528)                     | 692,899                              | 447,538                              | 1,123,764                            |
| <b>Ending Fund Balances</b>  | \$ (148,519)                  | \$ 831,950                           | \$ 651,080                           | \$ 1,164,024                         |

| <b>Road and<br/>Bridge<br/>Precinct No. 4</b> | <b>Interfund<br/>Activity<br/>Elimination</b> | <b>Total<br/>Road and<br/>Bridge Funds</b> |
|---|---|--|
| \$ -  | \$ -  | \$ 2,410,518                               |
| 185,917                                       | -   | 735,357                                    |
| -   | -   | 479,809                                    |
| -   | -   | 22,217                                     |
| 2,726   | -   | 7,838                                      |
| 9,734   | -   | 55,362                                     |
| <u>198,377</u>                                | <u>-</u>                                      | <u>3,711,101</u>                           |
| 713,708                                       | -   | 2,983,344                                  |
| 93,772  | -   | 228,987                                    |
| -   | -   | 91,893                                     |
| -   | -   | 14,143                                     |
| <u>807,480</u>                                | <u>-</u>                                      | <u>3,318,367</u>                           |
| <u>(609,103)</u>                              | <u>-</u>                                      | <u>392,734</u>                             |
| 830,339                                       | (2,940,888)                                   | 202,050                                    |
| (19,314)                                      | 2,940,888                                     | -  |
| 2,400   | -   | 2,400                                      |
| <u>813,425</u>                                | <u>-</u>                                      | <u>204,450</u>                             |
| 204,322                                       | -   | 597,184                                    |
| <u>1,241,142</u>                              | <u>-</u>                                      | <u>3,346,815</u>                           |
| <u>\$ 1,445,464</u>                           | <u>\$ -</u>                                   | <u>\$ 3,943,999</u>                        |

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**TYLER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**ROAD AND BRIDGE GENERAL FUND**  
For the Year Ended December 31, 2016

|  | <u>Budgeted Amounts</u> |                     | <u>Actual</u><br><u>Amounts</u> | <u>Variance with</u><br><u>Final Budget</u><br><u>Positive</u><br><u>(Negative)</u> |
|--|-------------------------|---------------------|---------------------------------|---|
|  | <u>Original</u>         | <u>Final</u>        |                                 |   |
| <b><u>Revenues</u></b>                       |                         |                     |                                 |   |
| Property taxes                               | \$ 2,133,550            | \$ 2,133,550        | \$ 2,410,518                    | \$ 276,968  |
| Intergovernmental                            | 22,000                  | 22,000              | -                               | (22,000)  |
| Auto registration                            | 470,000                 | 470,000             | 479,809                         | 9,809   |
| Other fees                                   | 22,350                  | 22,350              | 22,217                          | (133)   |
| <b>Total Revenues</b>                        | <u>2,647,900</u>        | <u>2,647,900</u>    | <u>2,912,544</u>                | <u>264,644</u>  |
| <b><u>Other Financing Sources (Uses)</u></b> |                         |                     |                                 |   |
| Transfers (out)                              | (2,647,900)             | (2,902,535)         | (2,902,535)                     | -   |
| <b>Total Other Financing (Uses)</b>          | <u>(2,647,900)</u>      | <u>(2,902,535)</u>  | <u>(2,902,535)</u>              | <u>-</u>  |
| <b>Net Change in Fund Balance</b>            | <u>\$ -</u>             | <u>\$ (254,635)</u> | 10,009                          | <u>\$ 264,644</u>   |
| Beginning fund balance                       |                         |                     | <u>(158,528)</u>                |   |
| <b>Ending Fund Balance</b>                   |                         |                     | <u>\$ (148,519)</u>             |   |

**TYLER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**ROAD AND BRIDGE FUND PRECINCT NO. 1**  
For the Year Ended December 31, 2016

|  | Budgeted Amounts   |                     | Actual<br>Amounts | Variance with<br>Final Budget |
|--|--------------------|---------------------|-------------------|-------------------------------|
|  | Original           | Final               |                   | Positive<br>(Negative)        |
| <b>Revenues</b>  |                    |                     |                   |                               |
| Intergovernmental  | \$ 1,000           | \$ 1,000            | \$ 144,503        | \$ 143,503                    |
| Investment income  | 850                | 850                 | 1,637             | 787                           |
| Other revenue  | 1,100              | 1,100               | 746               | (354)                         |
| <b>Total Revenues</b>                                    | <u>2,950</u>       | <u>2,950</u>        | <u>146,886</u>    | <u>143,936</u>                |
| <b>Expenditures</b>                                      |                    |                     |                   |                               |
| Roads and bridges  | 641,680            | 711,626             | 673,703           | 37,923                        |
| Capital outlay   | 25,000             | 15,213              | 15,213            | -                             |
| Principal  | 25,000             | 33,433              | 28,363            | 5,070                         |
| Interest charges   | -                  | 12,367              | 9,529             | 2,838                         |
| <b>Total Expenditures</b>                                | <u>691,680</u>     | <u>772,639</u>      | <u>726,808</u>    | <u>45,831</u>                 |
| <b>(Deficiency) of Revenues<br/>(Under) Expenditures</b> | <u>(688,730)</u>   | <u>(769,689)</u>    | <u>(579,922)</u>  | <u>189,767</u>                |
| <b>Other Financing Sources (Uses)</b>                    |                    |                     |                   |                               |
| Transfers in   | 659,263            | 659,263             | 718,973           | 59,710                        |
| <b>Total Other Financing Sources</b>                     | <u>659,263</u>     | <u>659,263</u>      | <u>718,973</u>    | <u>59,710</u>                 |
| <b>Net Change in Fund Balance</b>                        | <u>\$ (29,467)</u> | <u>\$ (110,426)</u> | 139,051           | <u>\$ 249,477</u>             |
| Beginning fund balance                                   |                    |                     | <u>692,899</u>    |                               |
| <b>Ending Fund Balance</b>                               |                    |                     | <u>\$ 831,950</u> |                               |

**TYLER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**ROAD AND BRIDGE FUND PRECINCT NO. 2**  
For the Year Ended December 31, 2016

|  | Budgeted Amounts   |                     | Actual<br>Amounts | Variance with<br>Final Budget |
|--|--------------------|---------------------|-------------------|-------------------------------|
|  | Original           | Final               |                   | Positive<br>(Negative)        |
| <b>Revenues</b>  |                    |                     |                   |                               |
| Intergovernmental  | \$ -               | \$ -                | \$ 176,254        | \$ 176,254                    |
| Investment income  | 850                | 850                 | 1,217             | 367                           |
| Other revenue  | 150                | 150                 | 10,920            | 10,770                        |
| <b>Total Revenues</b>                                    | <u>1,000</u>       | <u>1,000</u>        | <u>188,391</u>    | <u>187,391</u>                |
| <b>Expenditures</b>                                      |                    |                     |                   |                               |
| Roads and bridges  | 606,491            | 771,755             | 651,423           | 120,332                       |
| Capital outlay   | 61,337             | 27,884              | -                 | 27,884                        |
| Debt service   | -                  | 6,722               | 6,722             | -                             |
| Interest charges   | -                  | 3,279               | 3,278             | 1                             |
| <b>Total Expenditures</b>                                | <u>667,828</u>     | <u>809,640</u>      | <u>661,423</u>    | <u>148,217</u>                |
| <b>(Deficiency) of Revenues<br/>(Under) Expenditures</b> | <u>(666,828)</u>   | <u>(808,640)</u>    | <u>(473,032)</u>  | <u>335,608</u>                |
| <b>Other Financing Sources (Uses)</b>                    |                    |                     |                   |                               |
| Transfers in   | 628,008            | 628,008             | 695,613           | 67,605                        |
| Transfers (out)  | (18,829)           | (19,039)            | (19,039)          | -                             |
| <b>Total Other Financing Sources</b>                     | <u>609,179</u>     | <u>608,969</u>      | <u>676,574</u>    | <u>67,605</u>                 |
| <b>Net Change in Fund Balance</b>                        | <u>\$ (57,649)</u> | <u>\$ (199,671)</u> | 203,542           | <u>\$ 403,213</u>             |
| Beginning fund balance                                   |                    |                     | 447,538           |                               |
| <b>Ending Fund Balance</b>                               |                    |                     | <u>\$ 651,080</u> |                               |

**TYLER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**ROAD AND BRIDGE FUND PRECINCT NO. 3**  
For the Year Ended December 31, 2016

|  | <u>Budgeted Amounts</u> |                     | <u>Actual</u><br><u>Amounts</u> | <u>Variance with</u><br><u>Final Budget</u><br><u>Positive</u><br><u>(Negative)</u> |
|--|-------------------------|---------------------|---------------------------------|---|
|  | <u>Original</u>         | <u>Final</u>        |                                 |   |
| <b><u>Revenues</u></b>                       |                         |                     |                                 |   |
| Intergovernmental                            | \$ -                    | \$ -                | \$ 228,683                      | \$ 228,683  |
| Investment income                            | 1,500                   | 1,500               | 2,258                           | 758   |
| Other revenue                                | -                       | -                   | 33,962                          | 33,962  |
| <b>Total Revenues</b>                        | <u>1,500</u>            | <u>1,500</u>        | <u>264,903</u>                  | <u>263,403</u>  |
| <b><u>Expenditures</u></b>                   |                         |                     |                                 |   |
| Roads and bridges                            | 873,612                 | 1,204,090           | 944,510                         | 259,580   |
| Capital outlay                               | 80,000                  | 120,002             | 120,002                         | -   |
| Principal                                    | -                       | 56,808              | 56,808                          | -   |
| Interest charges                             | -                       | 1,336               | 1,336                           | -   |
| <b>Total Expenditures</b>                    | <u>953,612</u>          | <u>1,382,236</u>    | <u>1,122,656</u>                | <u>259,580</u>  |
| <b>(Deficiency) of Revenues</b>              |                         |                     |                                 |   |
| <b>(Under) Expenditures</b>                  | <u>(952,112)</u>        | <u>(1,380,736)</u>  | <u>(857,753)</u>                | <u>522,983</u>  |
| <b><u>Other Financing Sources (Uses)</u></b> |                         |                     |                                 |   |
| Transfers in                                 | 841,180                 | 841,180             | 898,013                         | 56,833  |
| <b>Total Other Financing Sources</b>         | <u>841,180</u>          | <u>841,180</u>      | <u>898,013</u>                  | <u>56,833</u>   |
| <b>Net Change in Fund Balance</b>            | <u>\$ (110,932)</u>     | <u>\$ (539,556)</u> | 40,260                          | <u>\$ 579,816</u>   |
| Beginning fund balance                       |                         |                     | <u>1,123,764</u>                |   |
| <b>Ending Fund Balance</b>                   |                         |                     | <u>\$ 1,164,024</u>             |   |



**TYLER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**ROAD AND BRIDGE FUND PRECINCT NO. 4**  
For the Year Ended December 31, 2016

|  | <u>Budgeted Amounts</u> |                     | <u>Actual</u><br><u>Amounts</u> | <u>Variance with</u><br><u>Final Budget</u><br><u>Positive</u><br><u>(Negative)</u> |
|--|-------------------------|---------------------|---------------------------------|---|
|  | <u>Original</u>         | <u>Final</u>        |                                 |   |
| <b><u>Revenues</u></b>   |                         |                     |                                 |   |
| Intergovernmental  | \$ -                    | \$ -                | \$ 185,917                      | \$ 185,917  |
| Investment income  | 1,200                   | 1,200               | 2,726                           | 1,526   |
| Other revenue  | -                       | -                   | 9,734                           | 9,734   |
| <b>Total Revenues</b>  | <u>1,200</u>            | <u>1,200</u>        | <u>198,377</u>                  | <u>197,177</u>  |
| <b><u>Expenditures</u></b>                                     |                         |                     |                                 |   |
| Roads and bridges  | 876,364                 | 920,384             | 713,708                         | 206,676   |
| Capital outlay   | 50,000                  | 93,772              | 93,772                          | -   |
| <b>Total Expenditures</b>                                      | <u>926,364</u>          | <u>1,014,156</u>    | <u>807,480</u>                  | <u>206,676</u>  |
| <b>(Deficiency) of Revenues</b><br><b>(Under) Expenditures</b> | <u>(925,164)</u>        | <u>(1,012,956)</u>  | <u>(609,103)</u>                | <u>403,853</u>  |
| <b><u>Other Financing Sources (Uses)</u></b>                   |                         |                     |                                 |   |
| Transfers in   | 760,387                 | 760,387             | 830,339                         | 69,952  |
| Transfers (out)  | (17,850)                | (19,314)            | (19,314)                        | -   |
| Sale of capital assets   | -                       | -                   | 2,400                           | 2,400   |
| <b>Total Other Financing Sources</b>                           | <u>742,537</u>          | <u>741,073</u>      | <u>813,425</u>                  | <u>72,352</u>   |
| <b>Net Change in Fund Balance</b>                              | <u>\$ (182,627)</u>     | <u>\$ (271,883)</u> | 204,322                         | <u>\$ 476,205</u>   |
| Beginning fund balance   |                         |                     | <u>1,241,142</u>                |   |
| <b>Ending Fund Balance</b>                                     |                         |                     | <u>\$ 1,445,464</u>             |   |

**TYLER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**DISTRICT CLERK STATE APPROPRIATIONS**  
For the Year Ended December 31, 2016

|                                   | <u>Budgeted Amounts</u> |                    | <u>Actual</u><br><u>Amounts</u> | <u>Variance with</u><br><u>Final Budget</u><br><u>Positive</u><br><u>(Negative)</u> |
|-----------------------------------|-------------------------|--------------------|---------------------------------|---|
|                                   | <u>Original</u>         | <u>Final</u>       |                                 |   |
| <b><u>Revenues</u></b>            |                         |                    |                                 |   |
| Investment income                 | \$ 100                  | \$ 100             | \$ 88                           | \$ (12)   |
| <b>Total Revenues</b>             | <u>100</u>              | <u>100</u>         | <u>88</u>                       | <u>(12)</u>   |
| <b><u>Expenditures</u></b>        |                         |                    |                                 |   |
| Administration of justice         | 48,592                  | 48,592             | -                               | 48,592  |
| <b>Total Expenditures</b>         | <u>48,592</u>           | <u>48,592</u>      | <u>-</u>                        | <u>48,592</u>   |
| <b>Net Change in Fund Balance</b> | <u>\$ (48,492)</u>      | <u>\$ (48,492)</u> | 88                              | <u>\$ 48,580</u>  |
| Beginning fund balance            |                         |                    | <u>48,647</u>                   |   |
| <b>Ending Fund Balance</b>        |                         |                    | <u>\$ 48,735</u>                |   |

**TYLER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**COUNTY CLERK RMP**

For the Year Ended December 31, 2016

|                                   | <u>Original</u>     | <u>Final</u>        | <u>Amounts</u>    | <u>Variance with<br/>Final Budget<br/>(Negative)</u> |
|-----------------------------------|---------------------|---------------------|-------------------|--|
| <b><u>Revenues</u></b>            |                     |                     |                   |  |
| Other fees                        | \$ 100,000          | \$ 100,000          | \$ 76,141         | \$ (23,859)  |
| Investment income                 | 600                 | 600                 | 911               | 311  |
| <b>Total Revenues</b>             | <u>100,600</u>      | <u>100,600</u>      | <u>77,052</u>     | <u>(23,548)</u>                                      |
| <b><u>Expenditures</u></b>        |                     |                     |                   |  |
| General government                | 272,035             | 272,035             | 13,476            | 258,559  |
| Capital outlay                    | 55,000              | 55,000              | -                 | 55,000   |
| <b>Total Expenditures</b>         | <u>327,035</u>      | <u>327,035</u>      | <u>13,476</u>     | <u>313,559</u>                                       |
| <b>Net Change in Fund Balance</b> | <u>\$ (226,435)</u> | <u>\$ (226,435)</u> | 63,576            | <u>\$ 290,011</u>                                    |
| Beginning fund balance            |                     |                     | <u>463,360</u>    |  |
| <b>Ending Fund Balance</b>        |                     |                     | <u>\$ 526,936</u> |  |

**TYLER COUNTY, TEXAS**  
*SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL*  
**COUNTY DISTRICT ATTORNEY FORFEITURE**  
 For the Year Ended December 31, 2016

|                                   | <u>Original</u>    | <u>Final</u>       | <u>Amounts</u>   | <u>Variance with<br/>Final Budget<br/>(Negative)</u> |
|-----------------------------------|--------------------|--------------------|------------------|--|
| <b><u>Revenues</u></b>            |                    |                    |                  |  |
| Investment income                 | \$ 20              | \$ 20              | \$ 27            | \$ 7   |
| <b>Total Revenues</b>             | <u>20</u>          | <u>20</u>          | <u>27</u>        | <u>7</u>   |
| <br><b><u>Expenditures</u></b>    |                    |                    |                  |  |
| Adminstration of justice          | 15,020             | 15,020             | 855              | 14,165   |
| <b>Total Expenditures</b>         | <u>15,020</u>      | <u>15,020</u>      | <u>855</u>       | <u>14,165</u>  |
| <b>Net Change in Fund Balance</b> | <u>\$ (15,000)</u> | <u>\$ (15,000)</u> | (828)            | <u>\$ 14,172</u>                                     |
| Beginning fund balance            |                    |                    | <u>15,067</u>    |  |
| <b>Ending Fund Balance</b>        |                    |                    | <u>\$ 14,239</u> |  |

**TYLER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**SHERIFF FORFEITURE**  
For the Year Ended December 31, 2016

|                                   | <u>Original</u>   | <u>Final</u>      | <u>Amounts</u> | <u>Variance with<br/>Final Budget<br/>(Negative)</u> |
|-----------------------------------|-------------------|-------------------|----------------|--|
| <b><u>Expenditures</u></b>        |                   |                   |                |  |
| Public safety                     | \$ 5,900          | \$ 5,900          | \$ 1,432       | \$ 4,468   |
| <b>Total Expenditures</b>         | <u>5,900</u>      | <u>5,900</u>      | <u>1,432</u>   | <u>4,468</u>   |
| <b>Net Change in Fund Balance</b> | <u>\$ (5,900)</u> | <u>\$ (5,900)</u> | (1,432)        | <u>\$ 4,468</u>                                      |
| Beginning fund balance            |                   |                   | <u>1,432</u>   |  |
| <b>Ending Fund Balance</b>        |                   |                   | <u>\$ -</u>    |  |

**TYLER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**DISTRICT CLERK RMP**  
For the Year Ended December 31, 2016

|  | Budgeted Amounts  |                   | Actual<br>Amounts | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|-------------------|-------------------|-------------------|---|
|  | Original          | Final             |                   |   |
| <b>Revenues</b>  |                   |                   |                   |   |
| Other fees   | \$ 2,970          | \$ 2,970          | \$ 1,590          | \$ (1,380)  |
| Investment income  | -                 | -                 | 1                 | 1   |
| <b>Total Revenues</b>                                    | <u>2,970</u>      | <u>2,970</u>      | <u>1,591</u>      | <u>(1,379)</u>  |
| <b>Expenditures</b>                                      |                   |                   |                   |   |
| General government                                       | 5,000             | 5,000             | 3,402             | 1,598   |
| <b>Total Expenditures</b>                                | <u>5,000</u>      | <u>5,000</u>      | <u>3,402</u>      | <u>1,598</u>  |
| <b>(Deficiency) of Revenues<br/>(Under) Expenditures</b> | <u>(2,030)</u>    | <u>(2,030)</u>    | <u>(1,811)</u>    | <u>219</u>  |
| <b>Other Financing Sources (Uses)</b>                    |                   |                   |                   |   |
| Transfers in   | -                 | -                 | 1,811             | 1,811   |
| <b>Total Other Financing Sources</b>                     | <u>-</u>          | <u>-</u>          | <u>1,811</u>      | <u>1,811</u>  |
| <b>Net Change in Fund Balance</b>                        | <u>\$ (2,030)</u> | <u>\$ (2,030)</u> | <u>-</u>          | <u>\$ 2,030</u>   |
| Beginning fund balance                                   |                   |                   | -                 |   |
| <b>Ending Fund Balance</b>                               |                   |                   | <u>\$ -</u>       |   |

**TYLER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**LAW LIBRARY**

For the Year Ended December 31, 2016

|  | <u>Budgeted Amounts</u> |                  | <u>Actual</u><br><u>Amounts</u> | <u>Variance with</u><br><u>Final Budget</u><br><u>Positive</u><br><u>(Negative)</u> |
|--|-------------------------|------------------|---------------------------------|---|
|  | <u>Original</u>         | <u>Final</u>     |                                 |   |
| <b><u>Revenues</u></b>                       |                         |                  |                                 |   |
| Other fees                                   | \$ 7,500                | \$ 7,500         | \$ 7,773                        | \$ 273  |
| Investment income                            | 100                     | 100              | 38                              | (62)  |
| <b>Total Revenues</b>                        | <u>7,600</u>            | <u>7,600</u>     | <u>7,811</u>                    | <u>211</u>  |
| <b><u>Expenditures</u></b>                   |                         |                  |                                 |   |
| Administration of justice                    | 12,600                  | 17,489           | 17,489                          | -   |
| <b>Total Expenditures</b>                    | <u>12,600</u>           | <u>17,489</u>    | <u>17,489</u>                   | <u>-</u>  |
| <b>(Deficiency) of Revenues</b>              |                         |                  |                                 |   |
| <b>(Under) Expenditures</b>                  | <u>(5,000)</u>          | <u>(9,889)</u>   | <u>(9,678)</u>                  | <u>211</u>  |
| <b><u>Other Financing Sources (Uses)</u></b> |                         |                  |                                 |   |
| Transfers in                                 | 5,000                   | 25,000           | 45,000                          | 20,000  |
| <b>Total Other Financing Sources</b>         | <u>5,000</u>            | <u>25,000</u>    | <u>45,000</u>                   | <u>20,000</u>   |
| <b>Net Change in Fund Balance</b>            | <u>\$ -</u>             | <u>\$ 15,111</u> | 35,322                          | <u>\$ 20,211</u>  |
| Beginning fund balance                       |                         |                  | <u>1</u>                        |   |
| <b>Ending Fund Balance</b>                   |                         |                  | <u>\$ 35,323</u>                |   |

**TYLER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**JAIL INTEREST AND SINKING**  
**For the Year Ended December 31, 2016**

|                                   | <b>Original</b> | <b>Final</b> | <b>Amounts</b> | <b>Variance with<br/>Final Budget<br/>(Negative)</b> |
|-----------------------------------|-----------------|--------------|----------------|--|
| <b><u>Revenues</u></b>            |                 |              |                |  |
| Investment income                 | \$ 1,500        | \$ 1,500     | \$ 1,853       | \$ 353   |
| Other revenue                     | 1,000           | 1,000        | 144            | (856)  |
| <b>Total Revenues</b>             | 2,500           | 2,500        | 1,997          | (503)  |
| <b><u>Expenditures</u></b>        |                 |              |                |  |
| Public safety                     | 100,000         | 100,000      | 72,030         | 27,970   |
| Capital outlay                    | 2,500           | 2,500        | -              | 2,500  |
| <b>Total Expenditures</b>         | 102,500         | 102,500      | 72,030         | 30,470   |
| <b>Net Change in Fund Balance</b> | \$ (100,000)    | \$ (100,000) | (70,033)       | \$ 29,967  |
| Beginning fund balance            |                 |              | 962,532        |  |
| <b>Ending Fund Balance</b>        |                 |              | \$ 892,499     |  |



**TYLER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**PEACE OFFICER SERVICE FEES**  
For the Year Ended December 31, 2016

|                                   | <u>Budgeted Amounts</u> |               | <u>Actual</u><br><u>Amounts</u> | <u>Variance with</u><br><u>Final Budget</u><br><u>Positive</u><br><u>(Negative)</u> |
|-----------------------------------|-------------------------|---------------|---------------------------------|---|
|                                   | <u>Original</u>         | <u>Final</u>  |                                 |   |
| <b><u>Revenues</u></b>            |                         |               |                                 |   |
| Other fees                        | \$ -                    | \$ 30,000     | \$ 10,735                       | \$ (19,265)   |
| Investment income                 | -                       | -             | 62                              | 62  |
| <b>Total Revenues</b>             | <u>-</u>                | <u>30,000</u> | <u>10,797</u>                   | <u>(19,203)</u>   |
| <b><u>Expenditures</u></b>        |                         |               |                                 |   |
| Public safety                     | -                       | 30,000        | 7,380                           | 22,620  |
| <b>Total Expenditures</b>         | <u>-</u>                | <u>30,000</u> | <u>7,380</u>                    | <u>22,620</u>   |
| <b>Net Change in Fund Balance</b> | <u>\$ -</u>             | <u>\$ -</u>   | 3,417                           | <u>\$ 3,417</u>   |
| Beginning fund balance            |                         |               | <u>32,075</u>                   |   |
| <b>Ending Fund Balance</b>        |                         |               | <u>\$ 35,492</u>                |   |

**TYLER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**COURTHOUSE SECURITY**  
For the Year Ended December 31, 2016

|                                   | <u>Budgeted Amounts</u> |                    | <u>Actual</u><br><u>Amounts</u> | <u>Variance with</u><br><u>Final Budget</u><br><u>Positive</u><br><u>(Negative)</u> |
|-----------------------------------|-------------------------|--------------------|---------------------------------|---|
|                                   | <u>Original</u>         | <u>Final</u>       |                                 |   |
| <b><u>Revenues</u></b>            |                         |                    |                                 |   |
| Other fees                        | \$ 18,000               | \$ 18,000          | \$ 9,499                        | \$ (8,501)  |
| Investment income                 | 200                     | 200                | 26                              | (174)   |
| <b>Total Revenues</b>             | <u>18,200</u>           | <u>18,200</u>      | <u>9,525</u>                    | <u>(8,675)</u>  |
| <b><u>Expenditures</u></b>        |                         |                    |                                 |   |
| General government                | 43,870                  | 43,870             | 34,226                          | 9,644   |
| Capital outlay                    | 18,000                  | 18,000             | 168                             | 17,832  |
| <b>Total Expenditures</b>         | <u>61,870</u>           | <u>61,870</u>      | <u>34,394</u>                   | <u>27,476</u>   |
| <b>Net Change in Fund Balance</b> | <u>\$ (43,670)</u>      | <u>\$ (43,670)</u> | (24,869)                        | <u>\$ 18,801</u>  |
| Beginning fund balance            |                         |                    | <u>25,494</u>                   |   |
| <b>Ending Fund Balance</b>        |                         |                    | <u>\$ 625</u>                   |   |

**TYLER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**COUNTY RMP**

For the Year Ended December 31, 2016

|                                   | <u>Budgeted Amounts</u> |                    | <u>Actual</u><br><u>Amounts</u> | <u>Variance with</u><br><u>Final Budget</u><br><u>Positive</u><br><u>(Negative)</u> |
|-----------------------------------|-------------------------|--------------------|---------------------------------|---|
|                                   | <u>Original</u>         | <u>Final</u>       |                                 |   |
| <b><u>Revenues</u></b>            |                         |                    |                                 |   |
| Other fees                        | \$ 4,000                | \$ 4,000           | \$ 3,771                        | \$ (229)  |
| Investment income                 | 350                     | 350                | 148                             | (202)   |
| <b>Total Revenues</b>             | <u>4,350</u>            | <u>4,350</u>       | <u>3,919</u>                    | <u>(431)</u>  |
| <b><u>Expenditures</u></b>        |                         |                    |                                 |   |
| General government                | 44,850                  | 44,850             | 2,300                           | 42,550  |
| Capital outlay                    | 14,500                  | 14,500             | -                               | 14,500  |
| <b>Total Expenditures</b>         | <u>59,350</u>           | <u>59,350</u>      | <u>2,300</u>                    | <u>57,050</u>   |
| <b>Net Change in Fund Balance</b> | <u>\$ (55,000)</u>      | <u>\$ (55,000)</u> | 1,619                           | <u>\$ 56,619</u>  |
| Beginning fund balance            |                         |                    | <u>81,195</u>                   |   |
| <b>Ending Fund Balance</b>        |                         |                    | <u>\$ 82,814</u>                |   |

**TYLER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**CDA FEES**

For the Year Ended December 31, 2016

|  | <u>Budgeted Amounts</u> |                    | <u>Actual</u><br><u>Amounts</u> | <u>Variance with</u><br><u>Positive</u><br><u>(Negative)</u> |
|--|-------------------------|--------------------|---------------------------------|--|
|  | <u>Original</u>         | <u>Final</u>       |                                 |  |
| <b><u>Revenues</u></b>   |                         |                    |                                 |  |
| Other fees   | \$ 12,000               | \$ 12,000          | \$ 1,191                        | \$ (10,809)  |
| <b>Total Revenues</b>  | <u>12,000</u>           | <u>12,000</u>      | <u>1,191</u>                    | <u>(10,809)</u>  |
| <b><u>Expenditures</u></b>   |                         |                    |                                 |  |
| Administration of justice  | 15,963                  | 15,963             | 1,177                           | 14,786   |
| <b>Total Expenditures</b>  | <u>15,963</u>           | <u>15,963</u>      | <u>1,177</u>                    | <u>14,786</u>  |
| <b>Excess (Deficiency) of Revenues</b><br><b>Over (Under) Expenditures</b> | <u>(3,963)</u>          | <u>(3,963)</u>     | <u>14</u>                       | <u>3,977</u>   |
| <b><u>Other Financing Sources (Uses)</u></b>                               |                         |                    |                                 |  |
| Transfers (out)  | -                       | (8,142)            | (8,142)                         | -  |
| <b>Total Other Financing (Uses)</b>  | <u>-</u>                | <u>(8,142)</u>     | <u>(8,142)</u>                  | <u>-</u>   |
| <b>Net Change in Fund Balance</b>  | <u>\$ (3,963)</u>       | <u>\$ (12,105)</u> | <u>(8,128)</u>                  | <u>\$ 3,977</u>  |
| Beginning fund balance   |                         |                    | <u>9,798</u>                    |  |
| <b>Ending Fund Balance</b>   |                         |                    | <u>\$ 1,670</u>                 |  |

**TYLER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**CDBG SENIOR CITIZEN PROJECT**  
For the Year Ended December 31, 2016

|                                   | <u>Budgeted Amounts</u> |                | <u>Actual</u><br><u>Amounts</u> | <u>Variance with</u><br><u>Positive</u><br><u>(Negative)</u> |
|-----------------------------------|-------------------------|----------------|---------------------------------|--|
|                                   | <u>Original</u>         | <u>Final</u>   |                                 |  |
| <b><u>Revenues</u></b>            |                         |                |                                 |  |
| Intergovernmental                 | \$ -                    | \$ 275,000     | \$ 200,463                      | \$ (74,537)  |
| <b>Total Revenues</b>             | <u>-</u>                | <u>275,000</u> | <u>200,463</u>                  | <u>(74,537)</u>  |
| <b><u>Expenditures</u></b>        |                         |                |                                 |  |
| General government                | -                       | 275,000        | 200,463                         | 74,537   |
| <b>Total Expenditures</b>         | <u>-</u>                | <u>275,000</u> | <u>200,463</u>                  | <u>74,537</u>  |
| <b>Net Change in Fund Balance</b> | <u>\$ -</u>             | <u>\$ -</u>    | <u>-</u>                        | <u>\$ -</u>  |
| Beginning fund balance            |                         |                | <u>-</u>                        |  |
| <b>Ending Fund Balance</b>        |                         |                | <u>\$ -</u>                     |  |

**TYLER COUNTY, TEXAS**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**AGENCY FUNDS (page 1 of 4)**  
**December 31, 2016**

|                           | <u>Elected Officials</u> | <u>CDA Trust</u> | <u>Alternate<br/>Dispute<br/>Resolution</u> | <u>State DPS<br/>Arrest Fees</u> |
|---------------------------|--------------------------|------------------|---|----------------------------------|
| <b><u>Assets</u></b>      |                          |                  |   |                                  |
| Cash and cash equivalents | \$ 6,542,446             | \$ 18,475        | \$ 259                                      | \$ 29,589                        |
| <b>Total Assets</b>       | <b>\$ 6,542,446</b>      | <b>\$ 18,475</b> | <b>\$ 259</b>                               | <b>\$ 29,589</b>                 |
| <b><u>Liabilities</u></b> |                          |                  |   |                                  |
| Due to other units        | \$ 6,542,446             | \$ 18,475        | \$ 259                                      | \$ 29,589                        |
| <b>Total Liabilities</b>  | <b>\$ 6,542,446</b>      | <b>\$ 18,475</b> | <b>\$ 259</b>                               | <b>\$ 29,589</b>                 |

| <u>State General Revenue</u> | <u>Supplement Court Guardianship</u> | <u>State TLFTA</u> | <u>State Time Payment</u> | <u>State Fugitive</u> | <u>State CCC</u> |
|------------------------------|--------------------------------------|--------------------|---------------------------|-----------------------|------------------|
| \$ 39                        | \$ 16,220                            | \$ 8,519           | \$ 12,949                 | \$ 123                | \$ 24,833        |
| <u>\$ 39</u>                 | <u>\$ 16,220</u>                     | <u>\$ 8,519</u>    | <u>\$ 12,949</u>          | <u>\$ 123</u>         | <u>\$ 24,833</u> |
| <br>                         |                                      |                    |                           |                       |                  |
| \$ 39                        | \$ 16,220                            | \$ 8,519           | \$ 12,949                 | \$ 123                | \$ 24,833        |
| <u>\$ 39</u>                 | <u>\$ 16,220</u>                     | <u>\$ 8,519</u>    | <u>\$ 12,949</u>          | <u>\$ 123</u>         | <u>\$ 24,833</u> |

**TYLER COUNTY, TEXAS**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**AGENCY FUNDS (page 2 of 4)**  
 December 31, 2016

|                           | <u>State Appellate<br/>Judicial</u> | <u>State DNA<br/>Testing Fee</u> | <u>State Drug<br/>Court Programs</u> | <u>State Indigent<br/>Defense</u> |
|---------------------------|-------------------------------------|----------------------------------|--------------------------------------|-----------------------------------|
| <b><u>Assets</u></b>      |                                     |                                  |                                      |                                   |
| Cash and cash equivalents | \$ 5,198                            | \$ 934                           | \$ 3,982                             | \$ 2,504                          |
| <b>Total Assets</b>       | <b><u>\$ 5,198</u></b>              | <b><u>\$ 934</u></b>             | <b><u>\$ 3,982</u></b>               | <b><u>\$ 2,504</u></b>            |
| <b><u>Liabilities</u></b> |                                     |                                  |                                      |                                   |
| Due to other units        | \$ 5,198                            | \$ 934                           | \$ 3,982                             | \$ 2,504                          |
| <b>Total Liabilities</b>  | <b><u>\$ 5,198</u></b>              | <b><u>\$ 934</u></b>             | <b><u>\$ 3,982</u></b>               | <b><u>\$ 2,504</u></b>            |



| <u>State Juvenile<br/>Crime and<br/>Detention</u> | <u>Tyler County<br/>Search and<br/>Rescue</u> | <u>Justice Court<br/>Technology</u> | <u>Corrective<br/>Management<br/>Inst. TX</u> | <u>State Tertiary<br/>Care</u> | <u>State Traffic<br/>Fee</u> |
|---|---|-------------------------------------|---|--------------------------------|------------------------------|
| \$ 13   | \$ 198  | \$ 46,382                           | \$ 90   | \$ 37,097                      | \$ 7,121                     |
| <u>\$ 13</u>                                      | <u>\$ 198</u>                                 | <u>\$ 46,382</u>                    | <u>\$ 90</u>                                  | <u>\$ 37,097</u>               | <u>\$ 7,121</u>              |
| <br>  |   |                                     |   |                                |                              |
| \$ 13   | \$ 198  | \$ 46,382                           | \$ 90   | \$ 37,097                      | \$ 7,121                     |
| <u>\$ 13</u>                                      | <u>\$ 198</u>                                 | <u>\$ 46,382</u>                    | <u>\$ 90</u>                                  | <u>\$ 37,097</u>               | <u>\$ 7,121</u>              |

**TYLER COUNTY, TEXAS**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**AGENCY FUNDS (page 3 of 4)**  
 December 31, 2016

|                           | <u>State Bail Bond</u> | <u>State EMS<br/>Trauma</u> | <u>State Judicial<br/>Support Fees</u> | <u>Jury<br/>Reimbursement<br/>Fee</u> |
|---------------------------|------------------------|-----------------------------|--|---------------------------------------|
| <b><u>Assets</u></b>      |                        |                             |  |                                       |
| Cash and cash equivalents | \$ 2,487               | \$ 876                      | \$ 57,338                              | \$ 4,457                              |
| <b>Total Assets</b>       | <b>\$ 2,487</b>        | <b>\$ 876</b>               | <b>\$ 57,338</b>                       | <b>\$ 4,457</b>                       |
| <b><u>Liabilities</u></b> |                        |                             |  |                                       |
| Due to other units        | \$ 2,487               | \$ 876                      | \$ 57,338                              | \$ 4,457                              |
| <b>Total Liabilities</b>  | <b>\$ 2,487</b>        | <b>\$ 876</b>               | <b>\$ 57,338</b>                       | <b>\$ 4,457</b>                       |

| <u>State CVC</u> | <u>State Judicial Education</u> | <u>State LEOCE</u> | <u>State Criminal Justice Planning</u> | <u>State Law Enforcement Management</u> | <u>State LEOA</u> |
|------------------|---------------------------------|--------------------|--|---|-------------------|
| \$ 1,925         | \$ 42                           | \$ 4               | \$ 40                                  | \$ 1                                    | \$ 2              |
| <u>\$ 1,925</u>  | <u>\$ 42</u>                    | <u>\$ 4</u>        | <u>\$ 40</u>                           | <u>\$ 1</u>                             | <u>\$ 2</u>       |
| \$ 1,925         | \$ 42                           | \$ 4               | \$ 40                                  | \$ 1                                    | \$ 2              |
| <u>\$ 1,925</u>  | <u>\$ 42</u>                    | <u>\$ 4</u>        | <u>\$ 40</u>                           | <u>\$ 1</u>                             | <u>\$ 2</u>       |

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**TYLER COUNTY, TEXAS**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**AGENCY FUNDS (page 4 of 4)**  
**December 31, 2016**

|                           | Texas Juvenile<br>Justice<br>Department<br>Title IV E | Total Agency<br>Funds |
|---------------------------|---|-----------------------|
| <b><u>Assets</u></b>      |   |                       |
| Cash and cash equivalents | \$ 43,551   | \$ 6,867,694          |
| <b>Total Assets</b>       | \$ 43,551   | \$ 6,867,694          |
| <b><u>Liabilities</u></b> |   |                       |
| Due to other units        | \$ 43,551   | \$ 6,867,694          |
| <b>Total Liabilities</b>  | \$ 43,551   | \$ 6,867,694          |

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