

ATASCOSA COUNTY, TEXAS

ANNUAL FINANCIAL REPORT  
For the Fiscal Year Ended  
December 31, 2018



Atascosa County, Texas  
Annual Financial Report  
For the Fiscal Year Ended December 31, 2018

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## FINANCIAL SECTION

**BEYER & Co.**  
**CERTIFIED PUBLIC ACCOUNTANTS**

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**INDEPENDENT AUDITOR'S REPORT**

To the County Judge and Commissioners' Court  
Atascosa County, Texas

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Atascosa County, Texas, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

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

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

**Auditor's Responsibility**

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

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

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

## Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Atascosa County, Texas, as of December 31, 2018, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and the Road and Bridge Funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the Employees Retirement System Information on pages 3–11, and 69-72 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 Atascosa County, Texas' basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

BEYER & COMPANY  
Certified Public Accountants  
June 21, 2019





## Management's Discussion and Analysis

### Financial Highlights

- . The assets of Atascosa County, Texas exceeded its liabilities at the close of the most recent fiscal year by \$87,553,324 (net position). Of this amount, \$28,228,794 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- . The government's total net position decreased by \$5,967,426. This decrease is attributable, in large part, to a substantial amount of depreciation expensed in the transportation function (\$8,776,332) and careful budget management.
- . As of the close of the current fiscal year, Atascosa County, Texas' governmental funds reported combined ending fund balances of \$17,505,837, a decrease of \$11,565,193 in comparison with the prior year. Approximately 16% of this total amount, \$2,859,299, is available for spending at the government's discretion (unassigned fund balance). This increase is attributable to an issuance of 2018 bonds of \$4,870,000 less construction expenditures of \$16,091,815 for the New Justice Center, the New Jail Addition, and the Animal Control Center.
- . At the end of the current fiscal year, the unassigned fund balance for the general fund was \$3,790,435, or 16 percent of total general fund expenditures, the restricted fund balance for the road and bridge fund was \$4,532,530 or 60 percent of total road and bridge fund expenditures, the restricted fund balance for the general permanent improvement jail fund was \$1,945,895, or 25 percent of total general permanent improvement jail fund expenditures, the restricted fund balance for the general permanent improvement annex fund was a negative \$363,948, or 0 percent of total general permanent improvement jail fund expenditures.
- . Atascosa County, Texas' total debt increased by \$1,956,695 (8 percent) during the current fiscal year. The key factor in this increase was the issuance of 2018 bonds of \$4,870,000.

### Overview of the Financial Statements

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

***Government-wide financial statements:*** The government-wide financial statements are designed to provide readers with a broad overview of Atascosa County, Texas' finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of Atascosa County, Texas' assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Atascosa County, Texas is improving or deteriorating.

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

The government-wide financial statements distinguish functions of Atascosa County, Texas that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of Atascosa County, Texas include general administration, public safety, environmental protection, public transportation, health and welfare, public facilities, legal, elections, financial administration, conservation, capital projects, and culture and recreation. The business-type activities of Atascosa County, Texas include a self-insurance fund.

The government-wide financial statements include only Atascosa County, Texas itself (known as the primary government),

The government-wide financial statements can be found on pages 12-13 of this report.

***Fund financial statements:*** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Atascosa County, Texas, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

Atascosa County, Texas maintains sixty-six (66) 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 fund, the road and bridge funds, the general permanent improvement jail fund, and the general permanent improvement fund, all of which are considered to be major funds. Data from the other sixty-two (62) governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Atascosa County, Texas adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund and the road and bridge fund.

The basic governmental fund financial statements can be found on pages 14-20 of this report. The basic proprietary fund financial statements can be found on pages 21-24 of this report.

Proprietary funds: Atascosa County, Texas maintains one type of proprietary fund. Internal Service funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Internal Service fund is an accommodation to the County. Atascosa County, Texas uses the Internal Service fund to account for monies used to implement its self insurance program. The Internal Service fund is considered to be a major fund of the County.

Atascosa County, Texas also has three agency funds and two trust funds presented in this report. Such funds are not included in the county-wide statement but are shown separately on pages 25-26.

Notes to the financial statements:

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 27-68 of this report.

*Other information:*

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning Atascosa County, Texas' progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 69-72 of this report.

The combining statements referred to earlier in connection with major road and bridge funds and non-major governmental funds and internal service fund are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 73-89 of this report.

## Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Atascosa County, Texas, assets exceeded liabilities by \$87,553,324 at the close of the most recent fiscal year.

By far the largest portion of Atascosa County, Texas' net position (59 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, infrastructure, and equipment); less any related debt used to acquire those assets that are still outstanding. Atascosa County, Texas uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Atascosa County, Texas' 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 capital assets themselves cannot be used to liquidate these liabilities.

### ATASCOSA COUNTY, TEXAS NET POSITION

	Governmental Activities		Total	
	2018	2017	2018	2017
Current and Other Assets	\$51,530,983	\$61,711,579	\$51,530,983	\$61,711,579
Capital Assets:	69,510,812	60,691,623	69,510,812	60,691,623
Total Assets	121,041,795	122,403,202	121,041,795	122,403,202
Total Deferred Outflows of Resources	2,558,340	4,744,959	2,558,340	4,744,959
Long-Term Liabilities	26,231,579	24,274,884	26,231,579	24,274,884
Other Liabilities	2,175,685	1,635,411	2,175,685	1,635,411
Total Liabilities	28,407,264	25,910,295	28,407,264	25,910,295
Total Deferred Inflows of Resources	7,639,547	7,717,116	7,639,547	7,717,116
Invested in Capital Assets, Net of Related Debt	51,273,147	54,097,427	51,273,147	54,097,427
Restricted	8,051,383	7,594,141	8,051,383	7,594,141
Unrestricted	28,228,794	31,829,182	28,228,794	31,829,182
Total Net Position	\$87,553,324	\$93,520,750	\$87,553,324	\$93,520,750

An additional portion of Atascosa County, Texas' net position (9 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$28,228,794) may be used to meet the government's ongoing obligations to citizens and creditors. At the end of the current fiscal year, Atascosa County, Texas reported a positive balance in all three parts of the governmental activities net position. For the prior fiscal year, Atascosa County, Texas reported a positive balance in all three parts of the governmental activities net position.

*Governmental activities:*

Governmental activities decreased Atascosa County, Texas' net position by \$5,967,426, thereby accounting for 100 percent of the total decline in the net position of Atascosa County, Texas.

**ATASCOSA COUNTY, TEXAS  
CHANGE IN NET POSITION**

	Governmental Activities		Total	
	2018	2017	2018	2017
Revenues:				
Program Revenues:				
Charges for Services	\$8,892,571	\$8,060,515	\$8,892,571	\$8,060,515
Operating Grants and Contributions	1,570,753	1,484,163	1,570,753	1,484,163
Capital Grants and Contributions	3,000	389,265	3,000	389,265
General Revenues:				
Maintenance and Operations Taxes	25,067,241	22,605,417	25,067,241	22,605,417
Sales Taxes	8,106,857	5,318,430	8,106,857	5,318,430
Other Taxes	33,024	35,976	33,024	35,976
Oil Royalties	504,512	629,746	504,512	629,746
Unrestricted Investment Earnings	686,004	309,771	686,004	309,771
Miscellaneous	1,397,589	1,405,873	1,397,589	1,405,873
Total Revenue	46,261,551	40,239,156	46,261,551	40,239,156
Expenses:				
General Administration	11,150,670	11,639,732	11,150,670	11,639,732
Legal	892,858	854,490	892,858	854,490
Judicial	5,259,058	4,613,397	5,259,058	4,613,397
Financial Administration	1,690,926	1,501,429	1,690,926	1,501,429
Public Facilities	115,819	1,665,674	115,819	1,665,674
Public Safety	14,243,399	11,682,339	14,243,399	11,682,339
Public Transportation	15,532,005	14,318,317	15,532,005	14,318,317
Culture and Recreation	45,950	35,498	45,950	35,498
Health and Welfare	2,373,755	2,215,631	2,373,755	2,215,631
Conservation - Agriculture	205,644	209,979	205,644	209,979
Interest and Fiscal Charges	718,893	454,512	718,893	454,512
Total Expenses	52,228,977	49,190,998	52,228,977	49,190,998
Increase in Net Position Before Transfers and Special Items	(5,967,426)	(8,951,842)	(5,967,426)	(8,951,842)
Transfers	0	0	0	0
Increase in Net Position	(5,967,426)	(8,951,842)	(5,967,426)	(8,951,842)
Net Position at 12/31/2017	93,520,750	102,472,592	93,520,750	102,472,592
Net Position at 12/31/2018	\$87,553,324	\$93,520,750	\$87,553,324	\$93,520,750

The government's total net position decreased by \$5,967,426 during the current fiscal year. This decrease is attributable, in large part, to a substantial amount of depreciation expensed in the transportation function (\$8,776,332) and careful budget management.

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Government Activities:				
General Administration	\$11,150,670	\$4,872,168	\$110,592	\$0
Legal	892,858	37,720	23,333	
Judicial	5,259,058	804,208	1,148,912	
Financial Administration	1,690,926	844,259		
Public Facilities	115,819			3,000
Public Safety	14,243,399	1,526,751	144,613	
Public Transportation	15,532,005	716,465	42,469	
Culture and Recreation	45,950			
Health and Welfare	2,373,755	91,000	100,834	
Conservation - Agriculture	205,644			
Interest and Fiscal Charges	718,893			
Total Government Activities	\$52,228,977	\$8,892,571	\$1,570,753	\$3,000

Revenues by Source - Governmental Activities

	REVENUES	%
Charges for Services	\$8,892,571	19%
Operating Grants and Contributions	1,570,753	3%
Capital Grants and Contributions	3,000	0%
Maintenance and Operations Taxes	25,067,241	54%
Sales Taxes	8,106,857	19%
Other Taxes	33,024	0%
Oil Royalties	504,512	1%
Unrestricted Investment Earnings	686,004	1%
Miscellaneous	1,397,589	3%
	<u>\$46,261,551</u>	<u>100%</u>

For the most part, except as provided above, increases or decreases in expenses closely paralleled inflation, growth in population, the recession, or demand for services.

*Business-Type Activities*

There were no business-type activities since the only internal service fund was blended into the governmental activities.

## Financial Analysis of the Government's Funds

As noted earlier, Atascosa County, Texas uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

### *Governmental funds:*

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

As of the end of the current fiscal year, Atascosa County, Texas' governmental funds reported combined ending fund balances of \$17,505,837, a decrease of \$11,565,193 in comparison with the prior year. Approximately 16 percent of this total amount (\$2,859,299) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is non-spendable, restricted, or committed.

The general fund is the chief operating fund of Atascosa County, Texas. At the end of the current fiscal year, unassigned fund balance of the general fund was \$3,790,435, while total fund balance reached \$3,818,566. 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 16 percent of total general fund expenditures, while total fund balance represents 16 percent of that same amount.

The fund balance of Atascosa County, Texas' general fund decreased by \$2,880,960 during the current fiscal year. Key factors in this decrease are as follows:

- . This decrease is attributable to a transfer out of \$8,782,048 to various funds for operations.

At the end of the current fiscal year, restricted fund balance of the road and bridge fund was \$4,532,530, while total fund balance reached \$4,575,622. As a measure of the road and bridge fund's liquidity, it may be useful to compare both restricted fund balance and total fund balance to total fund expenditures. Restricted fund balance represents 60 percent of total road and bridge fund expenditures, while total fund balance represents 61 percent of that same amount.

The fund balance of Atascosa County, Texas' road and bridge fund increased by \$196,921 during the current fiscal year. Key factors in this increase are as follows:

- . the ad valorem taxes revenues increased by \$391,021; and careful budget management.

There is no analysis for the general permanent improvement jail fund and the general permanent improvement annex fund because they are construction funds and any analysis would be futile.

## Budgetary Highlights

There were differences between the general fund original budget and the final amended budget of \$6,267,275. This increase is due mainly to an increase non-departmental of \$5,877,603. This increase was precipitated primarily by an increase in the sales tax refund of \$1,005,652 and an increase in the construction of the animal control structure of \$3,158,030. There were no differences between the road and bridge fund original budget and the final amended budget.

## Capital Asset and Debt Administration

### *Capital assets:*

Atascosa County, Texas' investment in capital assets for its governmental activities as of December 31, 2018, amounts to \$69,510,812 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system improvements, machinery and equipment, park facilities, and infrastructure items such as roads, highways, and bridges. The total increase in Atascosa County, Texas' investment in capital assets for the current fiscal year was 15 percent.

There were several equipment purchases and construction of the New Justice Center, the New Jail Addition, and the Animal Control Center during the year. The New Justice Center, the New Jail Addition, and the Animal Control Center were not completed at year's end.

### **ATASCOSA COUNTY, TEXAS CAPITAL ASSETS (Net of Depreciation)**

	Governmental Activities		Total	
	2018	2017	2018	2017
Land	\$1,545,531	\$1,466,448	\$1,545,531	\$1,466,448
Construction in Progress	24,030,200	7,255,400	24,030,200	7,255,400
Building and Improvements	5,760,952	6,544,758	5,760,952	6,544,758
Machinery and Equipment	6,851,431	5,539,951	6,851,431	5,539,951
Infrastructure	31,322,698	39,885,066	31,322,698	39,885,066
Total	<u>\$69,510,812</u>	<u>\$60,691,623</u>	<u>\$69,510,812</u>	<u>\$60,691,623</u>

Additional information on Atascosa County, Texas' capital assets can be found in note IV C on page 42 of this report.



### *Long-term debt:*

At the end of the current fiscal year, Atascosa County, Texas had the following bonded debt.

	<u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u>	<u>One Year</u>	<u>One Year</u>
<u>Governmental Activities:</u>						
General Obligation Bonds	\$20,050,000	\$4,870,000	\$355,000	\$24,565,000	\$990,000	\$23,575,000
	<u>20,050,000</u>	<u>4,870,000</u>	<u>355,000</u>	<u>24,565,000</u>	<u>990,000</u>	<u>23,575,000</u>
 Grand Total	 <u>\$20,050,000</u>	 <u>\$4,870,000</u>	 <u>\$355,000</u>	 <u>\$24,565,000</u>	 <u>\$990,000</u>	 <u>\$23,575,000</u>

Atascosa County, Texas' total bonded debt increased by \$4,515,000 (23 percent) during the current fiscal year. The key factor in this increase was the issuance of 2018 bonds of \$4,870,000.

Additional information on Atascosa County, Texas' long term debt can be found in note IV F on pages 44-46 of this report.

### *Economic Factors*

The Eagle Ford Oil and Gas Shale has brought in an increase in construction and an increase in property values.

### CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with an overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the County's business office, 1 Courthouse Circle, Jourdanton, Texas 78026.



## BASIC FINANCIAL STATEMENTS



GOVERNMENT-WIDE FINANCIAL STATEMENTS

ATASCOSA COUNTY, TEXAS  
STATEMENT OF NET POSITION  
DECEMBER 31, 2018

	Primary Government Governmental Activities	Total
<b>ASSETS</b>		
Cash and Cash Equivalents	\$26,464,498	\$26,464,498
Receivables (net of allowance for uncollectibles)	24,994,118	24,994,118
Inventory	36,461	36,461
Prepaid Expenses	35,906	35,906
Capital Assets Not Being Depreciated:		
Land	1,545,531	1,545,531
Construction in Progress	24,030,200	24,030,200
Total Capital Assets Being Depreciated, Net		
Building and Improvements	5,760,952	5,760,952
Machinery and Equipment	6,851,431	6,851,431
Infrastructure	31,322,698	31,322,698
Total Assets	<u>\$121,041,795</u>	<u>\$121,041,795</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
GASB 68		
Deferred Outflow of Resources-Contributions (after 12/31/17)	2,243,981	2,243,981
Changes of assumptions	311,859	311,859
Loss on Bond Refunding	2,500	2,500
Total Deferred Outflows of Resources	<u>2,558,340</u>	<u>2,558,340</u>
<b>LIABILITIES:</b>		
Accounts Payable	\$1,593,472	\$1,593,472
Accrued Wages Payable	103,230	103,230
Accrued Interest Payable	372,865	372,865
Unearned Revenues	106,118	106,118
Noncurrent Liabilities:		
Due Within One Year	1,227,964	1,227,964
Due in More Than One Year	25,003,615	25,003,615
Total Liabilities	<u>28,407,264</u>	<u>28,407,264</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
GASB 68		
Net difference between projected and actual earnings	450,609	450,609
Differences between expected and actual experience	502,114	502,114
Unavailable Revenue - Advanced Tax Collections	6,686,824	6,686,824
Total Deferred Inflows of Resources	<u>7,639,547</u>	<u>7,639,547</u>
<b>NET POSITION</b>		
Invested in Capital Assets, Net of Related Debt	51,273,147	51,273,147
Restricted		
Construction	910	910
Debt Service	121,141	121,141
Elections	27,698	27,698
Financial Administration	5,351	5,351
General Administration	456,835	456,835
Health and Welfare	30,391	30,391
Judicial	451,749	451,749
Judicial - District Attorney	853,971	853,971
Public Safety	588,487	588,487
Public Safety - Sheriff	179,323	179,323
Public Transportation	4,539,907	4,539,907
Records Archives	795,620	795,620
Unrestricted	28,228,794	28,228,794
Total Net Position	<u>\$87,553,324</u>	<u>\$87,553,324</u>

The accompanying notes are an integral part of this statement.

ATASCOSA COUNTY, TEXAS  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2018

Functions/Programs	Expenses	Program Revenues			Net (Expense)	Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position	Revenue and Changes in Net Position
					Governmental Activities	Total
Primary Government						
Government Activities:						
General Administration	\$11,150,670	\$4,872,168	\$110,592	\$0	(\$6,167,910)	(\$6,167,910)
Legal	892,858	37,720	23,333		(831,805)	(831,805)
Judicial	5,259,058	804,208	1,148,912		(3,305,938)	(3,305,938)
Financial Administration	1,690,926	844,259			(846,667)	(846,667)
Public Facilities	115,819			3,000	(112,819)	(112,819)
Public Safety	14,243,399	1,526,751	144,613		(12,572,035)	(12,572,035)
Public Transportation	15,532,005	716,465	42,469		(14,773,071)	(14,773,071)
Culture and Recreation	45,950				(45,950)	(45,950)
Health and Welfare	2,373,755	91,000	100,834		(2,181,921)	(2,181,921)
Conservation - Agriculture	205,644				(205,644)	(205,644)
Interest and Fiscal Charges	718,893				(718,893)	(718,893)
Total Government Activities	52,228,977	8,892,571	1,570,753	3,000	(41,762,653)	(41,762,653)
Total Primary Government	\$52,228,977	\$8,892,571	\$1,570,753	\$3,000	(41,762,653)	(41,762,653)
General Revenues						
Property Taxes, Levies for General Purposes					25,067,241	25,067,241
Sales Taxes					8,106,857	8,106,857
Other Taxes					33,024	33,024
Oil Royalties					504,512	504,512
Unrestricted Investment Earnings					686,004	686,004
Miscellaneous					1,397,589	1,397,589
Total General Revenues and Transfers					35,795,227	35,795,227
Change in Net Position					(5,967,426)	(5,967,426)
Net Position - Beginning					93,520,750	93,520,750
Net Position - Ending					\$87,553,324	\$87,553,324

The accompanying notes are an integral part of this statement.





## FUND FINANCIAL STATEMENTS

ATASCOSA COUNTY, TEXAS  
BALANCE SHEET - GOVERNMENTAL FUNDS  
DECEMBER 31, 2018

	General Fund	Road and Bridge	General Permanent Improvement Jail	General Permanent Improvement Annex	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and Cash Equivalents	\$8,396,771	\$5,854,073	\$1,945,895	\$0	\$8,807,598	\$25,004,337
Receivables (net of allowance for uncollectibles)	16,735,793	3,251,095			776,042	20,762,930
Inventory		36,461				36,461
Prepaid Items	28,131	6,631			1,144	35,906
Total Assets	<u>\$25,160,695</u>	<u>\$9,148,260</u>	<u>\$1,945,895</u>	<u>\$0</u>	<u>\$9,584,784</u>	<u>\$45,839,634</u>
<b>LIABILITIES AND FUND BALANCES:</b>						
<b>Liabilities</b>						
Accounts Payable	\$504,120	\$230,921		\$350,902	\$444,218	\$1,530,161
Accrued Wages Payable	13,955	5,100			103,230	122,285
Bank Overdraft				13,046	138,802	151,848
Deferred Revenue					106,118	106,118
Total Liabilities	<u>518,075</u>	<u>236,021</u>	<u>0</u>	<u>363,948</u>	<u>792,368</u>	<u>1,910,412</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable Revenue - Advanced Tax Collections	5,051,901	1,093,925			540,998	6,686,824
Deferred Property Taxes	15,772,153	3,242,692			721,716	19,736,561
Total Deferred Inflows of Resources	<u>20,824,054</u>	<u>4,336,617</u>	<u>0</u>	<u>0</u>	<u>1,262,714</u>	<u>26,423,385</u>
<b>Fund Balances:</b>						
<b>Non-Spendable</b>						
Inventory		36,461				36,461
Prepaid Items	28,131	6,631			1,144	35,906
<b>Restricted</b>						
Construction			1,945,895		4,557,166	6,503,061
Debt Service					121,141	121,141
Elections					27,698	27,698
Financial Administration					5,351	5,351
General Administration					456,835	456,835
Health and Welfare					30,391	30,391
Judicial					451,749	451,749
Judicial - District Attorney					853,971	853,971
Public Safety					588,487	588,487
Public Safety - Sheriff					179,323	179,323
Public Transportation		4,532,530			7,377	4,539,907
Records Archives					795,620	795,620
<b>Committed</b>						
Elections					17,465	17,465
Public Safety - Sheriff					3,172	3,172
Unassigned	3,790,435			(363,948)	(567,188)	2,859,299
Total Fund Balance	<u>3,818,566</u>	<u>4,575,622</u>	<u>1,945,895</u>	<u>(363,948)</u>	<u>7,529,702</u>	<u>17,505,837</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$25,160,695</u>	<u>\$9,148,260</u>	<u>\$1,945,895</u>	<u>\$0</u>	<u>\$9,584,784</u>	<u>\$45,839,634</u>

The accompanying notes are an integral part of this statement.

ATASCOSA COUNTY, TEXAS  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
DECEMBER 31, 2018

Total Fund Balances - governmental funds balance sheet	\$17,505,837
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Amounts reported for governmental activities in the statement of Net Position  
("SNA") are different because:

Capital assets used in governmental activities are not reported in the funds.	69,510,812
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	4,231,188
GASB 68	
Deferred Outflow of Resources-Contribution	2,243,981
Net difference between projected and actual earnings	(450,609)
Changes of assumptions	311,859
Differences between expected and actual experience	(502,114)
Loss on Bond Refunding are expenditures in the funds but are recorded as assets in the governmental activities.	2,500
Internal Service funds are used by management to account for funds for Self- Insurance. The assets and liabilities of internal service funds are included in governmental activities in the Statement of Net Position.	1,567,753
Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds (net of allowance for uncollectibles).	19,736,561
Long-term liabilities, including compensated absences, are not due and payable in the current period and therefore are not reported in the funds.	(26,604,444)

Net Position of Governmental Activities - Statement of Net Position	<u>\$87,553,324</u>
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The accompanying notes are an integral part of this statement.

ATASCOSA COUNTY, TEXAS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2018

	General Fund	Road and Bridge	General Permanent Improvement Jail	General Permanent Improvement Annex	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Taxes						
Property	\$18,247,456	\$3,858,616			\$830,317	\$22,936,389
Sales	8,106,857					8,106,857
Other	33,024					33,024
Intergovernmental	192,014	42,469			1,339,270	1,573,753
Licenses and Permits		600,468				600,468
Charges for Services	1,741,857				1,276,872	3,018,729
Fines and Forfeitures	354,737	115,997			23,884	494,618
Oil Royalties	504,512					504,512
Interest	244,465	102,183	155,280	39,765	112,930	654,623
Miscellaneous	618,546	52,026			727,017	1,397,589
Total Revenues	30,043,468	4,771,759	155,280	39,765	4,310,290	39,320,562
<b>EXPENDITURES</b>						
Current:						
General Administration	8,139,663				257,682	8,397,345
Legal	858,374				1,384	859,758
Judicial	2,706,178				1,803,282	4,509,460
Financial Administration	1,619,924				8,000	1,627,924
Public Facilities	1,124,945					1,124,945
Public Safety	9,369,310				4,791,679	14,160,989
Public Transportation		7,540,998				7,540,998
Culture and Recreation	45,950					45,950
Health and Welfare	14,120				2,355,448	2,369,568
Conservation - Agriculture	205,644					205,644
Capital Projects -						
Capital Outlay and Other			7,696,461	5,945,969	487,130	14,129,560
Debt Service						
Principal Retirement	58,272				355,000	413,272
Bond Issuance Cost					115,905	115,905
Interest Retirement					498,092	498,092
Total Expenditures	24,142,380	7,540,998	7,696,461	5,945,969	10,673,602	55,999,410
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,901,088	(2,769,239)	(7,541,181)	(5,906,204)	(6,363,312)	(16,678,848)
<b>OTHER FINANCING SOURCES (USES):</b>						
Bond Proceeds					4,870,000	4,870,000
Bond Premium					243,655	243,655
Operating Transfers In		10,096,043			5,815,888	15,911,931
Operating Transfers Out	(8,782,048)	(7,129,883)			0	(15,911,931)
Total Other Financing Sources (Uses)	(8,782,048)	2,966,160	0	0	10,929,543	5,113,655
Net Changes in Fund Balances	(2,880,960)	196,921	(7,541,181)	(5,906,204)	4,566,231	(11,565,193)
Fund Balances - Beginning	6,699,526	4,378,701	9,487,076	5,542,256	2,963,471	29,071,030
Fund Balances - Ending	3,818,566	4,575,622	1,945,895	(363,948)	7,529,702	17,505,837

The accompanying notes are an integral part of this statement.

ATASCOSA COUNTY, TEXAS  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES OF  
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
DECEMBER 31, 2018

Net Changes in Fund Balances - Total Governmental Funds (\$11,565,193)

Amounts reported for governmental activities in the Statement of Net Position  
("SNA") 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. This is the amount by which capital outlays exceeded depreciation in the current period.	8,819,189
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds. This is the change in these amounts this year.	516,926
<b>GASB 68</b>	
Deferred Outflow of Resources-Contribution. This is the change in these amounts this year.	88,582
Deferred Inflow-Net difference between projected and actual earnings. This is the change in these amounts this year.	(2,778,171)
Deferred Outflow-Changes of assumptions. This is the change in these amounts this year.	54,861
Deferred Inflow-Differences between expected and actual experience. This is the change in these amounts this year.	(420,333)
Amortization of Loss on Refunded Bonds	(2,500)
Amortization of Bond Premium	10,229
Bond Issuance Proceeds	(4,870,000)
(Increase) Decrease in Bond Issuance Premiums.	(243,655)
(Increase) decrease in compensated absences from beginning of period to end of period.	(52,279)
(Increase) decrease in accrued interest payable from beginning of period to end of period.	(112,625)
Certain property tax revenues are deferred in the funds. This is the change in these amounts this year.	2,130,852
Internal Service funds are used by management to account for funds for self-insurance.	
The net revenue of certain activities of Internal Service funds is reported with governmental activities.	(742,319)
(Increase) decrease in Net Pension Liability from beginning of period to end of period.	2,785,738
Repayment of loan principal is an expenditure in the funds but not an expense in the SOA.	413,272

Change in Net Position of Governmental Activities - Statement of Activities (\$5,967,426)

The accompanying notes are an integral part of this statement.

## ATASCOSA COUNTY, TEXAS

## GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGETARY BASIS AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts		Budgetary	Variance with Final Budget -
	Original	Final	Basis	Positive (Negative)
REVENUES				
Taxes				
Property	\$18,081,612	\$18,081,612	\$18,247,456	\$165,844
Sales	4,500,000	4,500,000	8,106,857	3,606,857
Other	30,000	30,000	33,024	3,024
Intergovernmental	167,200	167,200	192,014	24,814
Charges for Services	1,961,481	1,961,481	1,741,857	(219,624)
Fines and Forfeitures	395,300	395,300	354,737	(40,563)
Oil Royalties	300,000	300,000	504,512	204,512
Interest	72,000	72,000	244,465	172,465
Miscellaneous	284,200	284,200	618,546	334,346
Total Revenues	25,791,793	25,791,793	30,043,468	4,251,675
EXPENDITURES				
Current:				
General Administration				
County Clerk	942,408	942,408	872,976	69,432
County Commissioners	170,779	171,779	170,990	789
County Judge	230,427	230,427	225,474	4,953
Elections	272,036	282,636	282,752	(116)
IT Department	75,219	254,219	238,567	15,652
Non-Departmental	1,800,175	7,677,778	5,859,154	1,818,624
Statutory County Judge	375,018	375,018	355,932	19,086
Veterans Service	218,428	220,780	192,090	28,690
Legal				
County Attorney	932,607	932,607	858,374	74,233
Judicial				
Child Protection Court	5,400	5,400	3,364	2,036
County Court	1,025,000	1,055,020	1,052,344	2,676
Court Expense	180,998	244,298	205,451	38,847
District Clerk	483,130	483,130	471,883	11,247
District Judge	3,000	3,000	828	2,172
Justice of the Peace	1,071,966	1,071,966	972,308	99,658
Financial Administration				
County Auditor	361,949	361,949	356,541	5,408
County Treasurer	355,793	355,793	348,946	6,847
Tax Assessor-Collector	992,124	992,124	914,437	77,687
Public Facilities				
Buildings and Yards	657,888	716,088	719,620	(3,532)
Utility	456,200	456,200	405,325	50,875
Public Safety				
Animal Control	511,494	565,516	287,500	278,016
Constables	419,750	441,750	426,960	14,790
Crimestoppers	55,664	55,664	54,924	740
D.P.S.	136,371	136,371	117,963	18,408
Emergency Management	346,810	292,788	251,834	40,954
Fire	144,500	144,500	124,500	20,000
Jail	3,636,095	3,636,095	3,244,821	391,274
Juvenile Probation	610,340	610,340	610,340	0
Reserve Deputies	130,072	130,072	66,696	63,376
Rural Addressing - 911	23,654	23,654	21,517	2,137
Sheriff	3,770,112	3,770,112	3,526,868	243,244
Sheriff - 911	616,799	639,999	635,387	4,612

(continued)

(continued)

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Culture and Recreation				
County Library	\$36,500	\$36,500	\$36,500	\$0
Historical Society	9,450	9,450	9,450	0
Health and Welfare				
Pauper	18,975	18,975	14,120	4,855
Conservation - Agriculture				
Agriculture Extension Service	218,852	218,852	205,644	13,208
Total Expenditures	<u>21,295,983</u>	<u>27,563,258</u>	<u>24,142,380</u>	<u>3,420,878</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	<u>4,495,810</u>	<u>(1,771,465)</u>	<u>5,901,088</u>	<u>7,672,553</u>
OTHER FINANCING SOURCES (USES):				
Operating Transfers Out	<u>(8,533,850)</u>	<u>(8,982,047)</u>	<u>(8,782,048)</u>	<u>199,999</u>
Total Other Financing Sources (Uses)	<u>(8,533,850)</u>	<u>(8,982,047)</u>	<u>(8,782,048)</u>	<u>199,999</u>
Net Changes in Fund Balances - Cash Basis	<u>(\$4,038,040)</u>	<u>(\$10,753,512)</u>	<u>(2,880,960)</u>	<u>\$7,872,552</u>
Reconciliation from cash basis to modified accrual basis:				
Various construction projects				
Net Changes in Fund Balances - Modified Accrual Basis			<u>(2,880,960)</u>	
Fund Balances - Beginning			<u>6,699,526</u>	
Fund Balances - Ending			<u>\$3,818,566</u>	

The accompanying notes are an integral part of this statement.





ATASCOSA COUNTY, TEXAS  
ROAD AND BRIDGE FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>REVENUES</b>				
Taxes				
Property	\$3,697,323	\$3,697,323	\$3,858,616	\$161,293
Intergovernmental	40,000	40,000	42,469	2,469
Licenses and Permits	740,000	740,000	600,468	(139,532)
Fines and Forfeitures	180,000	180,000	115,997	(64,003)
Interest	20,640	20,640	102,183	81,543
Miscellaneous	308,700	308,700	52,026	(256,674)
Total Revenues	4,986,663	4,986,663	4,771,759	(214,904)
<b>EXPENDITURES</b>				
Current				
Public Transportation				
Road and Bridge	8,352,483	8,352,483	7,540,998	811,485
Total Expenditures	8,352,483	8,352,483	7,540,998	811,485
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	(3,365,820)	(3,365,820)	(2,769,239)	596,581
OTHER FINANCING SOURCES (USES):				
Operating Transfers In	10,896,043	10,896,043	10,096,043	(800,000)
Operating Transfers Out	(7,529,883)	(7,529,883)	(7,129,883)	400,000
Total Other Financing Sources (Uses)	3,366,160	3,366,160	2,966,160	(400,000)
Net Changes in Fund Balances	340	340	196,921	196,581
Fund Balances - Beginning	4,378,701	4,378,701	4,378,701	0
Fund Balances - Ending	\$4,379,041	\$4,379,041	\$4,575,622	\$196,581

The notes to the financial statements are an integral part of this statement.

ATASCOSA COUNTY, TEXAS  
 COMBINING STATEMENT OF NET POSITION  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2018

	Internal Service Self Insurance Current Year	Internal Service Self Insurance Current Year	Total Proprietary Funds Current Year
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$1,631,064	\$2,310,072	\$1,631,064
Receivables (net of allowance for uncollectibles)			0
Total Current Assets	1,631,064	2,310,072	1,631,064
TOTAL ASSETS	\$1,631,064	\$2,310,072	\$1,631,064
LIABILITIES, FUND EQUITY AND OTHER CREDITS			
Liabilities			
Current Liabilities (payable from current assets)	\$63,311	\$0	\$63,311
Total Current Liabilities	63,311	0	63,311
TOTAL LIABILITIES	63,311	0	63,311
NET POSITION			
Restricted - Expendable	1,567,753	2,310,072	1,567,753
TOTAL NET POSITION	\$1,567,753	\$2,310,072	\$1,567,753

The notes to the financial statements are an integral part of this statement

ATASCOSA COUNTY, TEXAS  
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2018

	Internal Service Self Insurance Current Year	Internal Service Self Insurance Prior Year	Total Proprietary Funds Current Year
OPERATING REVENUES:			
Charges for Services (User Fees)	\$4,261,830	\$3,892,563	\$4,261,830
TOTAL OPERATING REVENUES	4,261,830	3,892,563	4,261,830
OPERATING EXPENSES			
Insurance Costs	4,298,741	3,781,656	4,298,741
Administrative Fees	736,266	578,897	736,266
Other	523	201,532	523
TOTAL OPERATING EXPENSES	5,035,530	4,562,085	5,035,530
OPERATING INCOME (LOSS)	(773,700)	(669,522)	(773,700)
NON-OPERATING REVENUES (EXPENSES):			
Interest Income	31,381	19,907	31,381
TOTAL NON-OPERATING REVENUES (EXPENSES)	31,381	19,907	31,381
Income Before Transfers	(742,319)	(649,615)	(742,319)
Transfers In (Out)	0	0	0
Change in Net Position	(742,319)	(649,615)	(742,319)
Total Net Position - Beginning	2,310,072	2,959,687	2,310,072
Total Net Position - Ending	\$1,567,753	\$2,310,072	\$1,567,753

The notes to the financial statements are an integral part of this statement.

ATASCOSA COUNTY, TEXAS  
COMBINING STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2018

	Internal Service Self Insurance Current Year	Internal Service Self Insurance Prior Year	Total Proprietary Funds Current Year
Cash Flows from Operating Activities			
Receipts from Customers and Users	\$4,261,830	\$3,892,563	\$4,261,830
Payments to Suppliers	(4,972,219)	(4,601,758)	(4,972,219)
Net Cash Provided (Used) By Operating Activities:	(710,389)	(709,195)	(710,389)
Cash Flows from Non-Capital and Related Financing Activities			
Transfers In	0	0	0
Net Cash Provided (Used) by Non-Capital and Related Financing Activities	0	0	0
Cash Flows from Investing Activities			
Interest Received	31,381	19,907	31,381
Net Cash Provided (Used) By Investing Activities	31,381	19,907	31,381
Net Increase (Decrease) in Cash Equivalents	(679,008)	(689,288)	(679,008)
Cash and Cash Equivalents at Beginning of Year	2,310,072	2,999,360	2,310,072
Cash and Cash Equivalents at End of Year	<u>\$1,631,064</u>	<u>\$2,310,072</u>	<u>\$1,631,064</u>

The notes to the financial statements are an integral part of this statement.

(continued)

(continued)

	Internal Service Self Insurance Current Year	Internal Service Self Insurance Prior Year	Total Proprietary Funds Current Year
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities			
Operating Income (Loss)	(\$773,700)	(\$669,522)	(\$773,700)
Changes in Current Items			
Decrease (Increase) in Accounts Receivable	0	0	0
Increase (Decrease) in Accounts Payable	63,311	(39,673)	63,311
Net Cash Provided (Used) by Operating Activities	<u>(\$710,389)</u>	<u>(\$709,195)</u>	<u>(\$710,389)</u>

Noncash Investing, Capital, and Financing Activities: None

Note: The above funds are all Enterprise Funds.

The notes to the financial statements are an integral part of this statement.

ATASCOSA COUNTY, TEXAS  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2018

		Private Purpose Trust Funds		
	Agency Funds	Historical Society	Permanent School Fund	Total
<b>ASSETS</b>				
Cash and Cash Equivalents	\$4,683,970	\$25,112	\$36,068	\$61,180
Receivables (net of allowance for uncollectibles)	46,862			0
Due from Others	0			0
Total Assets	<u>\$4,730,832</u>	<u>\$25,112</u>	<u>\$36,068</u>	<u>\$61,180</u>
<b>LIABILITIES</b>				
Accounts Payable	\$2,442	\$0		\$0
Bank Overdraft	0			
Due to Others	4,728,390			0
Total Liabilities	<u>4,730,832</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>NET POSITION</b>				
Held in Trust-Unexpendable		10,000	10,000	20,000
Held in Trust-Historical Purposes		15,112		15,112
Held in Trust-Public School Purposes			26,068	26,068
Total Net Position	<u>\$0</u>	<u>\$25,112</u>	<u>\$36,068</u>	<u>\$61,180</u>

The notes to the financial statements are an integral part of this statement.

ATASCOSA COUNTY, TEXAS  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2018

	Private Purpose Trust Funds		
	Historical Society	Permanent School Fund	Total
ADDITIONS			
Contributions:			
Private Donations	\$2,388		\$2,388
Intergovernmental	9,450		9,450
Total Contributions	11,838	0	11,838
Investment Earnings:			
Interest Received	285	650	935
Total Investment Earnings	285	650	935
Less Investment Expense			0
Net Investment Earnings	285	650	935
TOTAL ADDITIONS	12,123	650	12,773
DEDUCTIONS			
Culture and Recreation-History	4,273		4,273
Total Deductions	4,273	0	4,273
Change in Net Position	7,850	650	8,500
Net Position-Beginning	17,262	35,418	52,680
Net Position-Ending	\$25,112	\$36,068	\$61,180

The notes to the financial statements are an integral part of this statement.

ATASCOSA COUNTY, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

I. Summary of Significant Accounting Policies

A. Reporting entity

Atascosa County operates under a County Judge – Commissioners’ Court type of government and provides the following services throughout the County: public safety (fire, ambulance, and law enforcement), environmental protections (sanitation), public transportation (highways and roads), health and welfare, culture and recreation, conservation (agriculture), public facilities, judicial and legal, election functions, and general and financial administrative services. The accounting policies of Atascosa County, Texas, (the County) conform to generally accepted accounting principles.

The accounts of the County are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

B. Government-Wide and Fund Financial Statements

The County’s government-wide financial statements include a statement of net position and a statement of activities. These statements present summaries of governmental activities for the County accompanied by a total column.

These statements are presented on an “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all of the County’s assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the accompanying statement of net position. The statement of activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the County are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions.



## C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Certain eliminations have been made to interfund activities, payables, and receivables. All internal balances in the statement of net position have been eliminated except those representing balances between the governmental activities, which are presented as internal balances and eliminated in the total primary government column. When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

Governmental fund financial statements include a balance sheet and a statement of revenues, expenditures and changes in fund balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the government-wide financial statements. The County has presented all major funds that met those qualifications.

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the balance sheets. The statement of revenues, expenditures and changes in fund balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the County, are property tax, sales tax, intergovernmental revenues and charges for services. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

The government reports the following major governmental funds:

The general fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The road and bridge fund accounts for the activities of the government's road and bridge operations. The general permanent improvement jail fund accounts for the 2017 bond proceeds for the construction of an extension to the county jail. The general permanent improvement annex fund accounts for the 2018 bond proceeds for the construction of a judicial building.

Proprietary fund financial statements include a statement of net position, a statement of revenues, expenses and changes in fund net position, and a statement of cash flows for each major proprietary fund and for the non-major funds aggregated.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources are included on the statement of net position. The statement of revenues, expenses and changes in fund net position present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the self insurance fund are charges to employees for their health insurance. Operating expenses for enterprise funds include the cost of insurance premiums. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the County’s policy to use restricted resources first, then unrestricted resources as they are needed.

The government reports the following major proprietary funds: The self insurance fund accounts for the monies used for the County’s self insurance program.

*Fiduciary Funds* account for assets held by the County in a trustee capacity or as an agent on behalf of others. As such, fiduciary funds are not reported in the government-wide statements. The County’s fiduciary funds include the following: The county officer accounts, the unemployment insurance fund, and the court costs fund are used to account for the fines and fees collected and remitted by the County officers in the course of their operations. The Historical Society fund is used to administer monies for the benefit of Atascosa County history maintenance. The permanent school fund is used to administer monies for construction.

D. Assets, Liabilities, and Net Position or Equity

1. Deposits and Investments

The government'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. State statutes authorize the Government and the District to invest in obligations of the U.S. Treasury. Investments for the Government are reported at fair value. For purposes of the statement of cash flows, the County considers all highly liquid investments (including restricted assets) with a maturity when purchased of three months or less and all local government investment pools to be cash equivalents.

D. Assets, Liabilities, and Net Position or Equity (continued)

2. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All property tax receivables are shown net of an allowance for uncollectibles. The property tax receivable allowance is equal to a total of 1 percent of the current outstanding property taxes at December 31, 2018 and 10 percent of the delinquent outstanding property taxes at December 31, 2018.

Property is appraised and a lien on such property becomes enforceable as of January 1, subject to certain procedures for rendition, appraisal, appraisal review and judicial review. Traditionally, property taxes are levied October 1, of the year in which assessed or as soon thereafter as practicable. Taxes are due and payable when levied since that is when the County bills the taxpayers. The County begins to collect the taxes as soon as the taxpayers are billed.

3. Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

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

4. Compensated Absences

It is the government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits.

There is a liability for vacation pay since the government does have a policy to pay any amounts when employees separate from service with the government. Unused vacation pay is accumulated and paid upon termination. Unused vacation pay is accrued in the government-wide financial statements.

All comp. time is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in government-wide financial statements.

5. Restricted Assets

The County had no restricted assets at December 31, 2018.

6. 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 or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. There were several equipment purchases and construction of the New Justice Center, the New Jail Addition, and the Animal Control Center during the year. The New Justice Center, the New Jail Addition, and the Animal Control Center were not completed at year's end.

Property, plant, and equipment of the primary government are depreciated using the straight line method over the following estimated useful lives:

<i>Assets</i>	<i>Years</i>
Buildings	50
Building Improvements	20
Public Domain Infrastructure	50
System Infrastructure	30
Vehicles	5
Office Equipment	5
Computer Equipment	5

7. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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.

8. 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 government only has one item that qualifies for reporting in this category. It is deferred under GASB 68.

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. We have included advanced tax collections and deferred property taxes as deferred inflows in the fund financial statements. We have also included items that qualify for reporting under GASB 68.

The County reports unearned revenue on its fund financial statements. Unearned revenues arise when potential revenue does not meet both the “measureable” and “available” criteria for recognition in the current period (fund financial statements). Unearned revenues also arise when resources are unearned by the County and received before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures (fund financial statements and government-wide financial statements). In subsequent periods, when both revenue recognition criteria are met, or when the County has a legal claim to the resources, the liability for unearned revenue is removed from the applicable financial statement and revenue is recognized. We have included advanced tax collections and deferred property taxes as deferred inflows in the fund financial statements.

9. Net position flow assumption

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

10. Fund balance flow assumptions

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

11. Fund Balances – Governmental Funds

As of December 31, 2018, fund balances are composed of the following:

Fund Balances:	
Non-Spendable	
Inventory	\$36,461
Prepaid Items	35,906
Restricted	
Construction	6,503,061
Debt Service	121,141
Elections	27,698
Financial Administration	5,351
General Administration	456,835
Health and Welfare	30,391
Judicial	451,749
Judicial - District Attorney	853,971
Public Safety	588,487
Public Safety - Sheriff	179,323
Public Transportation	4,539,907
Records Archives	795,620
Committed	
Elections	17,465
Public Safety - Sheriff	3,172
Unassigned	2,859,299
Total Fund Balance	<u>\$17,505,837</u>

As of December 31, 2018, fund balances of the governmental funds are classified as follows:

***Nonspendable*** – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

***Restricted*** — amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

***Committed*** — amounts that can be used only for specific purposes determined by a formal action of Commissioners' Court. Commissioners' Court is the highest level of decision-making authority for the County. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by Commissioners' Court.

***Unassigned*** — all other spendable amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the County considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the County considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless Commissioners' Court or the finance committee has provided otherwise in its commitment or assignment actions.

In fiscal year 2011, the Commissioners' Court adopted a minimum fund balance policy for the General Fund. The policy requires the unassigned fund balance at fiscal year end to be at least equal to 25 to 35 percent of the subsequent year's budgeted General Fund expenditures.

12. Comparative data/reclassifications

Comparative total data for the prior year have been presented only for individual enterprise funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

II. Reconciliation of Government-Wide and Fund Financial Statements

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

The governmental fund balance sheet includes reconciliation between fund balance - total governmental funds and net position - governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that "long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds." The details of this \$26,604,444 difference are as follows:

Bonds Payable	\$24,565,000
Capital Lease	174,816
Bond Issuance Premium	841,158
Accrued Interest Payable	372,865
Net Pension Payable	470,913
Compensated Absences	179,692
	<u>\$26,604,444</u>



A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position. (continued)

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances - total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that "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. The details of this \$69,510,812 difference are as follows:

Capital Assets Not Being Depreciated	\$25,575,731
Capital Assets Being Depreciated	379,311,486
Depreciation Expense	(335,376,406)
Net Adjustment to Increase Net Changes in Fund Balances - Total Governmental Funds to Arrive at Changes in Net Position of Governmental Activities	<u>\$69,510,812</u>

The governmental fund balance sheet includes reconciliation between fund balance - total governmental funds and net position - governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that "Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds (net of allowance for uncollectibles.\*)" The details of this \$19,736,561 difference are as follows:

Property Taxes Receivable	\$20,206,951
Allowance for Doubtful Accounts	<u>(470,390)</u>
Net	<u>\$19,736,561</u>

The governmental fund balance sheet includes reconciliation between fund balance - total governmental funds and net position - governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that "Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds." The details of this \$4,231,188 difference are as follows:

Fines and Fees Receivable	\$12,858,806
Allowance for Doubtful Accounts	<u>(8,627,618)</u>
Net	<u>\$4,231,188</u>

- B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities. The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between net changes in fund balances - total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that "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." The details of this \$8,819,189 difference are as follows:

Capital Outlay - Additions - Not Being Depreciated	\$16,853,883
Capital Outlay - Additions - Being Depreciated	3,414,610
Capital Outlay - Deletions	(137,969)
Depreciation Expense	(11,311,336)
Net Adjustment to Increase Net Changes in Fund Balances - Total Governmental Funds to Arrive at Changes in Net Position of Governmental Activities	<u>\$8,819,189</u>

### III. Stewardship, Compliance, and Accountability

#### A. Budgetary Information

The original budget is adopted by the Commissioners' Court and filed with the County Clerk. Amendments are made during the year on approval by the Commissioners' Court. The final amended budget is used in this report. The budget should not be exceeded in any expenditure category under State law. Unused appropriations lapse at the end of each year. The County Judge is, by statute, the Budget Officer of the County. He usually requests and relies on the assistance of the County Auditor to prepare the annual budget. After being furnished budget guidelines by the Commissioners' Court, the County Auditor prepares an estimate of revenues and a compilation of requested departmental expenditures and submits this data to the Commissioners' Court. The Commissioners' Court invites various department heads to appear for a hearing concerning the departments' budget requests. Before determining the final budget, the Commissioners' Court may increase or decrease the amounts requested by the various departments. Amounts finally budgeted may not exceed the County Auditor's estimate of revenues and available cash. The final budget can be legally amended by the Commissioners' Court to whatever extent the Court desires as long as the amended figures do not exceed the County Auditor's estimate of revenues and available cash.

When the budget has been adopted by the Commissioners' Court, the County Auditor is responsible for monitoring the expenditures of the various departments of the County to prevent expenditures from exceeding budgeted appropriations and for keeping the members of the Commissioners' Court advised of the condition of the various funds and accounts. The level of control for each legally adopted annual operating budget is the fund. Budgets for all budgeted General and Special Revenue Funds are adopted on a budgetary basis which is in conformity with generally accepted accounting principles (GAAP). Budgets for the 2018 fiscal year were adopted for the General Fund and the Road and Bridge Funds.

B. Excess of Expenditures over Appropriations

For the year ended December 31, 2018, expenditures did not exceed appropriations in any fund.

C. Deficit Fund Equity

The County had no deficit fund balances as of December 31, 2018 except for the following: General Permanent Improvement Annex - \$363,948, Ambulance Fund - \$309,112, Border Prosecution Fund - \$25,372, Hazard Mitigation Fund - \$44,880, Hot Check Fund - \$145, Indigent Health Care fund - \$186,149, and the Victims Assistant Grant II - \$155. These deficits are expected to be liquidated by future resources of the respective funds.

#### IV. Detailed Notes on All Funds

##### A. Deposits and Investments

###### Legal and Contractual Provisions Governing Deposits and Investments:

The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the County to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, (9) and bid solicitation preferences for certificates of deposit. Statutes authorize the County to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, (10) and common trust funds. The Act also requires the County to have independent auditors perform test procedures related to investment practices as provided by the Act. The County is in compliance with the requirements of the Act and with local policies.

###### Policies Governing Deposits and Investments:

The County does have a depository contract, and in compliance with the Public Funds Investment Act; the County has adopted an investment policy. That policy does address the following risks:

*Custodial credit risk - deposits.* In the case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government has an investment policy for custodial credit risk. As of December 31, 2018, the government's bank balance of \$9,871,603 was not exposed to custodial credit risk. The fair market value of the securities pledged is \$12,917,448; the FDIC coverage is \$269,664. The book balance of the deposits was \$11,836,467. The collateral is securities held by the pledging financial institution's trust department or agent, in the government's name.

#### IV. Detailed Notes on All Funds (continued)

##### A. Deposits and Investments (continued)

State statute authorizes the County to invest in obligations of, or guaranteed by, governmental entities, certificates of deposits, bankers acceptances, commercial paper, no load money market mutual funds, repurchase agreements, and investment pools. Investments for the County are reported at fair value. The Pooled Cash Accounts at December 31, 2018 consist of \$14,628,031 in Tex-Pool Accounts. The pool accounts are not SEC regulated but are governed by an independent board of directors and operate in accordance with state laws and regulations. The reported values of the pools are the same as the fair value of the pool shares which are acquired at a cost of \$1 each.

*In conclusion, at December 31, 2018:*

Investments - The County does have a formal investment policy, but it had no investments at December 31, 2018. The County participates in pooled accounts as discussed above. The County prefers these accounts due to the decrease in risk and also the high liquidity benefit.

Interest rate risk- The County does have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The County feels that with pooled accounts, this risk is very low due to their high liquidity.

Credit risks - Standard and Poor's has issued credit ratings of AAAM to Tex Pool.

It is the County's policy to limit its investment to top ratings issued by nationally recognized statistical ratings organizations.

Custodial credit risk - For an investment, custodial credit risk is the risk that in the event of the failure of the counter party, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County has no policy on custodial credit risk but feels that its pooled accounts are low risk.

Concentration of credit risk - The County places no limit on the amount that the County may invest in any one issuer. The County is currently using the less risky pooled accounts and plans to continue to do so in the future.

IV. Detailed Notes on All Funds (continued)

B. Receivables

Receivables as of year end for the government's individual major funds and non-major and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	Road and Bridge	Other Govern- mental	Total
<u>Receivables</u>				
Taxes	\$16,146,592	\$3,321,509	\$738,850	\$20,206,951
Intergovernmental				0
Fees and Fines	12,858,806			12,858,806
Accounts	963,640	8,403	54,326	1,026,369
Gross Receivables	29,969,038	3,329,912	793,176	34,092,126
Less: Allowance for Uncollectibles	9,002,057	78,817	17,134	9,098,008
Net Total Receivables	<u>\$20,966,981</u>	<u>\$3,251,095</u>	<u>\$776,042</u>	<u>\$24,994,118</u>

## C. Capital Assets

Capital asset activity for the year ended December 31, 2018 was as follows:

Governmental Activities:	Beginning			Ending
Capital assets not being depreciated:	Balances	Increases	Decreases	Balances
Land	\$1,466,448	\$79,083		\$1,545,531
Construction in Progress	7,255,400	16,774,800		\$24,030,200
Total capital assets not being depreciated:	8,721,848	16,853,883	0	25,575,731
Capital assets being depreciated:				
Building and Improvements	11,799,340	617,478	2,475	12,414,343
Machinery and Equipment	13,369,505	2,590,568	1,075,912	14,884,161
Infrastructure	351,806,418	206,564	0	352,012,982
Total capital assets being depreciated:	376,975,263	3,414,610	1,078,387	379,311,486
Less: Accumulated Depreciation for:				
Building and Improvements	5,254,582	1,398,859	50	6,653,392
Machinery and Equipment	7,829,554	1,143,545	940,369	8,032,730
Infrastructure	311,921,352	8,768,932	0	320,690,284
Total Accumulated Depreciation	325,005,488	11,311,336	940,419	335,376,406
Total Capital Assets Depreciated, Net	51,969,775	(7,896,726)	137,969	43,935,081
Governmental Activities capital assets, Net	\$60,691,623	\$8,957,157	\$137,969	\$69,510,812

Depreciation charged to the functions is as follows:

Governmental Activities	
General Administration	\$392,188
Legal	22,246
Judicial	1,257,143
Financial Administration	44,719
Public Facilities	2,667
Public Safety	814,268
Public Transportation	8,776,332
Health and Welfare	1,773
Total Depreciation Expense - Governmental Activities	<u>\$11,311,336</u>

### Construction commitments

There were several equipment purchases and construction of the New Justice Center, the New Jail Addition, and the Animal Control Center during the year. The New Justice Center, the New Jail Addition, and the Animal Control Center were not completed at year's end.

D. Interfund Receivables, Payables, and Transfers

There were no advances at December 31, 2018.

There were no due to/from other funds at December 31, 2018.

Transfers for the year ended December 31, 2018 are as follows:

<b>INTERFUND</b>	
<b>ACCOUNT</b>	<b>AMOUNT</b>
GENERAL FUND	
TRANSFER TO AMBULANCE	\$1,125,544
TRANSFER TO COURT COORDINATOR	82,168
TRANSFER TO COURT SECURITY FUND	354,817
TRANSFER TO DISTRICT ATTORNEY SPECIAL FUND	494,708
TRANSFER TO FROST BANK LEGAL LEASE	7,200
TRANSFER TO INDIGENT HEALTH CARE	1,858,238
TRANSFER TO JURY FUND	34,600
TRANSFER TO RMPF - DISTRICT	50,400
TRANSFER TO ROAD AND BRIDGE FUND	2,966,160
TRANSFER TO YOUTH SERVICE CENTER	1,808,213
	<u>\$8,782,048</u>
<b>INTRAFUND</b>	
ROAD AND BRIDGE GENERAL	
TRANSFER TO ROAD AND BRIDGE PRECINCTS	<u>7,129,883</u>
	<u>\$7,129,883</u>

The above transfers are recurring. All the above transfers are for operating capital purposes.



E. Leases

Operating Leases

The government leases equipment under non-cancelable operating leases. Total costs for such leases were \$105,660 for the year ended December 31, 2018. Rent expenditures were \$1,902 for the year ended December 31, 2018. Sublease rental income was \$0 for the year ended December 31, 2018. Rental income was \$0 for the year ended December 31, 2018.

The future minimum lease payments for these leases are as follows:

Year Ending	
Dec. 31,	<u>Amount</u>
2019	\$89,435
2020	44,336
2021	15,549
2022	<u>2,755</u>
Total	<u>\$152,075</u>

F. Long-Term Debt

Bonds

The government issued bonds to provide funds for the courthouse renovation. These bonds were refunded with Refunding Bonds, Series 2010 in the amount of \$2,885,000. The amount of the bonds refunded were Series 1998 - \$1,840,000 and Series 2000 - \$1,020,000. The loss on the refunding was \$25,000 but the present value of the overall savings from the refunding was \$267,253. The original amount of the bonds issued were \$3,500,000 and \$2,050,000, respectively. The balance at December 31, 2018 is \$530,000.

The County issued Tax Notes, Series 2016 in the amount of \$9,725,000. The proceeds from these notes were used to pay for future projects of the County. The balance at December 31, 2018 is \$9,625,000.

The County issued Tax Notes, Series 2017 in the amount of \$9,540,000. The proceeds from these notes were used to pay for future projects of the County. The balance at December 31, 2018 is \$9,540,000.

The County issued Tax Notes, Series 2018 in the amount of \$4,870,000. The proceeds from these notes were used to pay for future projects of the County. The balance at December 31, 2018 is \$4,870,000.

The bonds are direct obligations and pledge the full faith and credit of the government.

Bonds currently outstanding are as follows:

<u>Purpose</u>	<u>Rates</u>	<u>Amount</u>
Refunding Bonds - Series 2010	2.00% to 3.25%	530,000
Tax Notes - Series 2016	2.50% to 2.75%	9,625,000
Tax Notes - Series 2017	3.00% to 4.00%	9,540,000
Tax Notes - Series 2018	3.00% to 4.00%	4,870,000

The following is a summary of debt service requirements to maturity.

Year Ending December 31,	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2019	\$990,000	\$968,083
2020	1,235,000	739,398
2021	1,265,000	697,210
2022	1,310,000	653,585
2023	1,355,000	606,435
2024-2028	5,925,000	2,390,950
2029-2033	6,955,000	1,346,155
2034-2038	5,530,000	380,567
TOTALS	<u>\$24,565,000</u>	<u>\$7,782,383</u>

Capital Leases: The government has entered into one capital lease agreements as lessee for financing the acquisition of seven (7) Power Pro Ambulances. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of its future minimum lease payments as of the inception date. The security for the Ambulances are the Ambulances.

Assets acquired through capital leases are as follows:

Asset:	(7) POWER PRO	
	<u>AMBULANCES</u>	<u>TOTAL</u>
Cost	\$291,360	\$291,360
Less: Accumulated Depreciation	116,544	116,544
Total	<u>\$174,816</u>	<u>\$174,816</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2018, were as follows:

YEAR	AMOUNT
2019	\$58,272
2020	58,272
2021	58,272
Total Minimum Lease Payments	174,816
Less: Amount Representing Interest	0
Present Value of Net Minimum Lease Payments	<u>\$174,816</u>

The above debt is to be serviced by the General Fund.

Changes in long-term liabilities:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year	Due After One Year
<u>Governmental Activities:</u>						
General Obligation Bonds	\$20,050,000	\$4,870,000	\$355,000	\$24,565,000	\$990,000	\$23,575,000
Bond Issuance Premium	607,732	243,655	10,229	841,158	0	841,158
Capital Lease	233,088		58,272	174,816	58,272	116,544
Net Pension Payable	3,256,651		2,785,738	470,913	0	470,913
Compensated Absences	127,413	179,692	127,413	179,692	179,692	0
Grand Total	<u>\$24,274,884</u>	<u>\$5,293,347</u>	<u>\$3,336,652</u>	<u>\$26,231,579</u>	<u>\$1,227,964</u>	<u>\$25,003,615</u>

The above bonds are serviced by the debt service funds established for the purpose of servicing the bonded debt. The capital leases are serviced by the general fund. The compensated absences are funded by the general and road and bridge funds.

The general and road and bridge funds are used to service the compensated absences. The estimated amount due in the 2019 year is \$179,692.

The government-wide statement of activities includes \$1,227,964 as "noncurrent liabilities, due within one year".

There was no interest expense capitalized.

V. 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; injuries to employees; and natural disasters.

Claim liabilities are estimated considering the effects of inflation, recent claim settlement trends (including frequency and amounts of payouts) and other economic and social factors (including the effects of specific, incremental claim adjustment expense, salvage and subrogation).

	Year ended <u>12/31/17</u>	Year ended <u>12/31/18</u>
Unpaid Claims, Beginning of Fiscal Year	\$ -0-	\$ -0-
Incurred Claims (including IBNRs)		
Claim Payments		
Unpaid Claims, End of Fiscal Year	<u>\$ -0-</u>	<u>\$ -0-</u>

1. General Liability Insurance

The County is insured for general, police officers and automobile liability.

The County has joined together with other governments in the Texas Association of Counties Risk Management Pool. The County pays an annual premium to Risk Management for auto vehicle insurance coverage. The agreement with Risk Management provides that Risk Management will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$100,000 to \$300,000 for each insurance event. The County anticipates no contingent losses.

Texas Association of Counties Risk Management Pool has published its own financial report that can be obtained from the Texas Association of Counties Risk Management Pool.

The County continues to carry commercial fidelity bonds for elected officials and for management.

2. Property and Casualty Insurance

Property, casualty, mobile equipment insurance is provided by Texas Association of Counties Risk Management Pool.

3. Workers' Compensation Insurance

The County insures against workers' compensation claims through Texas Association of Counties Risk Management Pool.

4. Group Health and Life Insurance

The County maintains a self funded group health insurance plan for active employees and their eligible dependents. Costs are recorded in the fund from which the employees' compensation is paid.

5. Unemployment Compensation Insurance

The County insures for unemployment compensation claims through an agreement with the Texas Workforce Commission (TWC).

B. Related Party Transaction

Rick Luna (Constable, Precinct No. 3) owns Luna Tire Shop in Charlotte, Texas. The amount paid to Mr. Luna for the year is \$22,732.14.

Laura Pawelek (County Treasurer) and Jackie Boden (Justice of the Peace No. 4) are sisters.

Terry Carrasco; County Clerk Deputy's husband, Eddie, owns E.C. Lath. The amount paid to Mr. Carrasco for the year is \$0.00.

C. Subsequent Events

There were no subsequent noted.

D. Contingent Liabilities

Amounts received or receivable from grant 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 amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the government expects such amounts, if any, to be immaterial.

The County lists the following litigation at December 31, 2018.

*Augustin Bosquez d/b/a Al's Mechanical vs Luke Blair, Frank Davis, Gary Mueller, John Lockhart, Deputy Greg Pierce, and Safe-T-Box, LP*; Cause No. 17-07-0635-CVA. County is represented by Angela Pena of David Klosterboer & Associates who was appointed by Travelers Indemnity Company. Plaintiff's attorneys have withdrawn; and there has been no appearance of another attorney. Plaintiff is currently in bankruptcy. Deputy Pierce was dismissed from the lawsuit via Summary Judgment on 5/7/2018.

*George vs Atascosa County Adult Probation & Director, R Merten*; Civil Action No. 5:17-CV-00505-DAE. This is an employment case filed under Title VII of the Civil Rights Act of 1964. Plaintiff alleges that she was discriminated against on the basis of her National Origin – Mexican American – and seeks monetary compensation for loss of employment. Defendants filed an Original Answer on 8/4/2017, and an Amended Answer on 2/9/2018. Discovery is ongoing; and no court date has been set.

E. Other Post Employment Benefits

The County does not participate in any Other Post Employment Benefit plan with the exception of COBRA. The County's participation in COBRA is considered to be immaterial and therefore is not included in the government-wide financial statements.

## F. Summary of TCDRS Funding Policy

Net Pension Liability / (Asset)	Net Pension Liability / (Asset)	
	December 31, 2016	December 31, 2017
Total pension liability	\$41,501,491	\$44,327,770
Fiduciary net position	38,244,841	43,856,857
Net pension liability/(asset)	3,256,651	470,913
Fiduciary net position as a % of total pension liability	92.15%	98.94%
Pensionable covered payroll	\$15,915,574	\$15,790,509
Net Pension liability as a % of covered payroll	20.46%	2.98%

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

*Note: Rounding differences may exit above or in other tables in this report.*

### Discount Rate

Discount rate	8.10%	8.10%
Long-term expected rate of return, net of investment expense	8.10%	8.10%
Municipal bond rate	Does not apply	Does not apply

### Other Key Actuarial Assumptions

All actuarial assumptions that determined the total pension liability as of December 31, 2017 were based on the results of an actuarial experience study for the period January 1, 2013 - December 31, 2016, except where required to be different by GASB 68.

See Appendix B of this report (Actuarial Methods and Assumptions Used for GASB Calculations) for a listing of key assumptions used in the calculation of the total pension liability and other GASB 68 metrics.

See Appendix C (Actuarial Methods and Assumptions Used for Funding Valuation) of this report for a full description of the actuarial assumptions used in the funding valuation.

	Beginning Date	Ending Date
Valuation date	December 31, 2016	December 31, 2017
Measurement date	December 31, 2016	December 31, 2017
Employer's fiscal year	January 1, 2018	December 31, 2018

## Long-Term Expected Rate of Return

The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS' investment consultant, Cliffwater LLC. The numbers shown are based on January 2018 information for a 1Q-year time horizon.

Note that the valuation assumption for long-term expected return is re-assessed at a minimum of every four years, and is set based on a 30-year time horizon; the most recent analysis was performed in 2017. See Milliman's TCDRS Investigation of Experience report for the period January 1, 2013 — December 31, 2016 for more details.

Asset Class	Benchmark	Target Allocation	Geometric Real Rate of Return
U.S. Equities	Dow Jones U.S. Total Stock Market Index	11.5%	4.55%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index	16.00%	7.55%
Global Equities	MSCI World (net) Index	1.50%	4.85%
Int'l Equities - Developed Markets	MSCI World Ex USA (net) Index	11.00%	4.55%
Int'l Equities - Emerging Markets	MSCI Emerging Markets (net) Index	8.00%	5.55%
Investment-Grade Bonds	Bloomberg Barclays U.S. Aggregate Bond Index	3.00%	0.75%
Strategic Credit	FTSE High-yield Cash-Pay Capped Index	8.00%	4.12%
Direct Lending	S&P/LSTA Leveraged Loan Index	10.00%	8.06%
Distressed Debt	Cambridge Associates Distressed Securities Index	2.00%	6.30%
REIT Equities	67% FTSE NAREIT Equity REITs Index + S&P Global REIT (net) Index	2.00%	4.05%
Master Limited Partnerships (MLPs)	Alerian MLP Index	3.00%	6.00%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index <sup>(8)</sup> Hedge Fund Research, Inc. (HFRI) Fund of Funds	6.00%	6.25%
Hedge Funds	Composite Index	18.00%	4.10%



## **Depletion of Plan Assets / GASB Discount Rate**

The discount rate is the single rate of return that, when applied to all projected benefit payments results in an actuarial present value of projected benefit payments equal to the total of the following:

1. The actuarial present value of benefit payments projected to be made in future periods in which (a) the amount of the pension plan's fiduciary net position is projected to be greater than the benefit payments that are projected to be made in that period and (b) pension plan assets up to that point are expected to be invested using a strategy to achieve the long-term rate of return, calculated using the long-term expected rate of return on pension plan investments.
2. The actuarial present value of projected benefit payments not included in (1), calculated using the municipal bond rate.

Therefore, if plan investments in a given future year are greater than projected benefit payments in that year and are invested such that they are expected to earn the long-term rate of return, the discount rate applied to projected benefit payments in that year should be the long-term expected rate of return on plan investments. If future years exist where this is not the case, then an index rate reflecting the yield on a 20-year, tax-exempt municipal bond should be used to discount the projected benefit payments for those years.

The determination of a future date when plan investments are not sufficient to pay projected benefit payments is often referred to as a depletion date projection. A depletion date projection compares projections of the pension plan's fiduciary net position to projected benefit payments and aims to determine a future date, if one exists, when the fiduciary net position is projected to be less than projected benefit payments. If an evaluation of the sufficiency of the projected fiduciary net position compared to projected benefit payments can be made with sufficient reliability without performing a depletion date projection, alternative methods to determine sufficiency may be applied.

In order to determine the discount rate to be used by the employer we have used an alternative method to determine the sufficiency of the fiduciary net position in all future years. Our alternative method reflects the funding requirements under the employer's funding policy and the legal requirements under the TCDRS Act.

1. TCDRS has a funding policy where the Unfunded Actuarial Accrued Liability (UAAL) shall be amortized as a level percent of pay over 20-year closed layered periods.
2. Under the TCDRS Act, the employer is legally required to make the contribution specified in the funding policy.
3. The employer's assets are projected to exceed its accrued liabilities in 20 years or less. When this point is reached, the employer is still required to contribute at least the normal cost.
4. Any increased cost due to the adoption of a COLA is required to be funded over a period of 15 years, if applicable.

Based on the above, the projected fiduciary net position is determined to be sufficient compared to projected benefit payments. Based on the expected level of cash flows and investment returns to the system, the fiduciary net position as a percentage of total pension liability is projected to increase from its current level in future years.

Since the projected fiduciary net position is projected to be sufficient to pay projected benefit payments in all future years, the discount rate for purposes of calculating the total pension liability and net pension liability of the employer is equal to the long-term assumed rate of return on investments. This long-term assumed rate of return should be net of investment expenses, but gross of administrative expenses for GASB 68 purposes. Therefore, we have used a discount rate of 8.10%. This rate reflects the long-term assumed rate of return on assets for funding purposes of 8.00%, net of all expenses, increased by 0.10% to be gross of administrative expenses.

As additional documentation for auditing purposes, we have shown the projection of the Fiduciary Net Position in the following exhibit ("Projection of Fiduciary Net Position").

**Projection of Fiduciary Net Position**

Calendar	Projected Beginning	Projected	Projected	Projected	Projected	Projected
Year	Fiduciary	Total	Benefit	Administrative	Investment	Ending
Ending	Net Position	Contributions	Payments	Expenses	Earnings	Fiduciary
	(a)	(b)	(c)	(d)	(e)	Net Position (a)+(b)-(c)- (d)+(e)
2018	\$43,856,857	\$2,120,605	\$2,821,273	\$43,857	\$3,522,839	\$46,635,171
2019	46,635,171	2,021,947	2,510,765	46,635	3,756,185	49,855,903
2020	49,855,903	1,952,896	2,650,687	49,856	4,008,638	53,116,893
2021	53,116,893	1,895,803	2,766,870	53,117	4,265,768	56,458,477
2022	56,458,477	1,836,520	2,951,886	56,458	4,526,602	59,813,254
2023	59,813,254	1,781,846	3,119,733	59,813	4,789,369	63,204,923
2024	63,204,923	1,740,677	3,278,469	63,205	5,056,021	66,659,946
2025	66,659,946	1,700,577	3,539,139	66,660	5,323,796	70,078,520
2026	70,078,520	1,666,447	3,742,040	70,079	5,591,152	73,524,001
2027	73,524,001	1,632,864	3,956,640	73,524	5,860,244	76,986,946
2037	108,470,839	1,415,011	6,442,139	108,471	8,582,196	111,917,436
2047	143,147,413	1,299,489	8,915,853	143,147	11,286,799	146,674,700
2057	189,065,536	1,474,723	9,305,643	189,066	14,995,823	196,041,373
2067	304,158,542	1,957,032	6,960,523	304,159	24,426,067	323,276,960
2077	604,010,945	2,690,209	3,730,028	604,011	48,859,608	651,226,723
2087	1,309,386,177	3,704,133	1,241,285	1,309,386	106,106,086	1,416,645,725
2097	2,878,406,527	5,100,200	173,541	2,878,407	233,232,268	3,113,687,047

### Changes in Net Pension Liability / (Asset)

Changes in Net Pension Liability / (Asset)	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability / (Asset) (a) - (b)
Balances as of December 31, 2016	\$41,501,491	\$38,244,841	\$3,256,651
Changes of the year:			
Service cost	1,868,029		1,868,029
Interest on total pension liability	3,429,615		3,429,615
Effect of plan changes	0		0
Effect of economic/demographic gains or losses	(548,979)		(548,979)
Effect of assumptions changes or inputs	175,659		175,659
Refund of contributions	(313,531)	(313,531)	0
Benefit payments	(1,784,514)	(1,784,514)	0
Administrative expenses		(29,166)	29,166
Member contributions		947,431	(947,431)
Net investment income		5,583,334	(5,583,334)
Employer contributions		1,207,969	(1,207,969)
Other	0	494	(494)
Balances as of December 31, 2017	\$44,327,770	\$43,856,857	\$470,913

### Sensitive Analysis

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

	1% Decrease 7.10%	Current Discount Rate 8.10%	1% Increase 9.10%
Total pension liability	\$50,385,304	\$44,327,770	\$39,282,133
Fiduciary net position	43,856,857	43,856,857	43,856,857
Net pension liability/(asset)	\$6,528,447	\$470,913	(\$4,574,724)

<b>Pension Expense / (Income)</b>	
<b>Pension Expense / (Income)</b>	<b>January 1, 2017 to December 31, 2017</b>
Service cost	\$1,868,029
Interest on total pension liability	3,429,615
Effect of plan changes	0
Administrative expenses	29,166
Member contributions	(947,431)
Expected investment return net of investment expenses	(3,098,971)
Recognition of deferred inflows/outflows of resources	
Recognition of economic/demographic gains or losses	(128,645)
Recognition of assumption changes or inputs	120,798
Recognition of investment gains or losses	293,807
Other	(494)
Pension expense	\$798,308

As of December 31, 2017, the deferred inflows and outflows of resources are as follows:

<b>Deferred Inflows/Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>	<b>Deferred Outflows of Resources</b>
Differences between expected and actual experience	\$558,178	\$56,064
Changes of assumptions	0	311,859
Net difference between projected and actual earnings	450,609	0
Contributions made subsequent to measurement date	N/A	Employer determined

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

Year ending December 31:

2018	\$285,959
2019	162,970
2020	(518,257)
2021	(571,537)
2022	0
Thereafter	0

### Schedule of Deferred Inflows and Outflows of Resources

Expense / (Income) Calculation				Balances of Deferred Inflows and Outflows as of 12/31/2017	
Original Amount (a)	Date Established (b)	Original Recognition Period (c)	Amount Recognized for 2017 (a) / (c)	Inflows	Outflows
Investment (gains) or losses					
(\$2,484,363)	12/31/2017	5.0	(\$496,873)	\$1,141,270	\$0
266,398	12/31/2016	5.0	53,280	0	79,208
3,198,215	12/31/2015	5.0	639,643	0	590,697
488,787	12/31/2014	5.0	97,757	0	37,522
Economic/demographic (gains) or losses					
(548,979)	12/31/2017	5.0	(109,796)	0	93,002
61,665	12/31/2016	4.0	15,416	0	32,973
(297,489)	12/31/2015	5.0	(59,498)	834	0
126,159	12/31/2014	4.0	25,232	0	0
Assumption changes or inputs					
175,659	12/31/2017	5.0	35,132	0	103,207
0	12/31/2016	4.0	0	0	0
428,329	12/31/2015	5.0	85,666	0	61,132
0	12/31/2014	5.0	0	0	0

**Schedule of Changes in Net Pension Liability and Related Ratios**

	Year Ended December 31									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Pension Liability										
Service cost	\$1,868,029	\$1,831,080	\$1,576,943	\$1,380,945	N/A	N/A	N/A	N/A	N/A	N/A
Interest on total pension liability	3,429,615	3,101,142	2,883,286	2,653,162	N/A	N/A	N/A	N/A	N/A	N/A
Effect of plan changes	0	0	(338,868)	190,807	N/A	N/A	N/A	N/A	N/A	N/A
Effect of assumption changes or inputs	175,659	0	428,329	0	N/A	N/A	N/A	N/A	N/A	N/A
Effect of economic/demographic (gains) or losses	(548,979)	61,665	(297,489)	126,159	N/A	N/A	N/A	N/A	N/A	N/A
Benefit payments/refunds of contributions	<u>(2,098,045)</u>	<u>(1,727,141)</u>	<u>(1,562,785)</u>	<u>(1,550,316)</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Net change in total pension liability	2,826,279	3,266,746	2,689,417	2,800,757	N/A	N/A	N/A	N/A	N/A	N/A
Total pension liability, beginning	<u>41,501,491</u>	<u>38,234,745</u>	<u>35,545,329</u>	<u>32,744,572</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Total pension liability, ending (a)	<u>\$44,327,770</u>	<u>\$41,501,491</u>	<u>\$38,234,745</u>	<u>\$35,545,329</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Fiduciary Net Position										
Employer contributions	\$1,207,969	\$1,217,536	\$1,110,610	\$1,007,343	N/A	N/A	N/A	N/A	N/A	N/A
Member contributions	947,431	954,934	871,066	790,073	N/A	N/A	N/A	N/A	N/A	N/A
Investment income net of investment expenses	5,583,334	2,600,415	(318,552)	2,183,243	N/A	N/A	N/A	N/A	N/A	N/A
Benefit payments/refunds of contributions	(2,098,045)	(1,727,141)	(1,562,785)	(1,550,316)	N/A	N/A	N/A	N/A	N/A	N/A
Administrative expenses	(29,166)	(28,310)	(25,272)	(26,021)	N/A	N/A	N/A	N/A	N/A	N/A
Other	<u>494</u>	<u>76,717</u>	<u>57,299</u>	<u>109,101</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Net change in fiduciary net position	5,612,016	3,094,152	132,367	2,513,422	N/A	N/A	N/A	N/A	N/A	N/A
Fiduciary net position, beginning	<u>38,244,841</u>	<u>35,150,688</u>	<u>35,018,321</u>	<u>32,504,899</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Fiduciary net position, ending (b)	<u>\$43,856,857</u>	<u>\$38,244,841</u>	<u>\$35,150,688</u>	<u>\$35,018,321</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Net pension liability / (asset), ending = (a) - (b)	<u>\$470,913</u>	<u>\$3,256,651</u>	<u>\$3,084,057</u>	<u>\$527,007</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Fiduciary net position as a % of total pension liability	98.94%	92.15%	91.93%	98.52%	N/A	N/A	N/A	N/A	N/A	N/A
Pensionable covered payroll	15,790,509	15,915,574	14,517,768	13,167,876	N/A	N/A	N/A	N/A	N/A	N/A
Net pension liability/(asset) as % of covered payroll	2.98%	20.46%	21.24%	4.00%	N/A	N/A	N/A	N/A	N/A	N/A

### Schedule of Employer Contributions

Year Ending December 31	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll	Actual Contribution as a % of Covered Payroll
2008	\$481,963	\$562,290	(\$80,327)	\$8,032,711	7.0%
2009	514,749	629,938	(115,189)	8,999,112	7.0%
2010	655,379	655,379	0	9,166,133	7.1%
2011	679,973	679,973	0	10,007,592	6.8%
2012	716,113	716,113	0	9,891,098	7.2%
2013	868,747	868,747	0	11,356,161	7.7%
2014	1,003,392	1,007,343	(3,951)	13,167,876	7.7%
2015	1,072,863	1,110,610	(37,747)	14,517,768	7.7%
2016	1,120,456	1,217,536	(97,080)	15,915,574	7.6%
2017	1,143,233	1,207,969	(64,736)	15,790,509	7.6%



## Notes to Schedule

Valuation Date: Actuarially determined contribution rates are calculated each December 31, two years prior to the end of the fiscal year in which contributions are reported.

### Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	10.5 years (based on contribution rate calculated in 12/31/2017 valuation)
Asset Valuation Method	5-year smoothed market
Inflation	2.75%
Salary Increases	Varies by age and service. 4.9% average over career including inflation.
Investment Rate of Return	8.00%, net of administrative and investment expenses, including inflation
Retirement Age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.
Changes in Assumptions and Methods Reflected in the Schedule of Employer Contributions	2015: New inflation, mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected.
Changes in Plan Provisions Reflected in the Schedule of Employer Contributions	2015: Employer contributions reflect that a 2% flat COLA was adopted. 2016: No changes in plan provisions were reflected in the Schedule. 2017: New Annuity Purchase Rates were reflected for benefits earned after 2017.

## Appendix A— GASB 68 Plan Description for Atascosa County

A description of the pension plan pursuant to Paragraph 40 of GASB Statement No. 68 is as follows:

- a. Atascosa County participates in the Texas County & District Retirement System (TCDRS), which is a statewide, agent multiple-employer, public employee retirement system.
- b. A brief description of benefit terms:
  - 1) All full- and part-time non-temporary employees participate in the plan, regardless of the number of hours they work in a year. Employees in a temporary position are not eligible for membership.
  - 2) The plan provides retirement, disability and survivor benefits.
  - 3) TCDRS is a savings-based plan. For the county's plan, 7% of each employee's pay is deposited into his or her TCDRS account. By law, employee accounts earn 7% interest on beginning of year balances annually. At retirement, the account is matched at an employer set percentage (current match is 150%) and is then converted to an annuity.
  - 4) There are no automatic COLAs. Each year, the county may elect an ad hoc COLA for its retirees (if any). There are two COLA types, each limited by actual inflation.
  - 5) Benefit terms are established under the TCDRS Act. They may be amended as of Jan. 1 each year, but must remain in conformity with the Act.
- c. Membership information is shown in the chart below.
- d. The county's contribution rate is calculated annually on an actuarial basis, although the employer may elect to contribute at a higher rate. The Atascosa County contribution rate is based on the TCDRS funding policy adopted by the TCDRS Board of Trustees and must conform with the TCDRS Act. The employee contribution rates are set by the county and are currently 7%. Contributions to the pension plan from the county for 2017 are shown in the Schedule of Employer Contributions.
- e. The most recent comprehensive annual financial report for TCDRS can be found at the following link, [www.tcdrs.org](http://www.tcdrs.org).

### Membership Information

Members	Dec. 31, 2016	Dec. 31, 2017
Number of inactive employees entitled to but not yet receiving benefits:	270	285
Number of active employees:	347	362
Average monthly salary:	\$3,767	\$3,617
Average age:	45.79	45.12
Average length of service in years:	8.80	8.83
Inactive Employees (or their Beneficiaries) Receiving Benefits		
Number of benefit recipients:	125	126
Average monthly benefit:	\$1,177	\$1,217

## **Appendix B—Actuarial Methods and Assumptions Used for GASB Calculations**

All actuarial methods and assumptions used for this GASB analysis were the same as those used in the December 31, 2017 funding valuation (see Appendix C, following, for details), except as noted below and throughout this report. Please see the Atascosa County December 31, 2017 Summary Valuation Report for further details.

The following are the key assumptions and methods used in this GASB analysis.

Valuation Timing	Actuarially determined contribution rates are calculated on a calendar year basis as of December 31, two years prior to the end of the fiscal year in which the contributions are reported,
Actuarial Cost Method	Entry Age Normal
Amortization Method	
Recognition of economic/demographic gains or losses	Straight-Line amortization over Expected Working Life
Recognition of assumptions changes or inputs	Straight-Line amortization over Expected Working Life
Asset Valuation Method	5 years
Smoothing period	Non-asymptotic
Recognition method	None
Corridor Inflation	Same as funding valuation: See Appendix C
Salary Increases	Same as funding valuation: See Appendix C
Investment Rate of Return	8.10% (Gross of administrative expenses)
Cost-of-Living Adjustments	Cost-of-Living Adjustments for Atascosa County are not considered to be substantively automatic under GASB 68. Therefore, no assumption for future cost-of-living adjustments is included in the GASB calculations. No assumption for future cost-of-living adjustments is included in the funding valuation.
Retirement Age	Same as funding valuation: See Appendix C
Turnover	Same as funding valuation: See Appendix C
Mortality	Same as funding valuation: See Appendix C

## **Appendix C—Actuarial Methods and Assumptions Used for Funding Valuation**

Except where indicated in the section of this GASB 68 report entitled "Actuarial Methods and Assumptions Used for GASB Calculations", the assumptions used in this analysis for the December 31, 2016 financial reporting metrics are the same as those used in the December 31, 2017 actuarial valuation analysis for Atascosa County.

The following is a description of the assumptions used in the December 31, 2017 actuarial valuation analysis for Atascosa County. This information may also be found in the Atascosa County December 31, 2017 Summary Valuation Report.

### **Economic Assumptions**

TCDRS system-wide economic assumptions:

Real rate of return	5.25%
Inflation	2.75%
Long-term investment return	8.00%

The assumed long-term investment return of 8% is net after investment and administrative expenses. It is assumed returns will equal the nominal annual rate of 8% for calculating the actuarial accrued liability and the normal cost contribution rate for the retirement plan of each participating employer.

The annual salary increase rates assumed for individual members vary by length of service and by entry-age group. The annual rates consist of a general wage inflation component of 3.25% (made up of 2.75% inflation and 0.5% productivity increase assumptions) and a merit, promotion and longevity component that on average approximates 1.6% per year for a career employee. (See Table 1 for Merit Salary Increases.)

Employer-specific economic assumptions:

Growth in membership	0.00%
Payroll growth for funding calculations	3.25%

The payroll growth assumption is for the aggregate covered payroll of an employer.

**Table 1**  
**Merit Salary Increase**

Years of Service	Entry Age			
	Before 30	Ages 30- 39	Ages 40- 49	50 and later
0	5.00%	4.50%	4.00%	3.50%
1	4.25	3.75	3.25	2.75
2	3.85	3.35	2.85	2.35
3	3.50	3.00	2.50	2.00
4	3.15	2.65	2.25	1.85
5	2.90	2.55	2.15	1.70
6	2.65	2.30	1.95	1.55
7	2.45	2.10	1.75	1.40
8	2.30	1.95	1.60	1.25
9	2.15	1.80	1.45	1.10
10	2.00	1.70	1.40	1.05
11	1.90	1.50	1.25	1.00
12	1.80	1.50	1.15	0.95
13	1.70	1.40	1.05	0.90
14	1.60	1.30	0.95	0.85
15	1.50	1.23	0.90	0.80
16	1.40	1.15	0.85	0.75
17	1.30	1.05	0.80	0.70
18	1.23	0.97	0.75	0.65
19	1.15	0.90	0.70	0.60
20	1.10	0.85	0.65	0.55
21	1.05	0.80	0.60	0.50
22	1.00	0.75	0.55	0.50
23	0.95	0.70	0.50	0.50
24	0.90	0.65	0.50	0.50
25	0.85	0.60	0.50	0.50
26	0.80	0.60	0.50	0.50
27	0.75	0.60	0.50	0.50
28	0.70	0.60	0.50	0.50
29	0.65	0.60	0.50	0.50
30 & up	0.60	0.60	0.50	0.50

## Demographic Assumptions

TCDRS system-wide demographic assumptions:

Replacement of Terminated Members — New employees are assumed to replace any terminated members and have similar entry ages.

Disability — The rates of disability used in this valuation are illustrated in Table 2. Members who become disabled are eligible to commence benefit payments regardless of age. Rates of disability are in a custom table based on TCDRS experience.

**Table 2**  
**Annual Rates of Disability**

Age	Work Related Male and Female	All Other Causes Male and Female	Age	Work Related Male and Female	All Other Causes Male and Female
less than			43	0.004%	0.058%
25	0.000%	0.000%	44	0.004	0.063
25	0.000	0.000	45	0.004	0.069
26	0.000	0.000	46	0.005	0.076
27	0.000	0.000	47	0.006	0.084
28	0.000	0.008	48	0.007	0.095
29	0.000	0.008	49	0.009	0.109
30	0.000	0.009	50	0.010	0.125
31	0.000	0.010	51	0.012	0.142
32	0.000	0.010	52	0.013	0.162
33	0.000	0.011	53	0.015	0.183
34	0.000	0.014	54	0.018	0.203
35	0.001	0.018	55	0.018	0.222
36	0.001	0.022	56	0.018	0.238
37	0.002	0.028	57	0.018	0.250
38	0.002	0.033	58	0.018	0.259
39	0.002	0.038	59	0.018	0.270
40	0.002	0.042	60 & Above	0.018	0.000
41	0.003	0.047			
42	0.003	0.053			

\* The probability of disablement from all other causes is applicable for members who are vested but not eligible for service retirement. Before a member is vested, only the work-related disability provisions are applicable.

## Mortality

Depositing members	90% of the RP-2014 Active Employee Mortality Table for males and 90% of the RP-2014 Active Employee Mortality Table for females, projected with 110% of the MP-2014 Ultimate scale after 2014.
Service retirees, beneficiaries and non-depositing members	130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.
Disabled retirees	130% of the RP-2014 Disabled Annuitant Mortality Table for males and 115% of the RP-2014 Disabled Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014

**Family Composition** — For current retirees, beneficiary information is supplied by TCDRS. For purposes of calculating the Survivor Benefit for current depositing and non-depositing members, male members are assumed to have a female beneficiary who is three years younger. Female members are assumed to have a male beneficiary who is three years older.

**Service Retirement** — Members eligible for service retirement are assumed to retire at the rates shown in Table 3.

**Table 3**  
**Annual Rates of Service Retirement**

Age	Male	Female
40-44	4.5%	4.5%
45-49	9.0	9.0
50	10.0	10.0
51	9.0	9.0
52	9.0	9.0
53	9.0	9.0
54	10.0	10.0
55	10.0	10.0
56	10.0	10.0
57	10.0	10.0
58	12.0	12.0
59	12.0	12.0
60	12.0	12.0
61	12.0	12.0

Age	Male	Female
62	20.0%	20.0%
63	15.0	15.0
64	15.0	15.0
65	25.0	25.0
66	25.0	25.0
67	22.0	22.0
68	20.0	20.0
69	20.0	20.0
70	22.0	22.0
71	22.0	22.0
72	22.0	22.0
73	22.0	22.0
74**	22.0	22.0

**Employer-specific demographic assumptions:**

**Other Terminations of Employment** — The rate of assumed future termination from active participation in the plan for reasons other than death, disability or retirement are illustrated in Table 4. The rates vary by length of service, entry-age group (age at hire) and gender. No termination after eligibility for retirement is assumed.

**Table 4**  
**Annual Rates of Termination**

Years of Service	Entry Age 20		Entry Age 30		Entry Age 40		Entry Age 50	
	Male	Female	Male	Female	Male	Female	Male	Female
0	36.7%	39.8%	30.6%	33.2%	26.1%	28.2%	24.5%	26.5%
1	25.1	27.3	21.1	22.9	17.9	19.5	16.9	18.3
2	18.7	20.2	15.8	17.2	13.4	14.6	12.7	13.8
3	14.9	16.1	12.7	13.8	10.8	11.7	10.1	11.0
4	12.2	13.3	10.6	11.4	9.0	9.7	8.5	9.1
5	10.9	11.9	9.5	10.3	8.0	8.8	7.6	8.3
6	9.7	10.5	8.5	9.1	7.2	7.8	6.7	7.4
7	8.6	9.4	7.6	8.3	6.5	7.0	6.1	6.6
8	7.2	7.7	6.4	6.8	5.4	5.8	5.1	5.5
9	6.8	7.4	6.2	6.6	5.2	5.6	5.0	5.3
10	6.1	6.5	5.5	5.9	4.6	5.1	4.4	4.7
11	5.3	5.7	4.8	5.3	4.2	4.5	3.9	4.2
12	4.8	5.2	4.4	4.8	3.7	4.1	3.5	3.9
13	4.3	4.6	4.0	4.4	3.4	3.7	3.2	3.5
14	3.9	4.1	3.6	3.9	3.1	3.3	2.9	3.1
15	3.3	3.6	3.2	3.4	2.6	3.0	2.5	2.8
16	2.9	3.1	2.8	3.0	2.3	2.5	2.2	2.4
17	2.5	2.8	2.4	2.6	2.1	2.2	2.0	2.1
18	2.2	2.3	2.1	2.3	1.8	2.0	1.7	1.9
19	1.9	2.1	1.9	2.1	1.7	1.8	1.5	1.7
20	1.7	2.0	1.7	2.0	1.5	1.6	1.4	1.5
21	1.6	1.8	1.6	1.8	1.4	1.5	1.3	1.4
22	1.4	1.7	1.4	1.7	1.2	1.3	1.2	1.3
23	1.4	1.5	1.4	1.5	1.1	1.3	1.1	1.2
24	1.3	1.4	1.3	1.4	1.1	1.2	1.1	1.1
25	1.2	1.3	1.2	1.3	1.0	1.1	1.0	1.1
26	1.2	1.2	1.2	1.2	1.0	1.1	1.0	1.0
27	1.1	1.1	1.1	1.1	0.9	1.0	0.9	0.9
28	1.0	1.0	1.0	1.0	0.8	0.9	0.8	0.8
29	1.0	0.9	1.0	0.9	0.8	0.9	0.8	0.7
30 & Later	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0



Withdrawals — Members who terminate may either elect to leave their account with TCDRS or withdraw their funds. The probability that a member elects a withdrawal varies by length of service and vesting schedule. Rates applied to your plan are shown in Table 5. For non-depositing members who are not vested, 100% are assumed to elect a withdrawal.

**Table 5**  
**Probability of Withdrawal**

<b>Years of Service</b>	<b>Probability</b>	<b>Years of Service</b>	<b>Probability</b>
0	100%	15	40
1	100	16	38
2	100	17	36
3	100	18	33
4	100	19	30
5	100	20	28
6	100	21	26
7	100	22	24
8	47	23	22
9	46	24	20
10	45	25	18
11	44	26	16
12	43	27	14
13	42	28	12
14	41	29*	10



REQUIRED SUPPLEMENTARY INFORMATION

**Schedule of Changes in Net Pension Liability and Related Ratios**

	Year Ended December 31									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Pension Liability										
Service cost	\$1,868,029	\$1,831,080	\$1,576,943	\$1,380,945	N/A	N/A	N/A	N/A	N/A	N/A
Interest on total pension liability	3,429,615	3,101,142	2,883,286	2,653,162	N/A	N/A	N/A	N/A	N/A	N/A
Effect of plan changes	0	0	(338,868)	190,807	N/A	N/A	N/A	N/A	N/A	N/A
Effect of assumption changes or inputs	175,659	0	428,329	0	N/A	N/A	N/A	N/A	N/A	N/A
Effect of economic/demographic (gains) or losses	(548,979)	61,665	(297,489)	126,159	N/A	N/A	N/A	N/A	N/A	N/A
Benefit payments/refunds of contributions	<u>(2,098,045)</u>	<u>(1,727,141)</u>	<u>(1,562,785)</u>	<u>(1,550,316)</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Net change in total pension liability	2,826,279	3,266,746	2,689,417	2,800,757	N/A	N/A	N/A	N/A	N/A	N/A
Total pension liability, beginning	<u>41,501,491</u>	<u>38,234,745</u>	<u>35,545,329</u>	<u>32,744,572</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Total pension liability, ending (a)	<u>\$44,327,770</u>	<u>\$41,501,491</u>	<u>\$38,234,745</u>	<u>\$35,545,329</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Fiduciary Net Position										
Employer contributions	\$1,207,969	\$1,217,536	\$1,110,610	\$1,007,343	N/A	N/A	N/A	N/A	N/A	N/A
Member contributions	947,431	954,934	871,066	790,073	N/A	N/A	N/A	N/A	N/A	N/A
Investment income net of investment expenses	5,583,334	2,600,415	(318,552)	2,183,243	N/A	N/A	N/A	N/A	N/A	N/A
Benefit payments/refunds of contributions	(2,098,045)	(1,727,141)	(1,562,785)	(1,550,316)	N/A	N/A	N/A	N/A	N/A	N/A
Administrative expenses	(29,166)	(28,310)	(25,272)	(26,021)	N/A	N/A	N/A	N/A	N/A	N/A
Other	<u>494</u>	<u>76,717</u>	<u>57,299</u>	<u>109,101</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Net change in fiduciary net position	5,612,016	3,094,152	132,367	2,513,422	N/A	N/A	N/A	N/A	N/A	N/A
Fiduciary net position, beginning	<u>38,244,841</u>	<u>35,150,688</u>	<u>35,018,321</u>	<u>32,504,899</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Fiduciary net position, ending (b)	<u>\$43,856,857</u>	<u>\$38,244,841</u>	<u>\$35,150,688</u>	<u>\$35,018,321</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Net pension liability / (asset), ending = (a) - (b)	<u>\$470,913</u>	<u>\$3,256,651</u>	<u>\$3,084,057</u>	<u>\$527,007</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Fiduciary net position as a % of total pension liability	98.94%	92.15%	91.93%	98.52%	N/A	N/A	N/A	N/A	N/A	N/A
Pensionable covered payroll	15,790,509	15,915,574	14,517,768	13,167,876	N/A	N/A	N/A	N/A	N/A	N/A
Net pension liability/(asset) as % of covered payroll	2.98%	20.46%	21.24%	4.00%	N/A	N/A	N/A	N/A	N/A	N/A

### Schedule of Employer Contributions

Year Ending December 31	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll	Actual Contribution as a % of Covered Payroll
2008	\$481,963	\$562,290	(\$80,327.00)	\$8,032,711	7.0%
2009	514,749	629,938	(115,189.00)	8,999,112	7.0%
2010	655,379	655,379	0.00	9,166,133	7.1%
2011	679,973	679,973	0.00	10,007,592	6.8%
2012	716,113	716,113	0.00	9,891,098	7.2%
2013	868,747	868,747	0.00	11,356,161	7.7%
2014	1,003,392	1,007,343	(3,951.00)	13,167,876	7.7%
2015	1,072,863	1,110,610	(37,747.00)	14,517,768	7.7%
2016	1,120,456	1,217,536	(97,080.00)	15,915,574	7.6%
2017	1,143,233	1,207,969	(64,736.00)	15,790,509	7.6%

## Notes to Schedule

Valuation Date: Actuarially determined contribution rates are calculated each December 31, two years prior to the end of the fiscal year in which contributions are reported.

### Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	12.4 years (based on contribution rate calculated in 12/31/2017 valuation)
Asset Valuation Method	5-year smoothed market
Inflation	2.75%
Salary Increases	Varies by age and service. 4.9% average over career including inflation.
Investment Rate of Return	8.00%, net of administrative and investment expenses, including inflation
Retirement Age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.
Changes in Assumptions and Methods Reflected in the Schedule of Employer Contributions	2015: New inflation, mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected.
Changes in Plan Provisions Reflected in the Schedule of Employer Contributions	2015: Employer contributions reflect that a 2% flat COLA was adopted. 2016: No changes in plan provisions were reflected in the Schedule. 2017: New Annuity Purchase Rates were reflected for benefits earned after 2017.

## Appendix B—Actuarial Methods and Assumptions Used for GASB Calculations

All actuarial methods and assumptions used for this GASB analysis were the same as those used in the December 31, 2017 funding valuation (see Appendix C, following, for details), except as noted below and throughout this report. Please see the Atascosa County December 31, 2017 Summary Valuation Report for further details.

The following are the key assumptions and methods used in this GASB analysis.

Valuation Timing	Actuarially determined contribution rates are calculated on a calendar year basis as of December 31, two years prior to the end of the fiscal year in which the contributions are reported,
Actuarial Cost Method	Entry Age Normal
Amortization Method	
Recognition of economic/demographic gains or losses	Straight-Line amortization over Expected Working Life
Recognition of assumptions changes or inputs	Straight-Line amortization over Expected Working Life
Asset Valuation Method	
Smoothing period	5 years
Recognition method	Non-asymptotic
Corridor Inflation	None
Salary Increases	Same as funding valuation: See Appendix C
Investment Rate of Return	Same as funding valuation: See Appendix C
Cost-of-Living Adjustments	8.10% (Gross of administrative expenses)
	Cost-of-Living Adjustments for Atascosa County are not considered to be substantively automatic under GASB 68. Therefore, no assumption for future cost-of-living adjustments is included in the GASB calculations. No assumption for future cost-of-living adjustments is included in the funding valuation.
Retirement Age	Same as funding valuation: See Appendix C
Turnover	Same as funding valuation: See Appendix C
Mortality	Same as funding valuation: See Appendix C





COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

ATASCOSA COUNTY, TEXAS  
BALANCE SHEET - ROAD AND BRIDGE FUND  
DECEMBER 31, 2018

	Road and Bridge General	Road and Bridge No. 1	Road and Bridge No. 2	Road and Bridge No. 3	Road and Bridge No. 4	Right of Way Fund	Total Road and Bridge
<b>ASSETS</b>							
Cash and Cash Equivalents	\$1,008,191	\$651,373	\$540,043	\$2,015,190	\$1,201,255	\$438,021	\$5,854,073
Receivables (net of allowance for uncollectibles)	3,251,095						3,251,095
Inventory		8,712	9,205	12,450	6,094		36,461
Prepaid Insurance		2,081	1,429	1,682	1,439		6,631
Total Assets	<u>\$4,259,286</u>	<u>\$662,166</u>	<u>\$550,677</u>	<u>\$2,029,322</u>	<u>\$1,208,788</u>	<u>\$438,021</u>	<u>\$9,148,260</u>
<b>LIABILITIES AND FUND BALANCES:</b>							
<b>Liabilities:</b>							
Accounts Payable	\$49,216	\$6,574	\$42,959	\$99,715	\$32,457		\$230,921
Accrued Wages			\$5,100				\$5,100
Total Liabilities	<u>49,216</u>	<u>6,574</u>	<u>48,059</u>	<u>99,715</u>	<u>32,457</u>	<u>0</u>	<u>236,021</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unavailable Revenue - Advanced Tax Collections	1,093,925						1,093,925
Deferred Property Taxes	3,242,692						3,242,692
Total Deferred Inflows of Resources	<u>4,336,617</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,336,617</u>
<b>Fund Balances:</b>							
<b>Non-Spendable</b>							
Inventory		8,712	9,205	12,450	6,094		36,461
Prepaid Insurance		2,081	1,429	1,682	1,439		6,631
<b>Restricted</b>							
Public Transportation	(126,547)	644,799	491,984	1,915,475	1,168,798	438,021	4,532,530
Total Fund Balance	<u>(126,547)</u>	<u>655,592</u>	<u>502,618</u>	<u>1,929,607</u>	<u>1,176,331</u>	<u>438,021</u>	<u>4,575,622</u>
Total Liabilities and Fund Balances	<u>\$4,259,286</u>	<u>\$662,166</u>	<u>\$550,677</u>	<u>\$2,029,322</u>	<u>\$1,208,788</u>	<u>\$438,021</u>	<u>\$9,148,260</u>

The accompanying notes are an integral part of this statement.

ATASCOSA COUNTY, TEXAS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - ROAD AND BRIDGE FUNDS  
YEAR ENDED DECEMBER 31, 2018

	Road and Bridge General	Road and Bridge No. 1	Road and Bridge No. 2	Road and Bridge No. 3	Road and Bridge No. 4	Right of Way Fund	Total Road and Bridge
<b>REVENUES</b>							
Taxes							
Property	\$3,858,616						\$3,858,616
Intergovernmental	42,469						42,469
Licenses and Permits	591,468				9,000		600,468
Fines and Forfeitures	115,997						115,997
Interest	299	19,104	12,180	36,773	29,313	4,514	102,183
Miscellaneous	11,917	4,880	5,748	28,791	690		52,026
Total Revenues	4,620,766	23,984	17,928	65,564	39,003	4,514	4,771,759
<b>EXPENDITURES</b>							
Current:							
Public Transportation							
Road and Bridge	566,332	1,802,541	1,316,482	1,646,470	2,209,173		7,540,998
Total Expenditures	566,332	1,802,541	1,316,482	1,646,470	2,209,173	0	7,540,998
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,054,434	(1,778,557)	(1,298,554)	(1,580,906)	(2,170,170)	4,514	(2,769,239)
<b>OTHER FINANCING SOURCES (USES):</b>							
Operating Transfers In	2,966,160	1,773,171	1,382,174	1,988,658	1,985,880		10,096,043
Operating Transfers Out	(7,129,883)						(7,129,883)
Total Other Financing Sources (Uses)	(4,163,723)	1,773,171	1,382,174	1,988,658	1,985,880	0	2,966,160
Net Changes in Fund Balances	(109,289)	(5,386)	83,620	407,752	(184,290)	4,514	196,921
Fund Balances - Beginning	(17,258)	660,978	418,998	1,521,855	1,360,621	433,507	4,378,701
Fund Balances - Ending	(\$126,547)	\$655,592	\$502,618	\$1,929,607	\$1,176,331	\$438,021	\$4,575,622

The accompanying notes are an integral part of this statement.



ATASCOSA COUNTY, TEXAS  
 COMBINING STATEMENT OF FIDUCIARY NET POSITION  
 FIDUCIARY FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2018

	Unemployment Insurance	Court Costs	County Officer Monies	Total
<b>ASSETS</b>				
Cash and Cash Equivalents	\$43,096	\$35,783	\$4,605,091	\$4,683,970
Receivables (net of allowance for uncollectibles)		46,862		46,862
Due from Other Funds				0
Due from Others				0
Total Assets	\$43,096	\$82,645	\$4,605,091	\$4,730,832
<b>LIABILITIES</b>				
Accounts Payable	\$2,442		\$0	\$2,442
Bank Overdraft				0
Due to Others	40,654	82,645	4,605,091	4,728,390
Total Liabilities	43,096	82,645	4,605,091	4,730,832

ATASCOSA COUNTY, TEXAS  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
ALL AGENCY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2018

<u>UNEMPLOYMENT INSURANCE</u>	BALANCE 1/1/2018	ADDITIONS	DEDUCTIONS	BALANCE 12/31/2018
<b>ASSETS</b>				
Cash and Cash Equivalents	\$49,245	\$831	\$6,980	\$43,096
Receivables (net of allowance for uncollectibles)	0			0
Due from Other Funds	0			0
Due from Others	0			0
Total Assets	\$49,245	\$831	\$6,980	\$43,096

**LIABILITIES:**

Accounts Payable	\$4,688	\$2,442	\$4,688	\$2,442
Bank Overdraft	0			0
Due to Others	44,557	(1,611)	2,292	40,654
Total Liabilities	49,245	831	6,980	43,096

<u>COURT COSTS</u>	BALANCE 1/1/2018	ADDITIONS	DEDUCTIONS	BALANCE 12/31/2018
<b>ASSETS</b>				
Cash and Cash Equivalents	\$6,116	\$658,139	\$628,472	\$35,783
Receivables (net of allowance for uncollectibles)	36,744	46,862	36,744	46,862
Due from Other Funds				0
Due from Others				0
Total Assets	\$42,860	\$705,001	\$665,216	\$82,645

**LIABILITIES:**

Accounts Payable	\$0			\$0
Bank Overdraft	0			0
Due to Others	42,860	705,001	665,216	82,645
Total Liabilities	\$42,860	\$705,001	\$665,216	\$82,645

<u>COUNTY OFFICER MONIES</u>	BALANCE			BALANCE
	1/1/2018	ADDITIONS	DEDUCTIONS	12/31/2018
<b>ASSETS</b>				
Cash and Cash Equivalents	\$4,053,818	\$551,273		\$4,605,091
Receivables (net of allowance for uncollectibles)	0			0
Due from Other Funds	0			0
Due from Others	0			0
Total Assets	<u>\$4,053,818</u>	<u>\$551,273</u>	<u>\$0</u>	<u>\$4,605,091</u>
<b>LIABILITIES:</b>				
Accounts Payable	\$0			\$0
Bank Overdraft	0			0
Due to Others	4,053,818	551,273	0	4,605,091
Total Liabilities	<u>\$4,053,818</u>	<u>\$551,273</u>	<u>\$0</u>	<u>\$4,605,091</u>

<u>TOTAL</u>	BALANCE			BALANCE
	1/1/2018	ADDITIONS	DEDUCTIONS	12/31/2018
<b>ASSETS</b>				
Cash and Cash Equivalents	\$4,109,179	\$1,210,243	\$635,452	\$4,683,970
Receivables (net of allowance for uncollectibles)	36,744	46,862	36,744	46,862
Due from Other Funds	0	0	0	0
Due from Others	0	0	0	0
Total Assets	<u>\$4,145,923</u>	<u>\$1,257,105</u>	<u>\$672,196</u>	<u>\$4,730,832</u>
<b>LIABILITIES:</b>				
Accounts Payable	\$4,688	\$2,442	\$4,688	\$2,442
Bank Overdraft	0	0	0	0
Due to Others	4,141,235	1,254,663	667,508	4,728,390
Total Liabilities	<u>\$4,145,923</u>	<u>\$1,257,105</u>	<u>\$672,196</u>	<u>\$4,730,832</u>

ATASCOSA COUNTY, TEXAS  
COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2018

	SPECIAL REVENUE										
	ALCOHOL REHAB & TRAINING	ALTERNATE EDUCATION PROGRAM	AMBULANCE FUND	AMENDMENT 15	ARCHIVE FEE	BODY ARMOR GRANT	BORDER PROSEC- UTION	CHAPTER 18	CHAPTER 19	CHAPTER 47	CHILD SAFETY
ASSETS											
Cash and Cash Equivalents	\$25,423	\$15,854	\$0	\$862	\$685,285			\$66,423	\$20,432	\$6,567	\$12,117
Receivables (net of allowance for uncollectibles)			22,826		6,060						
Prepaid Insurance			775								
TOTAL ASSETS	\$25,423	\$15,854	\$23,601	\$862	\$691,345	\$0	\$0	\$66,423	\$20,432	\$6,567	\$12,117
LIABILITIES AND FUND BALANCES											
Liabilities											
Accounts Payable		\$0	\$211,090				\$729				
Accrued Wages			95,877								
Bank Overdraft			25,746				24,643				
Deferred Revenue											
Total Liabilities	0	0	332,713	0	0	0	25,372	0	0	0	0
DEFERRED INFLOWS OF RESOURCES											
Unavailable Revenue - Advanced Tax Collections											
Deferred Property Taxes											
Total Deferred Inflows of Resources	0	0	0	0	0	0	0	0	0	0	0
Fund Balances											
Non-Spendable											
Prepaid Items			775								
Restricted											
Construction											
Debt Service											
Elections											
Financial Administration											
General Administration				862							
Health and Welfare		15,854									
Judicial	25,423										
Judicial - District Attorney											
Public Safety											
Public Safety - Sheriff								66,423	20,432	6,567	12,117
Public Transportation											
Records Archives					691,345						
Committed											
Elections											
Public Safety - Sheriff											
Unassigned			(309,887)				(25,372)				
Total Fund Balances	25,423	15,854	(309,112)	862	691,345	0	(25,372)	66,423	20,432	6,567	12,117
TOTAL LIABILITIES AND FUND BALANCES	\$25,423	\$15,854	\$23,601	\$862	\$691,345	\$0	\$0	\$66,423	\$20,432	\$6,567	\$12,117

(continued)



SPECIAL REVENUE													
		CONSTABLE				COUNTY							
CHILD WELFARE	CHILD WELFARE SERVICE	CONSTABLE PCT. 1 LEOSE	PCT. 1 TOBACCO GRANT	CONSTABLE PCT. 2 L.E.S.E.	CONSTABLE PCT. 3 LEOSE	CONSTABLE PCT. 4 L.E.S.E.	COURT TECH- NICAL	COUNTY JUDICIAL EDUCATION	COUNTY RECORDS MGMT	COURT COORD- INATOR	COURTHOUSE SECURITY	D A FORFEITURE	D A HOT CHECK
\$14,537	\$6	\$1,504	\$310	\$1,592	\$7,255	\$1,654	\$9,451	\$18,389	\$94,114	\$58,071	\$153,302	\$495,315	\$150
							88	50	622		1,939		252
\$14,537	\$6	\$1,504	\$310	\$1,592	\$7,255	\$1,654	\$9,539	\$18,439	\$94,736	\$58,071	\$155,241	\$495,567	\$150
						\$1,600				\$486	\$282		
										16,553			
0	0	0	0	0	1,600	0	0	0	0	17,039	282	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0
												252	
14,537	6							18,439		41,032		495,315	150
		1,504	310	1,592	5,655	1,654					154,959		
							9,539		94,736				
14,537	6	1,504	310	1,592	5,655	1,654	9,539	18,439	94,736	41,032	154,959	495,567	150
\$14,537	\$6	\$1,504	\$310	\$1,592	\$7,255	\$1,654	\$9,539	\$18,439	\$94,736	\$58,071	\$155,241	\$495,567	\$150

ATASCOSA COUNTY, TEXAS  
COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2018  
(continued)

	D A LEOSE	DISTRICT ATTORNEY SPECIAL	DISTRICT COURT ARCHIVE	FIRE MARSHALL L.E.S.E	FROST BANK LEGAL LEASE	HAVA GRANT	HAZARD MITIGATION PROGRAM	HOT CHECK FUND	INDIGENT HEALTH CARE	J.P. COURTHOUSE SECURITY
ASSETS										
Cash and Cash Equivalents	\$839	\$482,171	\$56,229	\$728	\$7,295	\$27,698	\$0	\$0	\$0	\$32,850
Receivables (net of allowance for uncollectibles)										280
Prepaid Insurance										
TOTAL ASSETS	\$839	\$482,171	\$56,229	\$728	\$7,295	\$27,698	\$0	\$0	\$0	\$33,130
LIABILITIES AND FUND BALANCES										
Liabilities										
Accounts Payable		\$38,768							\$140,571	
Accrued Wages									2,945	
Bank Overdraft							44,880	145	43,233	
		89,565								
Total Liabilities	0	128,333	0	0	0	0	44,880	145	186,749	0
DEFERRED INFLOWS OF RESOURCES										
Unavailable Revenue - Advanced Tax Collections										
Deferred Property Taxes										
Total Deferred Inflows of Resources	0	0	0	0	0	0	0	0	0	0
Fund Balances										
Non-Spendable										
Prepaid Items										
Restricted										
Construction										
Debt Service										
Elections						27,698				
Financial Administration										
General Administration										
Health and Welfare										
Judicial			56,229		7,295					33,130
Judicial - District Attorney	839	353,838								
Public Safety				728						
Public Safety - Sheriff										
Public Transportation										
Records Archives										
Committed										
Elections										
Public Safety - Sheriff										
Unassigned							(44,880)	(145)	(186,749)	
Total Fund Balances	839	353,838	56,229	728	7,295	27,698	(44,880)	(145)	(186,749)	33,130
TOTAL LIABILITIES AND FUND BALANCES	\$839	\$482,171	\$56,229	\$728	\$7,295	\$27,698	\$0	\$0	\$0	\$33,130

The notes to the financial statements are an integral part of this statement.

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ATASCOSA COUNTY, TEXAS  
COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
December 31, 2018  
(continued)

	CAPITAL PROJECTS								
	VICTIM				PERMANENT				PERMANENT
	TRUANCY	VEHICLE	ASSIS-	YOUTH	BENTON	GENERAL	IMPROVEMENT	IMPROVE-	
	COURT	INVENTORY	TANCE	SERVICE	CITY	PERMANENT	I&S	MENT	
	FINES	TAX	GRANT II	CENTER	GRANT	PROJECT	IMPROVEMENT	1980	I&S
ASSETS									
Cash and Cash Equivalents	\$3,829	\$5,351		\$414,754	\$95		\$4,583,931	\$815	\$647,142
Receivables (net of allowance for uncollectibles)				12,828					721,716
Prepaid Insurance				117					
<b>TOTAL ASSETS</b>	<b>\$3,829</b>	<b>\$5,351</b>	<b>\$0</b>	<b>\$427,699</b>	<b>\$95</b>	<b>\$0</b>	<b>\$4,583,931</b>	<b>\$815</b>	<b>\$1,368,858</b>
LIABILITIES AND FUND BALANCES									
Liabilities									
Accounts Payable				\$13,810			\$27,675		
Accrued Wages									
Bank Overdraft			155						
<b>Total Liabilities</b>	<b>0</b>	<b>0</b>	<b>155</b>	<b>13,810</b>	<b>0</b>	<b>0</b>	<b>27,675</b>	<b>0</b>	<b>0</b>
DEFERRED INFLOWS OF RESOURCES									
Unavailable Revenue - Advanced Tax Collections									540,998
Deferred Property Taxes									721,716
<b>Total Deferred Inflows of Resources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,262,714</b>
Fund Balances									
Non-Spendable									
Prepaid Items				117					
Restricted									
Construction					95		4,556,256	815	
Debt Service									106,144
Elections									
Financial Administration		5,351							
General Administration									
Health and Welfare									
Judicial									
Judicial - District Attorney	3,829								
Public Safety				413,772					
Public Safety - Sheriff									
Public Transportation									
Records Archives									
Committed									
Elections									
Public Safety - Sheriff									
Unassigned			(155)						
<b>Total Fund Balances</b>	<b>3,829</b>	<b>5,351</b>	<b>(155)</b>	<b>413,889</b>	<b>95</b>	<b>0</b>	<b>4,556,256</b>	<b>815</b>	<b>106,144</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$3,829</b>	<b>\$5,351</b>	<b>\$0</b>	<b>\$427,699</b>	<b>\$95</b>	<b>\$0</b>	<b>\$4,583,931</b>	<b>\$815</b>	<b>\$1,368,858</b>

The notes to the financial statements are an integral part of this statement.

DEBT SERVICE		
PERMANENT IMPROVEMENT I&S 2010	ROAD AND BRIDGE I&S	NON-MAJOR GOVERN- MENTAL FUNDS
	\$14,997	\$8,807,598
		776,042
		1,144
\$0	\$14,997	\$9,584,784
		\$444,218
		103,230
		138,802
		106,118
0	0	792,368
		540,998
		721,716
0	0	1,262,714
		1,144
		4,557,166
	14,997	121,141
		27,698
		5,351
		456,835
		30,391
		451,749
		853,971
		588,487
		179,323
		7,377
		795,620
		17,465
		3,172
		(567,188)
0	14,997	7,529,702
\$0	\$14,997	\$9,584,784

ATASCOSA COUNTY, TEXAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 NON-MAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2018

	SPECIAL REVENUE										
	ALCOHOL REHAB & TRAINING	ALTERNATE EDUCATION PROGRAM	AMBULANCE FUND	AMENDMENT 15	ARCHIVE FEE	BODY ARMOR GRANT	BORDER PROSEC- UTION	CHAPTER 18	CHAPTER 19	CHAPTER 47	CHILD SAFETY
REVENUES											
Taxes											
Property											
Intergovernmental						26,254			558		
Charges for Services	1,143	52,200	710,591		89,690						275
Fines and Forfeitures											
Interest	322	279	174		10,673					118	144
Miscellaneous		52,219	64,469				140,974				
Total Revenues	1,465	104,698	775,234	0	100,363	26,254	140,974	0	558	118	419
EXPENDITURES											
Current:											
General Administration											
Records Management					63,043						
Elections											
Legal											
Check Collection											
Judicial											
Judicial											
Financial Administration											
Tax Assessor-Collector											
Public Safety											
Constable											
Courthouse Security											
Emergency Operations			2,106,763								
Juvenile Probation											
Sheriff						26,254	119,221		959		
Health and Welfare											
Health		137,013									
Capital Projects -											
Capital Outlay and Other											
Debt Service											
Principal Retirement											
Bond Issuance Cost											
Interest and Fiscal Charges											
Total Expenditures	0	137,013	2,106,763	0	63,043	26,254	119,221	0	959	0	0
Excess (Deficiency) of Revenues Over (Under)											
Expenditures	1,465	(32,315)	(1,331,529)	0	37,320	0	21,753	0	(401)	118	419
OTHER FINANCING SOURCES (USES):											
Bond Proceeds											
Bond Premium											
Operating Transfers In			1,125,544								
Operating Transfers Out											
Total Other Financing Sources (Uses)	0	0	1,125,544	0	0	0	0	0	0	0	0
Net Changes in Fund Balances	1,465	(32,315)	(205,985)	0	37,320	0	21,753	0	(401)	118	419
Fund Balances - Beginning	23,958	48,169	(103,127)	862	654,025		(47,125)	66,423	20,833	6,449	11,698
Fund Balances - Ending	\$25,423	\$15,854	(\$309,112)	\$862	\$691,345	\$0	(\$25,372)	\$66,423	\$20,432	\$6,567	\$12,117

(continued)

SPECIAL REVENUE													
CHILD WELFARE	CHILD WELFARE SERVICE	CONSTABLE PCT. 1 LEOSE	CONSTABLE				COUNTY						
			PCT. 1 TOBACCO GRANT	PCT. 2 L.E.S.E.	PCT. 3 LEOSE	PCT. 4 L.E.S.E.	COURT TECH- NICAL	COUNTY JUDICIAL EDUCATION	COUNTY RECORDS MANAGEMENT	COURT COORD- INATOR	COURTHOUSE SECURITY	D A FORFEITURE	D A HOT CHECK
		679		678	678	678				149,747			
							912	605	8,285		29,020		
								246	483	1,353	3,248	4,852	
922												70,364	
922	0	679	0	678	678	678	912	851	8,768	151,100	32,268	75,216	0
				325						242,587		10,017	
						1,749	884						
											363,362		
1,733													
1,733	0	0	0	325	1,749	884	0	0	0	242,587	363,362	10,017	0
(811)	0	679	0	353	(1,071)	(206)	912	851	8,768	(91,487)	(331,094)	65,199	0
										82,167	354,818		
0	0	0	0	0	0	0	0	0	0	82,167	354,818	0	0
(811)	0	679	0	353	(1,071)	(206)	912	851	8,768	(9,320)	23,724	65,199	0
15,348	6	825	310	1,239	6,726	1,860	8,627	17,588	85,968	50,352	131,235	430,368	150
\$14,537	\$6	\$1,504	\$310	\$1,592	\$5,655	\$1,654	\$9,539	\$18,439	\$94,736	\$41,032	\$154,959	\$495,567	\$150

ATASCOSA COUNTY, TEXAS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2018  
(continued)

	D A LEOSE	DISTRICT ATTORNEY SPECIAL	DISTRICT COURT ARCHIVE	FIRE MARSHALL L.E.S.E	FROST BANK LEGAL LEASE	HAVA GRANT	HAZARD MITIGATION PROGRAM	HOT CHECK FUND	INDIGENT HEALTH CARE	J.P. COURTHOUSE SECURITY
<b>REVENUES</b>										
Taxes										
Property										
Intergovernmental	1,495	907,296							100,834	
Charges for Services						3,806				4,308
Fines and Forfeitures		23,205								
Interest		6,375		728					11,260	
Miscellaneous		14,950			1,012				128,882	
Total Revenues	1,495	951,826	0	728	1,012	3,806	0	0	240,976	4,308
<b>EXPENDITURES</b>										
Current:										
General Administration										
Records Management										
Elections										
Legal										
Check Collection								1,384		
Judicial										
Judicial		1,413,938			4,186					
Financial Administration										
Tax Assessor-Collector										
Public Safety										
Constable										
Courthouse Security										5,863
Emergency Operations							44,880			
Juvenile Probation										
Sheriff	1,190									
Health and Welfare										
Health						49,366			2,169,069	
Capital Projects -										
Capital Outlay and Other										
Debt Service										
Principal Retirement										
Bond Issuance Cost										
Interest and Fiscal Charges										
Total Expenditures	1,190	1,413,938	0	0	4,186	49,366	44,880	1,384	2,169,069	5,863
Excess (Deficiency) of Revenues Over (Under) Expenditures	305	(462,112)	0	728	(3,174)	(45,560)	(44,880)	(1,384)	(1,928,093)	(1,555)
<b>OTHER FINANCING SOURCES (USES):</b>										
Bond Proceeds										
Bond Premium										
Operating Transfers In		494,708			7,200				1,858,238	
Operating Transfers Out										
Total Other Financing Sources (Uses)	0	494,708	0	0	7,200	0	0	0	1,858,238	0
Net Changes in Fund Balances	305	32,596	0	728	4,026	(45,560)	(44,880)	(1,384)	(69,855)	(1,555)
Fund Balances - Beginning	534	321,242	56,229	0	3,269	73,258	0	1,239	(116,894)	34,685
Fund Balances - Ending	\$839	\$353,838	\$56,229	\$728	\$7,295	\$27,698	(\$44,880)	(\$145)	(\$186,749)	\$33,130

The notes to the financial statements are an integral part of this statement.



SPECIAL REVENUE										SPECIAL REVENUE						
JAIL TRANSPORT VAN GRANT	JURY FAMILY VIOLENCE	JURY FUND	JUSTICE TECH- NOLOGY FUND	JUVENILE FEES	LOCAL EMER- GENCY PLANNING	PRESER- VATION OF VITAL STATISTICS	PRE- TRIAL DIVERSION	RECORDS MANAGE- MENT	RMPF FUND	SHERIFF ABANDON VEHICLE	SHERIFF'S AUCTION	SHERIFF DRUG SEIZURE	SHERIFF FEDERAL FORFEITURE	SHERIFF LEOSE	SPECIAL ELECTIONS	
56,992		22,372 2,440	17,358	3,285		2,298	29,872	93,464	30,365					5,753	7,331	
				20			2,183	5,758				841				
	330									4,017	226,693	9,998	6,470		4,005	
56,992	330	24,812	17,358	3,305	0	2,298	32,055	99,222	30,365	4,017	226,693	10,839	6,470	5,753	11,336	
								91,018	74,567						29,054	
		44,503	4,298				42,000									
				1,594	19,235											
										1,841	226,673	14,250		3,124		
0	0	44,503	4,298	1,594	19,235	0	42,000	91,018	74,567	1,841	226,673	14,250	0	3,124	29,054	
56,992	330	(19,691)	13,060	1,711	(19,235)	2,298	(9,945)	8,204	(44,202)	2,176	20	(3,411)	6,470	2,629	(17,718)	
		34,600						50,400								
0	0	34,600	0	0	0	0	0	0	50,400	0	0	0	0	0	0	
56,992	330	14,909	13,060	1,711	(19,235)	2,298	(9,945)	8,204	6,198	2,176	20	(3,411)	6,470	2,629	(17,718)	
(56,992)	1,386	38,448	19,055	6,602	19,235	44,584	192,952	400,887	1,179	976	0	67,490	3,223	(2,617)	35,183	
\$0	\$1,716	\$53,357	\$32,115	\$8,313	\$0	\$46,882	\$183,007	\$409,091	\$7,377	\$3,152	\$20	\$64,079	\$9,693	\$12	\$17,465	

ATASCOSA COUNTY, TEXAS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2018  
(continued)

	CAPITAL PROJECTS							
	TRUANCY COURT FINES	VEHICLE INVENTORY TAX	VICTIM	YOUTH SERVICE CENTER	BENTON CITY GRANT	CDBG PROJECT	PERMANENT	PERMANENT IMPROVE- MENT I&S
			ASSIS- TANCE GRANT II				IMPROVEMENT	
							I&S 1980	
<b>REVENUES</b>								
Taxes								
Property								\$828,886
Intergovernmental			45,478	16,778	3,000			
Charges for Services				189,624				
	679							
Interest		676		8,601			42,636	11,960
Miscellaneous				1,712				
Total Revenues	679	676	45,478	216,715	0	3,000	42,636	840,846
<b>EXPENDITURES</b>								
Current:								
General Administration								
Records Management								
Elections								
Legal								
Check Collection								
Judicial								
Judicial			41,428					
Financial Administration								
Tax Assessor-Collector		8,000						
Public Safety								
Constable								
Courthouse Security								
Emergency Operations								
Juvenile Probation				1,852,104				
Sheriff								
Health and Welfare								
Health								
Capital Projects -								
Capital Outlay and Other						3,000	484,130	
Debt Service								
Principal Retirement								355,000
Bond Issuance Cost							115,905	
Interest and Fiscal Charges								498,092
Total Expenditures	0	8,000	41,428	1,852,104	0	3,000	600,035	853,092
Excess (Deficiency) of Revenues Over (Under)								
Expenditures	679	(7,324)	4,050	(1,635,389)	0	0	(557,399)	(12,246)
<b>OTHER FINANCING SOURCES (USES):</b>								
Bond Proceeds							4,870,000	
Bond Premium							243,655	
Operating Transfers In				1,808,213				
Operating Transfers In								
Total Other Financing Sources (Uses)	0	0	0	1,808,213	0	0	5,113,655	0
Net Changes in Fund Balances	679	(7,324)	4,050	172,824	0	0	4,556,256	(12,246)
Fund Balances - Beginning	3,150	12,675	(4,205)	241,065	95	0	815	118,390
Fund Balances - Ending	\$3,829	\$5,351	(\$155)	\$413,889	\$95	\$0	\$4,556,256	\$106,144

The notes to the financial statements are an integral part of this statement.

DEBT SERVICE		
PERMANENT IMPROVEMENT I&S 2010	ROAD AND BRIDGE I&S	NON-MAJOR GOVERN- MENTAL FUNDS
	\$1,431	\$830,317 1,339,270 1,276,872 23,884 112,930 727,017
0	1,431	4,310,290
		228,628 29,054  1,384 1,803,282  8,000  2,633 369,225 2,170,878 1,853,698 395,245  2,355,448  487,130  355,000 115,905 498,092
0	0	10,673,602
0	1,431	(6,363,312)
		4,870,000 243,655 5,815,888 0
0	0	10,929,543
0	1,431	4,566,231
0	13,566	2,963,471
\$0	\$14,997	\$7,529,702

