

San Patricio County, Texas

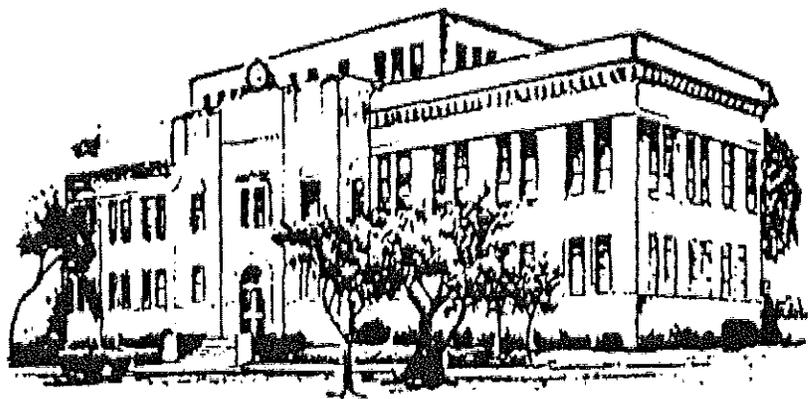
Comprehensive Annual Financial Report For the Year Ended December 31, 2015

Issued By:

County Auditor's Office

David W. Wendel

County Auditor



SAN PATRICIO COUNTY, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2015
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Introductory Section

SAN PATRICIO COUNTY, TEXAS

DIRECTORY OF OFFICIALS

DECEMBER 31, 2015

DISTRICT COURT

Starr Bauer
Patrick Flanigan
Janna K. Whatley
Michael E. Welborn
Laura Miller

Judge, 36th Judicial District
Judge, 156th Judicial District
Judge, 343rd Judicial District
District Attorney
District Clerk

COMMISSIONERS COURT

Terry Simpson
Nina G. Trevino
Fred P. Nardini
Alma V. Moreno
Vacant

County Judge
Commissioner, Precinct No. 1
Commissioner, Precinct No. 2
Commissioner, Precinct No. 3
Commissioner, Precinct No. 4

OTHER COUNTY OFFICIALS

Elizabeth Welborn
Leroy Moody
Gracie A. Gonzales
Dalia Sanchez
David Aken
Courtenay Dugat
David W. Wendel

County Court-at-Law Judge
Sheriff
County Clerk
Tax Assessor-Collector
County Attorney
County Treasurer
County Auditor

JUSTICES OF THE PEACE

Yolanda Guerrero
Daniel Garza
Karen Diaz
Nene Villarreal
Susan Price
Elvia Hernandez

Precinct No. 1
Precinct No. 2
Precinct No. 4
Precinct No. 5
Precinct No. 6
Precinct No. 8

CONSTABLES

Joe Gaitan
Steve Garcia
Parnell Haynes
Juan C. Gonzales
Don Perkins
Teresa Gonzales

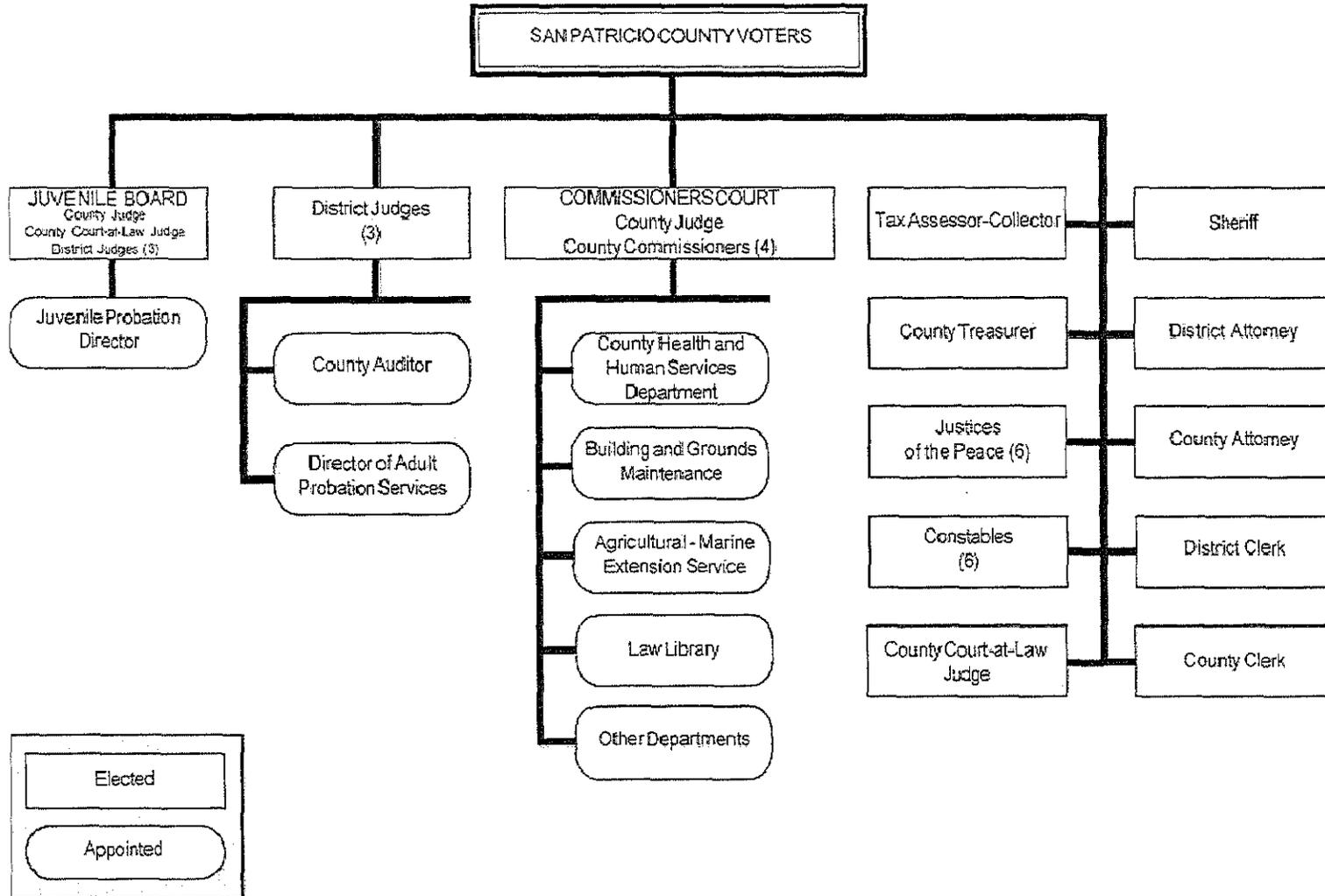
Precinct No. 1
Precinct No. 2
Precinct No. 4
Precinct No. 5
Precinct No. 6
Precinct No. 8

SAN PATRICIO COUNTY, TEXAS
DIRECTORY OF OFFICIALS
DECEMBER 31, 2015
(continued)

OTHER

James A. Mobley, M.D.	County Health Officer
VACANT	County Health Department Administrator
Julius L. Petrus, Jr.	County Surveyor
Bobby McCool	County Extension Agent (AG)
Kathy Farrow	County Extension Agent (FCS)
Adrian Arredondo	County Extension Agent (FCS)
Clifford Charles Edge, III	County Librarian
John Doria	Building Superintendent
Edward Salazar	Director of Adult Probation Services
Jaime Coronado	Juvenile Probation Director
Tina M. Garrett	Major Jailer
Johnny Segovia Dolores Hinojosa	Veteran's Service Officer
Raul A. Delgado, Jr.	Manager, Computer Dept.
Hugh Wayne	Director, Printing Dept.
Norma J. Rivera	Personnel Director
William Zagorski	Emergency Management Coordinator

SAN PATRICIO COUNTY ORGANIZATION CHART





Sinton, Texas
78387

DAVID W. WENDEL

County Auditor

Courthouse, Room B-50
400 West Sinton Street
361/364-9312 - Office
361/364-9412 - Fax

June 30, 2016

Honorable District Judges
Honorable County Judge
Honorable County Commissioners
Citizens of San Patricio County
San Patricio County
Sinton, TX 78387

FORMAL TRANSMITTAL OF THE COMPREHENSIVE ANNUAL
FINANCIAL REPORT

Ladies and Gentlemen:

The Federal Single Audit Act requires us to issue a complete set of audited financial statements yearly. This report is published to fulfill that requirement for the fiscal year ended December 31, 2015.

The comprehensive annual financial report (CAFR) of San Patricio County, Texas (the County), for the year ended December 31, 2015, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the County's management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and capital assets of the County. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities have been included.

The responsibility is based on a framework of internal control. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute assurances that the financial statements are free from any material misstatement.

Lowvorn & Kieschnick, LLP, Certified Public Accountants, have issued an unmodified ("clean") opinion on San Patricio County's financial statements for the year ended December 31, 2015. The independent auditor's report is located at the front of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the Independent Auditor's Report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complements this Letter of Transmittal and should be read in conjunction with it.

PROFILE OF THE COUNTY

San Patricio County, Texas, was organized in 1837. The County operates under a County Judge-Commissioners Court type of government. The County, as a subdivision of the State of Texas, provides only those services allowed by statute. These include judicial, detention facilities, public safety, highways, flood control, health and limited social services, public improvements, and general administrative services.

The preparation of this CAFR conforms to the requirements of The Governmental Accounting Standards Board (GASB) statement No. 14 titled The Financial Reporting Entity and GASB Statement No. 61, an amendment of GASB Statements No. 14 and No. 34. The accounting and reporting principles contained in statement No. 14 are based primarily on the fundamental concept that publicly elected officials are accountable to their constituents. Furthermore, statement No. 14 provides that the financial statements should emphasize the primary government (the County).

The financial reporting entity is the primary government (the County) because there are no component units applicable to the County. Also, the County is not a component unit of any other entity.

In governments, the budget is an integral part of its' accounting system and daily operations. The annual budget serves as the foundation of the County's financial planning and control. Annual budgets are adopted for the General Fund and certain Special Revenue and Debt Service Funds. Appropriations are made for line items at the department level. All amendments and changes must be approved by the Commissioners' Court. The Level of Control (the level on which expenditures and transfers may not legally exceed appropriations) for each legally adopted annual budget is the fund.

ECONOMIC CONDITIONS

The County of San Patricio is experiencing many of the same problems and economic conditions as other Texas counties. Budgetary constraints and monitoring have played a key role in financial management. A combination of increased service requests and state and federal mandates all add up to the necessity of cutting costs where possible. It has been these efforts that have enabled San Patricio County to maintain sufficient fund balances in the County's operating funds. The County is very dependent upon the actions of the state and federal governments to finance special project operating and capital programs. All residents and taxpayers have to realize that new services or increased operation costs will have to be offset by new or increased sources of revenue.

The position of the County continued to be sound over the past year with actual operating results generally better than originally estimated. Some of the factors which enabled the County to maintain this constant level were:

1. Most departments and agencies operated within budget appropriations.
2. The budget was monitored on a regular basis.
3. Ad Valorem taxes were collected at a high percent.
4. Expenditures were carefully monitored in order to reduce and save costs

Looking ahead, San Patricio County must continue to monitor all financial resources and carefully plan for future years. While increased growth in some areas of the County offers hope for the future, some areas of the County are not experiencing economic growth. In addition, such growth is creating demand for more services now and will demand more services in the future. Future budgets will present a challenge to maintain the County's record of financial stability and growth that has been routine for so long. County officials will have to work with a spirit of cooperation and expect change to meet future needs of governmental operations. Fortunately, they have done this so far and are expected to continue to work in order to keep the County in sound financial condition. The San Patricio County Economic Development Corporation was formed in 1992. This organization has been instrumental in generating interest in the local area. Also the Corpus Christi Regional Economic Development Corporation has been instrumental in generating interest in the local area.

In 2005, Naval Station Ingleside was put on the U.S. Navy's closure list which had a negative impact on the County. The closure was completed in 2010. The properties of the base have been sold to developers, which are expected to bring more industry and employment to the County.

In late 2008 it was announced that the TPCO America Corporation will build a mini mill facility that will manufacture steel products from recycled scrap steel. This will be located in the eastern part of the County and construction has begun with operations expected to begin in 2017. Construction is expected to provide 400 to 600 jobs and when completed it is expected to provide 300 full time jobs. In 2009 the County approved ten year tax abatement to TCPO America Corporation. The Abatements will be as follows: first 5 years 100%, 6th year 85%, 7th year 70%, 8th year 55%, 9th year 40%, and 10th year 25%.

In 2013, it was announced that Voestalpine, a leading steel processing company based out of Linz, Austria, will be constructing and operating an iron producing plant in San Patricio County. This is an expected investment of approximately \$700,000,000 and is expected to employ about 150 workers. The plant is expected to be completed and operating by 2017.

In 2014 it was announced that Occidental Chemical Corporation will be expanding its plant and Cheniere will be building a new natural gas liquefaction plant. Both will be in the eastern part of the County and will provide industry and jobs.

In conclusion, County officials remain optimistic about the economic outlook of the County due to recent encouraging economic news, and San Patricio County continues to be an excellent place to live and work.

LONG TERM FINANCIAL PLANNING

Long term financial planning is in place which includes analyzing the economic environment and making projections, especially for capital project funds and debt service funds, to ensure that resources are in place to meet committed projects and ensure that there is adequate funding for projects prior to their approval and that adequate funding is in place for debt that has been or will be incurred, with an appropriate plan for repayment.

AWARDS AND ACKNOWLEDGMENTS

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

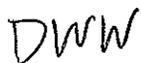
A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

It is noted that the County has received this award thirty-six times for the years 1973, 1977, 1979, and the years 1982-2014.

Safety Award. The County received the County Safety Award from the Texas Association of Counties for 2015, in recognition of the County's ongoing record of safety in the workplace.

Acknowledgments. The preparation of this report could not have been accomplished without the effort of my staff, the cooperation of various County officials and their staffs, and the Commissioners' Court. I wish to thank them all. I wish to give special acknowledgment to William Telford, San Patricio County First Assistant County Auditor, for his invaluable assistance in helping present this report for the Certificate of Achievement Award. William, a Certified Public Accountant (CPA), MBA Graduate and GFOA member, has had the honor to serve on the Special Review Committee of the Government Finance Officers Association as a reviewer for the Certificate of Achievement for Excellence in Financial Reporting Program.

Respectfully Submitted,



David W. Wendel



Government Finance Officers Association

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

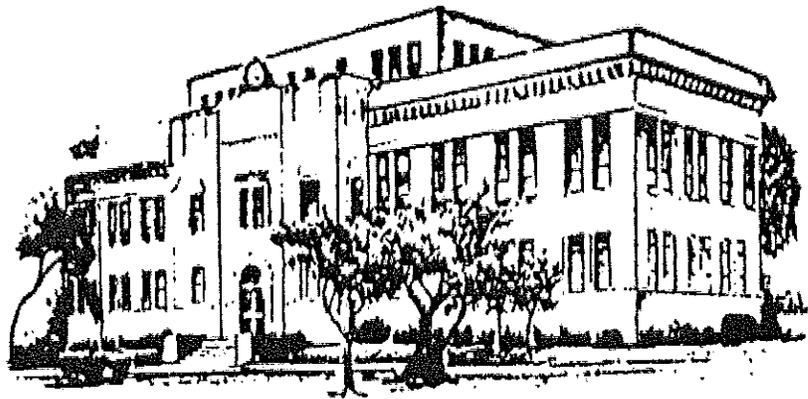
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**San Patricio County
Texas**

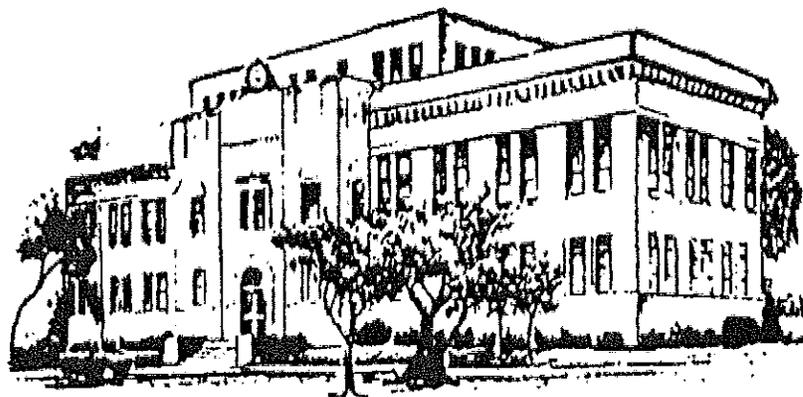
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2014

Executive Director/CEO



Financial Section





Lovvorn & Kieschnick, LLP
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Honorable County Judge
and County Commissioners
San Patricio County, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of San Patricio County, Texas, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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 San Patricio County, Texas, as of December 31, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note 15 to the financial statements, in 2015, the County adopted new accounting guidance, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of changes in net pension liability and related ratios, schedule of employer contributions, and funding progress of other post-employment benefits on pages 6-15 and 76-83 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 San Patricio County, Texas' basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and

statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2016, on our consideration of San Patricio County, Texas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering San Patricio County, Texas' internal control over financial reporting and compliance.

Lovvorn + Kieschnick, LLP

Lovvorn & Kieschnick, LLP

June 30, 2016

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management of San Patricio County, Texas (the County) provides this Management's Discussion and Analysis of the County's Comprehensive Annual Financial Report (CAFR), reflecting the financial performance, for the readers of the County's financial statements for the fiscal year ended December 31, 2015. Please read it in conjunction with the transmittal letter, which can be found beginning on page V of this report and with the County's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

Net Position The assets and deferred outflows of resources of San Patricio County exceeded its liabilities and deferred inflows of resources at December 31, 2015 by \$51,042,263 (presented as "net position"). Of this amount, \$14,355,981 was reported as "unrestricted net position". Unrestricted net position represents the amount available to be used to meet the County's ongoing obligations to citizens and creditors.

Changes in Net Position The County's total net position increased by \$8,777,093 (a 20.8% increase) in fiscal year 2015. The County only had governmental activities during the 2015 year. The increase in the net position is primarily attributable to increased capital grants and contributions.

Fund Highlights: Governmental Funds - Fund Balances As of the close of the fiscal year 2015, the County's governmental funds reported a combined ending fund balance of \$18,844,812, which was an increase of \$1,335,203 in comparison with the prior year due mainly to charges for services revenues. At the end of the year, the unassigned fund balance for the general fund was \$5,913,156, equal to 22% of total general fund expenditures including transfers to other funds.

Long Term Debt The County's total long-term debt obligations decreased due to principal payment and defeased Certificates of Obligation.

For the year ended December 31, 2015, the County adopted Governmental Accounting Standards Board ("GASB") Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68*. The implementation of these standards resulted in a prior period restatement to net position of \$2,584,960 to recognize the net pension liability at the beginning of the measurement period ending December 31, 2014, and the deferred outflows and inflows of resources related to the County's contributions after the beginning of the measurement period through December 31, 2014.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is an introduction to San Patricio County's basic financial statements. San Patricio County's basic financial statements include three components:

1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains additional required supplementary information (budgetary schedules) and other supplementary information (combining and individual fund statements and

schedules) in addition to the basic financial statements themselves that explain some of the information in the financial statements and provide more detail.

Government-wide Financial Statements:

The government-wide financial statements provide a broad view of the County's operations in a manner similar to a private-sector business. The statements provide both short-term and long-term information about the County's financial position, which assists in assessing the County's economic condition at the end of the fiscal year. These statements are prepared using the flow of economic resources measurement focus and the accrual basis of accounting. This basically means they follow methods that are similar to those used by most businesses. They take into account all revenues and expenses connected with the fiscal year even if cash involved has not been received or paid. The government-wide financial statements include two statements:

The *Statement of Net Position* and deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between them reported as net position. Over time, increases or decreases in the County's net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The *Statement of Activities* presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will not result in cash flows until future fiscal periods (such as uncollected taxes and earned but unused vacation leave). This statement also presents a comparison between direct expenses and program revenues for each function of the County.

Both of the above financial statements have one section for the County programs or activities which consist of:

Governmental Activities - The activities in this section are mostly supported by taxes and intergovernmental revenues (state and federal grants). Most of the services normally associated with County government fall into this category, including general government, health and social services, public safety and judicial, public works, community service and education. The County did not have any business type activities during the 2015 year.

The government-wide financial statements can be found on pages 19 and 21 of this report.

Fund Financial Statements:

A fund is a fiscal and accounting entity with a self-balancing set of accounts that the County uses to maintain control over funding and spending resources that have been segregated for specific activities or objectives. San Patricio County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The fund financial statements focus on individual parts of the County government, reporting the County's operations in more detail than the government-wide statements. All of the funds of the

County can be divided into three categories. It is important to note that these fund categories use different accounting approaches and should be interpreted differently. The three categories of funds are:

Governmental Funds -Most of the basic services provided by the County are financed through Governmental funds which focus on how money flows into and out of those funds and the balances left at year-end focus on the expendable resources available for future spending. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. 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. The governmental fund financial statements provide a short-term view of the County's general government operations and the basic services it provides that assist in determining whether there will be adequate financial resources available to meet the current needs of the County (near term inflow and outflow of spendable resources as well as on balances of spendable resources). This approach is known as using the flow of current financial resources measurement focus and the modified accrual basis of accounting. 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 the governmental activities.

San Patricio County maintains 36 governmental funds. Information is presented separately in the governmental funds balance sheet and statement of revenues, expenditures, and changes in fund balances for the General Fund and the Road and Bridge Fund they are considered to be major funds. Data from the other non-major 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.

San Patricio County adopts an annual budget for most of its governmental funds. Budgetary comparison statements have been provided to demonstrate compliance with local budget law.

The basic governmental fund financial statements are presented on pages 23 and 24 of this report.

The County had no business type activities during the 2015 year.

Proprietary Funds -The only proprietary fund that the County had was the Insurance Internal Service Fund. This fund is used to account for funds used to provide health care for the County's employees. Because this service predominantly benefits governmental rather than business-type functions, this financial activity is included within governmental activities in the government-wide financial statements. The basic proprietary fund financial statements can be found right after the governmental fund financial statements.

Fiduciary Funds - These funds are used to account for resources held for the benefit of parties outside the County government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the County's own programs.

The County's fiduciary funds are the Agency Funds, which account for the assets held for distribution by

the County as an agent for other governmental units, other organizations or individuals. The County had 21 Agency Funds at December 31, 2015.

The basic fiduciary fund financial statements can be found immediately following the proprietary fund financial statements.

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 beginning on page 31 of this report.

Required Supplementary Information:

The basic financial statements are followed by a section of required supplementary information that consists of budgetary comparison statements for the General Fund and the major special revenue funds as presented in the governmental fund financial statements. Also certain required pension information is presented as well as certain required post employment benefits information.

Other Supplementary Information:

Other supplementary information, including combining financial statements for nonmajor governmental and fiduciary funds and budgetary comparison schedules are presented following the required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position - As noted earlier, net position may serve over time as a useful indicator of a County government's financial position. San Patricio County's combined net position (government activities) totaled \$51,042,263 at the end of fiscal year 2015 compared to \$42,265,170 at the end of the previous year.

A large portion of the County's net position (52%) reflects its amount invested in capital assets such as land, buildings, major improvements, equipment, and infrastructure (road and bridges), less any related debt used to acquire those assets that is still outstanding. San Patricio County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The tables provided on the following pages show net position and changes in net position for fiscal years 2015 and 2014, which consist only of Governmental activities.

**San Patricio County's Net Position
December 31, 2015 and 2014**

	2015	2014
Current and Other Assets	\$ 55,619,620	\$ 50,200,163
Capital Assets	42,891,579	41,044,116
Total Assets	\$ 98,511,199	\$ 91,244,279
 Deferred Outflow of Resources	 \$ 4,642,665	 \$ 1,003,872
Long Term Liabilities Outstanding	\$ 22,988,004	\$ 21,880,773
Other Liabilities	2,295,666	2,552,823
Total Liabilities	\$ 25,283,670	\$ 24,433,596
 Deferred Inflow of Resources	 26,827,931	 25,549,385
 Net Position:		
Net Investment in Capital Assets	\$ 26,741,063	\$ 24,379,116
Restricted	9,945,219	8,182,548
Unrestricted	14,355,981	9,703,506
Total Net Position	\$ 51,042,263	\$ 42,265,170

The above figures are not net of related debt.

The main reason for the increase of \$8,777,093 in Total Net Position was due mainly to increased capital contributions.

San Patricio County's Changes in Net Position
For the years ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Revenues		
Program Revenues:		
Charges for Services	\$ 7,586,192	\$ 6,988,963
Operating Grants and Contributions	2,106,500	1,826,418
Capital Grants and Contributions	3,407,135	1,162,295
General Revenues		
Property Taxes	25,655,399	24,925,002
Investment Earnings	41,434	25,264
Other	1,056,503	868,533
Total Revenues	<u>\$ 39,853,163</u>	<u>\$ 35,796,475</u>
Expenses		
General Administration	\$ 2,696,408	\$ 2,530,259
Judicial	3,549,114	3,599,207
Legal	717,260	709,822
Elections	292,270	330,419
Financial Administration	2,012,455	2,078,564
Public Facilities	3,902,469	5,062,836
Public Safety	9,211,314	10,087,528
Environmental	97,735	87,692
Public Transportation	5,075,370	6,020,513
Health and Welfare	1,920,419	2,226,186
Culture and Recreation	570,599	370,298
Economic Development	220,252	130,292
Conservation	142,230	260,400
Interest on Long-Term Debt	668,175	779,466
Total Expenses	<u>\$ 31,076,070</u>	<u>\$ 34,273,482</u>
Change in Net Position	\$ 8,777,093	\$ 1,522,993
Net Position at Beginning of Year	42,265,170	43,327,137
Prior Period Adjustment	-	(2,584,960)
Net Position at End of Year	<u>\$ 51,042,263</u>	<u>\$ 42,265,170</u>

Revenues increased mainly due to increased tax revenues and capital contributions.

Expenses decreased mainly due to decreased Public Facilities costs.

revenue came from taxes, while 14% resulted from grants and contributions. User charges for various goods and services accounted for 19% of total revenues. The largest components of expenditures were for public safety, public transportation, judicial, and public facilities. The main increases in expenditure were for public safety costs.

A large portion of the County's net position (52%) is reflected in capital assets (e.g. land, buildings, equipment, and infrastructure) to acquire or construct the assets. Restricted Net Position accounts for 20% of the County's Net Position. The remaining balance of Unrestricted Net Position (28%) may be used to meet the County's ongoing obligations to citizens and creditors. Internally imposed designations of resources are not presented as Restricted Net Position.

At the end of the current fiscal year, the County reported positive balances in all categories of Net Position.

Governmental Activities – Governmental Activities increased the County's Net Position by \$8,777,093 or 20.8% of the total Net Position increase.

Because of the current state of the economy, the County's governmental activities are likely to remain at the current service level in the coming years as revenue for the County is expected to pace inflation.

FINANCIAL ANALYSIS OF COUNTY FUNDS

As mentioned earlier, San Patricio County uses fund accounting to record transactions to ensure and demonstrate compliance with state and federal statutes, GASB pronouncements and GFOA guidelines. The focus of the governmental fund is to provide the available near term resources and expenditures and balance of spendable resources. Such information is useful in assessing San Patricio County's financing requirements. In particular, unreserved fund balance generally provides a useful measure of the County's net resources available for expenditure purposes at the end of the fiscal year.

The governmental funds reported fund balances of \$18,844,812 at the end of the current fiscal year, which is an increase of \$1,335,203, or 7.6% from last year's fund balances of \$17,509,609. This increase was due mainly to increased charges for services revenues.

The General Fund balance at 12/31/15 was \$8,925,666, compared to \$9,227,166 at 12/31/14, which resulted in a net decrease of \$301,500. The Road and Bridge Fund Balance at 12/31/15 was \$3,284,784, compared to \$3,027,606 at 12/31/14, which resulted in a net increase of \$257,178.

BUDGETARY HIGHLIGHTS

The County is heavily dependent on property taxes to fund General Fund discretionary spending. This funding source typically is not susceptible to rapid change and can differ substantially from the overall economy.

The main budget variance between the final budget and the actual expenditures occurred in the General Fund in Public Facilities due mainly to costs being \$ 429,644 less than anticipated.

Modest revenue growth is expected for the General Fund in fiscal year 2016, since the revenues are

currently exceeding expenditures. Texas law prohibits deficit financial position and the County is prepared to make the necessary adjustments to expenditure levels in future years to maintain a positive fund balance.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets:

The County's net investments in capital assets for its governmental activities as of December 31, 2015 amounted to \$108,410,098 less accumulated depreciation of \$65,518,519 with a net book value of \$42,891,579. This amount includes land, buildings, major improvements, equipment, infrastructure and construction in progress.

Major capital asset transactions for the 2015 year included purchases of vehicles and major equipment for the Sheriff's department, Road and Bridge department, and building purchases. Depreciation charges for the current year totaled \$3,203,198. Detailed information regarding the capital assets of the County can be found in the Notes to the Financial Statements at Note 5 starting on page 45 of this report.

**Capital Assets (net of accumulated depreciation)
December 31, 2015 and 2014**

	<u>Governmental Activities</u>	
	2015	2014
Land	\$ 3,437,489	\$ 3,423,193
Buildings, Major Improvements, and Equipment	29,177,745	25,864,503
Infrastructure	10,100,314	11,352,668
Total	42,715,548	40,640,364
Construction in Progress	176,031	403,752
Total	<u>\$ 42,891,579</u>	<u>\$ 41,044,116</u>

More detailed information regarding the County's Capital Assets is presented in the Notes to the Financial Statements at Note 5 starting on Page 44 of this report.

Debt Administration:

The County is empowered by law to authorize, issue, and sell debt obligations. General obligation bonds are backed by the full faith and credit of the County, including the County's power to levy taxes to ensure repayment of the debt. The San Patricio County Commissioner's Court approves the issuance of debt and the related costs associated with the issuance.

The County's bonded debt at December 31, 2015 was \$15,585,000. The total bonded debt of the County decreased by \$1,080,000, a 6% decrease compared to last year. The County's bonded debt at December 31, 2015 will be liquidated in 2036.

The County is also empowered by law to enter into long-term capital leases upon approval of the San Patricio County Commissioners' Court. This debt at 12-31-2015 stands at \$0 because the County currently does not have such debt.

The following table is a summary of the County's Outstanding Bonded Debt,

Outstanding Bonded and Capital Lease Debt December 31, 2015 and 2014

Governmental Activities

	<u>2015</u>	<u>2014</u>
General Obligation Bonds	\$ 15,585,000	\$ 16,665,000
Capital Leases	<u>0</u>	<u>0</u>
 Total	 <u>\$ 15,585,000</u>	 <u>\$ 16,665,000</u>

The decrease was due to principal payments and defeased bonded debt.

More detailed information regarding the County's long-term obligations is presented in the Notes to the Financial Statements at Note 4 starting on page 42 of this report.

ECONOMIC CONDITION AND OUTLOOK

The downturns in the U.S. economy have had similar impacts on the County, and this trend is of much cause of concern to the County's management. However, some new industry is locating in the County which should have a positive economic impact. Hopefully the U.S. economy will have an upturn soon, as recent trends seem to indicate.

In late 2009 it was announced that TPCO America Corporation will build a mini mill facility that will manufacture steel products from recycled scrap steel. In 2009 the County approved a major ten year tax abatement to TCPO America Corporation. The abatements will be as follows: first 5 years 100%, 6th year 85%, 7th year 70%, 8th year, 55%, 9th year 40%, and 10th year 25%. Construction is expected to be started in 2013.

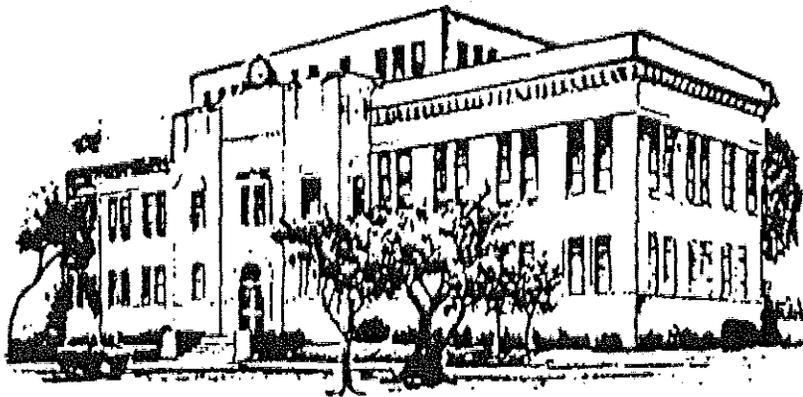
In 2013, it was announced that Voestalpine, a leading steel processing company based out of Linz, Austria, will be constructing and operating an iron producing plant in San Patricio County. This is an investment of approximately \$700,000,000 and is expected to employ about 150 workers. The plant is expected to be completed and operating by 2016.

CONTACTING THE COUNTY'S OFFICE OF FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. If you have any questions about this report, or need additional financial information, contact the San Patricio County Auditor's Office at (361) 364-9312, or write to: 400 West Sinton Street, Room B-50, Sinton, TX 78387.

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Basic Financial Section



**SAN PATRICIO COUNTY, TEXAS
STATEMENT OF NET POSITION
DECEMBER 31, 2015**

ASSETS

Cash and Cash Equivalents	\$ 29,318,420
Taxes Receivable, net	19,825,704
Intergovernmental Receivables	244,189
Other Receivables	891,447
Fines Receivable	10,132,498
Less Allowance for Uncollectables	(4,792,638)
Capital Assets	
Land	3,437,489
Buildings	39,916,339
Improvements	4,022,403
Equipment	12,157,613
Infrastructure	48,700,223
Less Accumulated Depreciation	(65,518,519)
Construction in Progress	176,031

TOTAL ASSETS \$ 98,511,199

DEFERRED OUTFLOWS OF RESOURCES

Deferred Charge on Refundings	720,883
Pension	3,921,782

TOTAL DEFERRED OUTFLOWS OF RESOURCES 4,642,665

LIABILITIES

Accounts Payable	\$ 1,784,864
Other Liabilities	344,427
Interest Payable	166,375
Noncurrent Liabilities	
Due within One Year	1,075,670
Due in More than One Year	21,912,334
TOTAL LIABILITIES	\$ <u>25,283,670</u>

DEFERRED INFLOWS OF RESOURCES

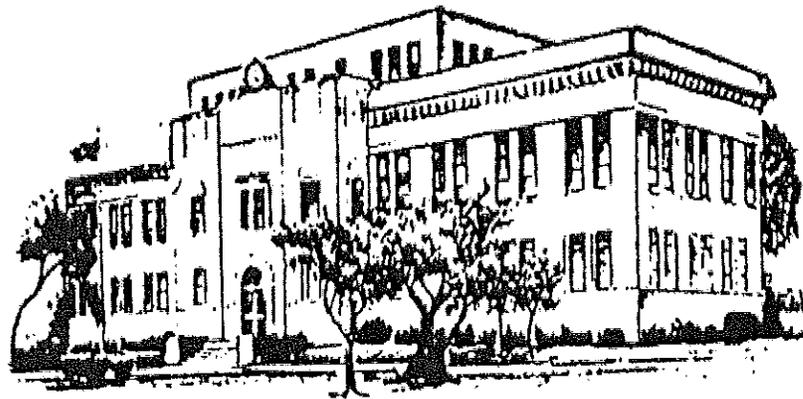
Deferred Revenues-Property Taxes	18,170,493
Advance Tax Collections	8,486,490
Pension	170,948

TOTAL DEFERRED OUTFLOWS OF RESOURCES 26,827,931

NET POSITION

Net Investment in Capital Assets	\$ 26,741,063
Restricted for:	
Road and Bridge	4,230,758
Public Safety	1,829,195
Other	3,885,266
Unrestricted	14,355,981
TOTAL NET POSITION	\$ <u>51,042,263</u>

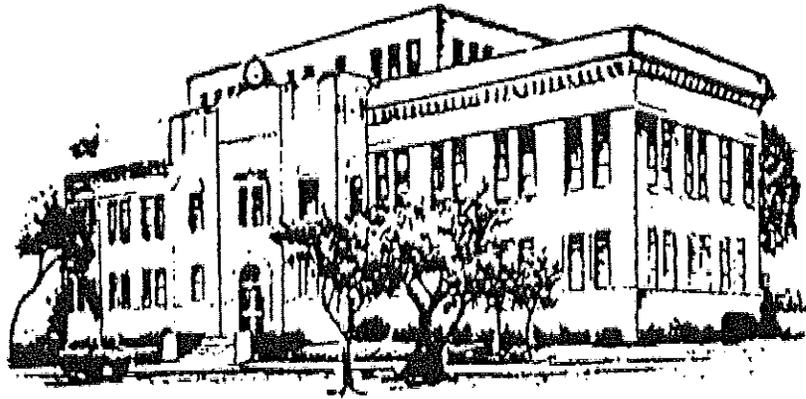
See Accompanying Notes to Financial Statements.



**SAN PATRICIO COUNTY, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities					
General Administration	\$ 2,696,408	\$ 520,934	\$ 19,608	\$ (2,155,866)	
Judicial	3,549,114	3,108,239	517,654	76,779	
Legal	717,260	124,556	76,480	(516,224)	
Elections	292,270	40,375	2,391	(249,504)	
Financial Administration	2,012,455	901,018		(1,111,437)	
Public Facilities	3,902,469	84,469		(3,019,278)	
Public Safety	9,211,314	986,665	354,071	(7,870,578)	
Environmental	97,735	67,104		(30,631)	
Public Transportation	5,075,370	1,401,922	178,103	(886,932)	
Health & Welfare	1,920,419	155,083	958,193	(807,143)	
Culture & Recreation	570,599	195,827		(374,772)	
Conservation	220,252			(220,252)	
Economic Development	142,230			(142,230)	
Interest on Long-Term Debt	668,175			(668,175)	
Total Governmental Activities	\$ 31,076,070	\$ 7,586,192	\$ 2,106,500	\$ 3,407,135	(17,976,243)
General Revenues:					
Property Taxes				25,655,399	
Investment Earnings				41,434	
Other General Revenues				1,056,503	
Total General Revenues				26,753,336	
Change in Net Position				8,777,093	
Net Position-Beginning-restated				42,265,170	
Net Position-Ending				\$ 51,042,263	

See Accompanying Notes to Financial Statements.



**SAN PATRICIO COUNTY, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2015**

	GENERAL FUND	ROAD AND BRIDGE FUND	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS				
Cash and Cash Equivalents	\$ 16,440,591	\$ 4,379,893	\$ 7,209,135	\$ 28,029,619
Taxes Receivable, net	16,551,889	2,464,711	809,104	19,825,704
Intergovernmental Receivables	47,279	0	196,910	244,189
Other Receivables	127,415	24,080	26,799	178,294
Due from Other Funds	128,865	0	0	128,865
	<u>\$ 33,296,039</u>	<u>\$ 6,868,684</u>	<u>\$ 8,241,948</u>	<u>\$ 48,406,671</u>
TOTAL ASSETS				
LIABILITIES				
Accounts Payable	\$ 451,128	\$ 67,514	\$ 257,731	\$ 776,373
Other Liabilities	278,935	33	65,459	344,427
Due To Other Funds	0	0	128,865	128,865
	<u>730,063</u>	<u>67,547</u>	<u>452,055</u>	<u>1,249,665</u>
Total Liabilities				
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenues-Property Taxes	1,377,520	210,206	67,485	1,655,211
Deferred Revenues-Property Taxes	15,174,369	2,254,505	741,619	18,170,493
Advance Tax Collections	7,088,421	1,051,642	346,427	8,486,490
	<u>23,640,310</u>	<u>3,516,353</u>	<u>1,155,531</u>	<u>28,312,194</u>
Total Deferred Inflows of Resources				
FUND BALANCES				
Restricted	0	3,284,784	5,568,668	8,853,452
Committed	0	0	416,589	416,589
Assigned	3,012,510	0	922,705	3,935,215
Unassigned	5,913,156	0	(273,600)	5,639,556
	<u>8,925,666</u>	<u>3,284,784</u>	<u>6,634,362</u>	<u>18,844,812</u>
Total Fund Balances				
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
	<u>\$ 33,296,039</u>	<u>\$ 6,868,684</u>	<u>\$ 8,241,948</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	42,891,579
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.	7,008,083
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(18,682,662)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the Insurance Internal Service Fund are included in governmental activities in the statement of net position.	980,451
Net Position of Governmental Activities	<u>\$ 51,042,263</u>

See Accompanying Notes to Financial Statements.

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

	GENERAL FUND	ROAD AND BRIDGE FUND	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES				
Taxes	\$ 21,016,781	\$ 3,293,938	\$ 1,206,227	\$ 25,516,946
Licenses and Permits	235,602	0	0	235,602
Intergovernmental	821,035	178,103	2,373,031	3,372,169
Charges for Services	2,156,194	1,000,636	646,257	3,803,087
Fines & Forfeitures	649,463	307,529	185,013	1,142,005
Investment Income	24,570	6,506	8,719	39,795
Miscellaneous Revenue	462,965	140,234	689,606	1,292,805
Total Revenues	25,366,610	4,926,946	5,108,853	35,402,409
EXPENDITURES				
Current				
General Administration	2,805,038	0	116,757	2,921,795
Judicial	2,578,238	0	1,369,288	3,947,526
Legal	732,991	0	74,337	807,328
Elections	319,218	0	2,207	321,425
Financial Administration	2,242,383	0	0	2,242,383
Public Facilities	1,524,657	0	1,308,172	2,832,829
Public Safety	10,755,229	0	322,245	11,077,474
Environmental	97,735	0	0	97,735
Public Transportation	0	4,258,368	996,922	5,255,290
Health & Welfare	820,934	0	1,294,336	2,115,270
Culture and Recreation	867,990	0	0	867,990
Conservation	228,110	0	0	228,110
Economic Development	142,230	0	0	142,230
Debt Service	0	0	1,454,646	1,454,646
Total Expenditures	23,114,753	4,258,368	6,938,910	34,312,031
Excess (Deficiency) of Revenues Over Expenditures	2,251,857	668,578	(1,830,057)	1,090,378
OTHER FINANCING SOURCES (USES)				
Bonds Issued	0	0	15,415,000	15,415,000
Bond Premium	0	0	1,307,574	1,307,574
Payment to Refunding Escrow Agent	0	0	(16,477,749)	(16,477,749)
Transfers In	0	0	2,964,357	2,964,357
Transfers Out	(2,553,357)	(411,000)	0	(2,964,357)
Total Other Financing Sources (Uses)	(2,553,357)	(411,000)	3,209,182	244,825
Net Changes in Fund Balances	(301,500)	257,578	1,379,125	1,335,203
Fund Balances at Beginning of Year	9,227,166	3,027,206	5,255,237	17,509,609
Fund Balances at End of Year	\$ 8,925,666	\$ 3,284,784	\$ 6,634,362	\$ 18,844,812

See Accompanying Notes to Financial Statements.

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

Amounts reported for governmental activities in the Statement of Activities (p. 19) are different because:

Net changes in fund balances - total governmental funds (p. 24)	\$ 1,335,203
Governmental funds report capital outlay 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. See Note 5.	1,847,463
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	1,561,151
Some expenses reported in the Statement of Activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	2,920,146
Proceeds from debt issues provide current financial resources, while repayment of principal consumes current financial resources and is treated as an expenditure in the governmental funds. This amount is the net effect of the treatment of long-term debt and related items.	505,175
Internal service funds are used by management to charge the costs of self insurance. The net expense of certain activities of the Insurance Internal Service Fund are reported with governmental activities.	607,955
Change in net position of governmental activities (p. 21)	\$ <u><u>8,777,093</u></u>

See Accompanying Notes to Financial Statements.

**SAN PATRICIO COUNTY, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2015**

	<u>GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS</u>
ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 1,288,801
Other Receivables	<u>700,141</u>
Total Assets	<u>1,988,942</u>
 LIABILITIES	
Current Liabilities	
Accounts Payable	<u>1,008,491</u>
Total Liabilities	<u>1,008,491</u>
 NET POSITION	
Restricted for Health Insurance Costs	<u>980,451</u>
Total Net Position	<u>\$ 980,451</u>

Note: The Insurance Internal Service Fund is the only proprietary fund of the County. The accounts payable above consists of \$1,008,491 in medical claims and \$-0- in other payables. The entire amount of the \$1,008,491 is considered current because it is expected to be paid during the 2016 fiscal year.

See Accompanying Notes to Financial Statements.

**SAN PATRICIO COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS</u>
Operating Revenues:	
Contributions for Employee Insurance and Medical Expenses	\$ 3,956,647
Insurance Reimbursements and Refunds	<u>838,535</u>
Total Operating Revenues	<u>4,795,182</u>
Operating Expenses:	
Insurance and Administrative Expenses	514,223
Medical Claims Expense	<u>3,674,643</u>
Total Operating Expenses	<u>4,188,866</u>
Operating Income (Loss)	<u>606,316</u>
Non-Operating Revenues (Expenses):	
Investment Income	<u>1,639</u>
Total Non-Operating Revenues (Expenses)	<u>1,639</u>
Change in Net Position	607,955
Total Net Position at Beginning of Year	<u>372,496</u>
Total Net Position at End of Year	<u>\$ 980,451</u>

Note: The Insurance Internal Service Fund is the only proprietary fund of the County.

See Accompanying Notes to Financial Statements.

**SAN PATRICIO COUNTY, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015**

		<u>GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS</u>
Cash flows from Operating Activities:		
Cash received from premium contributions and other	\$	4,095,041
Cash paid to insurance and medical expenses		<u>(3,409,054)</u>
Net cash flows from operating activities		<u>685,987</u>
Cash flows from investing activities:		
Investment Income received		<u>1,639</u>
Net cash flows from investing activities		<u>1,639</u>
Net change in cash and cash equivalents		687,626
Cash and Cash Equivalents, Beginning of Year		<u>601,175</u>
Cash and Cash Equivalents, End of Year	\$	<u>1,288,801</u>
Reconciliation of Operating Income to Net Cash Flows from Operating Activities:		
Operating Income (Loss)	\$	606,316
Adjustments to Reconcile Operating Income to Net Cash Flows from Operating Activities:		
Changes in Assets and Liabilities not related to investing or financing activities:		
Other Receivables		(700,141)
Amounts Due to Other Funds		0
Claims Payable		<u>779,812</u>
Total Adjustments		<u>79,671</u>
Net Cash Flows From Operating Activities	\$	<u>685,987</u>

Non-cash investing, capital, and financing activities: none

Note: The Insurance Internal Service Fund is the only proprietary fund of the County.

See Accompanying Notes to Financial Statements.

**SAN PATRICIO COUNTY, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUNDS
DECEMBER 31, 2015**

ASSETS

Cash and Cash Equivalents	\$ 9,594,950
Due From Others	11,030
Due From Other Governments	<u>9,168</u>
TOTAL ASSETS	\$ <u>9,615,148</u>

LIABILITIES

Due To Others	\$ <u>9,615,148</u>
Total Liabilities	\$ <u>9,615,148</u>

Note: The only fiduciary funds the County had were agency funds.

See Accompanying Notes to Financial Statements.

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SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

San Patricio County, Texas (the County), was organized in 1837. The 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), 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 the County conform to Generally Accepted Accounting Principles (GAAP) as applicable to governments. The County also applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. The following is a summary of the more significant policies.

A. The Reporting Entity

The financial statements include all the funds of the County. There are no component units applicable to the County. Therefore, the primary government (San Patricio County) is the same as the reporting entity. The County is not a component unit of any other entity.

B. Government-wide and Fund Financial Statements:

Government-wide Financial Statements - The Statement of Position and Statement of Activities report information on all of the non-fiduciary activities of the *Governmental activities*, which are primarily supported by intergovernmental revenues and taxes are reported separately from *business-type activities*, which rely primarily upon fees charged to external parties. Eliminations have been made to minimize the double-counting of internal activities. Direct expenses are not eliminated from the various functional categories. The County had no business type activities during the 2015 year.

The Statement of Activities demonstrates the extent to which direct expenses of a function (i.e., general government, health and social services, public safety and judicial, etc.) are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers who purchase, use or directly benefit from goods, services or privileges provided by a given function and 2) grants and intergovernmental revenues that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among specific program revenues are reported instead as *general revenues*.

Fund Financial Statements - Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. Remaining governmental funds are aggregated and reported as non-major funds.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015
(Continued)

The County reports the following major governmental funds:

General Fund - This is the County's primary operating fund. It accounts for all financial resources of the general government, except for those requiring separate accounting in another fund.

Road and Bridge Fund - This fund accounts for restricted and other funds used for the purpose of constructing and maintaining roads and bridges. This major special revenue fund receives property taxes, intergovernmental and other funds.

The Non-Major governmental funds consist of the following fund types:

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

Debt Service Funds - Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Capital Projects Funds - Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

The County does have one proprietary fund type and that is the Internal Service Fund. Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the County, or to other governments, on a cost reimbursement basis. The County's only Internal Service Fund is the Insurance Internal Service Fund, which is an established account for funds used for health insurance coverage for County personnel. Because this fund is a proprietary fund, it distinguishes operating revenues and expenses from non-operating items.

Additionally, the County reports Agency Fund types which are fiduciary funds and are used to account for monies received and disbursed by the County in the capacity of trustee, custodian, or agent for individuals or other entities. Agency Funds are custodial in nature (assets = liabilities) and do not involve measurement of results of operation. The County's Agency Funds consist mainly of funds holding tax revenues, officials' fees and other funds, forfeited monies, and other pertinent funds for other entities or individuals.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015
(continued)

C. Measurement Focus and Basis of Accounting

Government-wide and Fiduciary Fund Financial Statements -The government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Agency funds report only assets and liabilities and do not have a measurement focus. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include taxes, grants, and entitlements. On an accrual basis, revenue from taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Government Fund Financial Statements – All governmental fund types are accounted for using a current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e. revenues and other financing sources) and decreases (i.e. expenditures and other financing uses) in net current assets.

Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined, and "available" means collection within the current period or soon enough thereafter to be used to pay liabilities of the current period. The County considers property taxes as available if they are collected within 60 days after year-end. Also considered susceptible to accrual are intergovernmental and fines receivables. Expenditures are recorded when the related fund liability is incurred. All transactions occurring in the governmental fund financial statements are recorded using the modified accrual basis of accounting, except for:

- Interfund transactions for goods and services which are recorded on the Accrual Basis
- Revenues from grants which are recorded as earned
- Principal and interest on general long-term debt which are recorded when due.

Proprietary Fund Financial Statements - The only proprietary fund that the County had was the Insurance Internal Service Fund. This fund is used to account for funds used to provide health care for the County's employees. Because this service predominantly benefits governmental rather than business-type functions, this financial activity is included within governmental activities in the government-wide financial statements. The basic proprietary fund financial statements distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing health care for the County's employees. The main operating revenues are contributions for employee insurance and medical expenses, and the main operating expenses are medical claims. The only Non-operating Item for the 2015 year was Investment Income.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015

(Continued)

D. Receivables

The County levies, collects and distributes property taxes for all taxing jurisdictions within its boundaries. Uncollected property taxes receivable in the General Fund, Special Revenue and Debt Service Funds which are not considered available to finance current operations are shown in the governmental fund financial statements as assets and are offset by deferred revenue (advance tax collections). Accordingly, such receivables are not reflected as revenue until they become available to finance current operations.

Receivables for federal and state financial assistance are recorded as revenue, in all fund types, as earned.

E. Inventories

Inventories of supplies on hand have not been recorded; such supplies are of an expendable nature and are expensed when purchased. As these amounts do not seem to fluctuate a great deal from year to year, the exclusion of inventories does not materially affect either the financial position or results of operations of these funds.

F. Capital Assets

Capital Assets, which include land, buildings, improvements other than buildings, equipment, infrastructure (roads and bridges) and construction in progress, are reported in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation. Major outlays for capital assets and major improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Land and construction in progress are not depreciated.

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

Assets	Years	Yearly Depreciation Rates
Buildings	9-30	3.3% to 11.1%
Improvements Other than Buildings	16-25	4.0% to 6.2%
Equipment	3-20	5.0% to 33 1/3 %
Infrastructure		
Bridges	20-35	2.8% to 5.0%
Roads	20	5.0%

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015

(continued)

G. Cash and Cash Equivalents

Cash and Cash Equivalents at December 31, 2015, totals \$38,913,370, (\$28,029,619 in Governmental funds, \$1,288,801 in Proprietary funds, and \$9,594,950 in agency funds) and consists of \$8,550 in petty cash and \$38,904,820 in bank and pool demand accounts. Nearly all of the demand accounts are interest earning accounts.

The County's total bank deposits of \$11,207,027 at December 31, 2015, were covered by federal depository insurance or by pledged collateral securities held by the Trust Department of the County's bank in the County's name. Such total collateralization and insurance coverage is required by state law. The County's deposits were properly insured and secured throughout the year. The amount of pledged collateral at December 31, 2015 was \$27,597,971.

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, 2015 consist of \$27,437,019 in various external pool accounts. The various pool accounts are not subject to credit risk classifications. The pooled accounts at 12/31/15 consist of the Tex-Pool Account (\$857,423), LOGIC Pool Account (\$21,410,403), and MBIA Class Pool Account (\$5,169,193), for a total of \$27,437,019. 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, 2015:

Deposits - All of the County deposits were insured and collateralized during the year.

Investments - The County does have a formal investment policy, but it had no investments at December 31, 2015. 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 not 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 and AAA to MBIA Class, and to LOGIC.

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

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015
(continued)

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.

H. Long Term Debt

All County long-term debt is included in the Government-wide Financial Statements. This consisted of Certificates of Obligation Series 2006, General Refunding Bonds Series 2015, compensated absences, pollution remediation, OPEBs, and Net pension liability.

I. Compensated Absences

Accumulated vested compensated absences, which consist of vacation leave and compensatory time, are accrued in the government-wide financial statements. Sick pay, which does not vest, is recorded when leave is taken. The entire amount of \$262,979 has been accrued as payable within one year since the amount due after one year is not material. Nearly all of the compensated absences payable is liquidated by the General and Road and Bridge Funds in Personal Services accounts as budgeted. The following summary is presented for informational purposes and is an overall summary of the changes in compensated absences for the 2015 year:

Balance at Beginning of Year	\$ 225,861
Additions	262,979
Deductions	<u>(225,861)</u>
Balance at End of Year	\$ <u>262,979</u>

J. Fund Equity

Fund equity in the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net position."

K. Comparative Data

Comparative data for prior year are not included in the financial statements.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015
(continued)

L. Cash and Cash Equivalents of Proprietary Fund Type Cash Flows Statement

For purposes of the statement of cash flows, the Internal Service Fund considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. For the 2015 year, cash and cash equivalents consist of cash on deposit and cash in pooled accounts, as well as cash on hand.

M. OPEBs (Other Post Employment Benefits) and Pollution Remedial Expenses and Net Pension Liability.

OPEB's and Pollution Remedial Expenses are recorded in the government-wide financial statements. OPEB expenses are serviced in the appropriate General and Road and Bridge Fund personal services accounts as budgeted and the Pollution Remedial expenses are serviced in the Sinton Airport department of the Airport Fund in the appropriate other services and charges account. See Note 16 for more information on OPEBs and Note 13 for more information on Pollution Remedial expenses and Note 8 for Pension Liability. The following summary is presented for informational purposes and is an overall summary of these costs for the 2015 year.

	OPEBS	POLLUTION REMEDIAL EXPENSES	NET PENSION LIABILITY
Balances at Beginning of the Year	\$ 1,669,927	\$ 768,698	\$ 3,360,901
Additions	\$ 81,794	\$ -	\$ 1,165,383
Deductions	\$ (34,654)	\$ -	\$ (1,158,423)
Balances at End of the Year	<u>\$ 1,717,067</u>	<u>\$ 768,698</u>	<u>\$ 3,367,861</u>

N. Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form, or (b) they are legally or contractually required to be maintained intact. Nonspendable items are not expected to be converted to cash, or are not expected to be converted to cash within the next year.

Restricted: This classification includes amounts for which the constraints that have been placed on the use of the resources are either (a) externally imposed by creditors, grantors, contributors, or by laws or regulations of other governments, or (b) imposed by law through constitutional provisions or by enabling legislation.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015
(continued)

Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by order of the Commissioners Court, the County's highest level of decision making authority. It takes a majority vote of the Commissioners' Court to result in legislation, a resolution or an ordinance. The required formal action that must be taken by Commissioners' Court is done at a Commissioners' Court meeting and by a majority vote may establish, modify, or rescind a fund balance commitment. It is noted that this is the only action that constitutes the most binding constraint and should be a commitment for fund balance classification purposes. These amounts cannot be used for any other purpose unless the Court removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. The constraints can only be removed by a majority of the Commissioners' Court, which may establish, modify, or rescind a committed fund balance. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for the use in satisfying those contractual requirements.

Assigned: This classification includes amounts that are constrained by the County's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Commissioners' Court.

Unassigned: This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

When expenditures are incurred for a purpose for which both restricted and unrestricted fund balances are available, the County considers restricted funds to have been spent first. When expenditures are 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.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(continued)

The Governmental Fund Balances at 12-31-2015 are summarized as follows:

Fund Balances at 12-31-15	General Fund	Road & Bridge Fund	Non-Major Gvmnt'l Funds	Total
Nonspendable	\$0	\$0	\$0	\$0
Restricted				
For Road and Bridge		3,284,784	945,974	4,230,758
For Debt Service			140,691	140,691
For Public Safety			1,829,195	1,829,195
For Certain District and County Attorney Costs			450,586	450,586
For Records Management			919,000	919,000
For Airports			383,251	383,251
For Elections			300,806	300,806
For Clerk Contingency			178,412	178,412
For Other			420,753	420,753
Total	0	3,284,784	5,568,668	8,853,452
Committed				
For Health and Welfare			190,907	190,907
For Public Safety			170,774	170,774
For Other			54,908	54,908
Total			416,589	416,589
Assigned				
For Major Capital Outlay			479,041	479,041
For Right of Way			443,664	443,664
For Pollution Remediation	768,698			768,698
For Subsequent Year's Appropriation of Fund Balance	2,243,812			2,243,812
Total	3,012,510		922,705	3,935,215
Unassigned	5,913,156		(273,600)	5,639,556
Grand Total	\$8,925,666	\$3,284,784	\$6,634,362	\$18,844,812

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015
(Continued)

O. Restricted Net Position

The following reconciles the total Governmental Restricted Fund Balances on the Balance Sheet-Governmental Funds to Restricted Net Position on the Statement of Net Position (Governmental-Wide Financial Statement) at 12/31/15:

Total Governmental Restricted Fund Balances at 12/31/15	\$8,853,452
Add Net Road and Bridge Delinquent Taxes Receivable	210,206
Add Net Debt Service Delinquent Taxes Receivable	67,485
Deduct Accrued Interest Payable	(166,375)
Add Proprietary Internal Service Fund Restricted Net Position at 12/31/15	<u>980,451</u>
Total Restricted Net Position at 12/31/15	<u>\$9,945,219**</u>

**Restricted Net Position at 12/31/15	
For Road and Bridge	\$4,230,758
For Public Safety	1,829,195
For Other	<u>3,885,266</u>
Total Restricted Net Position at 12/31/15	<u>\$9,945,219</u>

P. Prepaid Items

Prepaid items consist of prepaid costs paid in December of one year but were not due until January of the following year. They are offset in a like amount in Fund Balances – Nonspendable in the Governmental Fund Balance Sheet Statements. The County did not have any material prepaid items at December 31, 2015.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015
(Continued)

Q . Deferred Inflows/Outflows of Resources

Deferred Inflows/Outflows of Resources are presented in the Government-Wide Financial Statement of Net Position.

Deferred Outflows of Resources are a consumption of net position by the County that is applicable to a future reporting period. It has a positive effect on net position, similar to assets.

Deferred Inflow of Resources is an acquisition of net position that is applicable to a future reporting period. It has a negative effect on net position, similar to liabilities.

The Net Position is the residual of all elements presented in this statement.

Net Position = Assets + Deferred Outflows – Liabilities – Deferred Inflows.

The components of Net Position are Net Investment in Capital Assets, Restricted and Unrestricted.

Deferred Charge on Refunding	\$ 720,883
Pension	<u>3,921,782</u>
 Total Deferred Inflow of Resources	 <u>\$ 4,642,665</u>

The Deferred Charge on Refunding above resulted from the difference in the carrying value of the refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of life of the refunded or refunding debt. The Pensions amount above is the net difference between projected and actual earnings regarding net pension liability (\$803,098) plus County Contributions made subsequent to measurement date (\$3,118,684).

As of 12-31-15 the County had the following Deferred Inflow of Resources as shown on the Statement of Net Position:

Unavailable Revenues- Property Taxes	\$ 18,170,493
Advance Tax Collection	8,486,490
Pensions	<u>170,948</u>
 Total Deferred Inflow of Resources	 <u>\$ 26,827,931</u>

The “Advance Tax Collections” above consisted of funds that were collected in 2015 but are recognized as revenues in the 2016 fiscal year since they are for 2016 year operations. The “Deferred Revenues-

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015
(continued)

Property Taxes” consists of Tax Revenues recognized as Revenue but have not been collected and are budgeted for 2016 year operations and are amounts levied for the fiscal year 2016.

The Pensions amount above is the differences between expected and actual experience regarding net pension liability.

The Balance Sheet Financial Statements of the Governmental Funds will also include Deferred Inflows/Outflows which consist only of Unavailable Revenues- Property Taxes, Deferred Revenues- Property Taxes, and Advance Tax Collections. The Fund Balance Total is the residual of all the elements in these statements. Net Fund Balance = Assets + Deferred Outflows – Liabilities – Deferred Inflows. The components of the Fund Balance are Nonspendable, Restricted, Committed, Assigned, and Unassigned Funds. It is noted that Unavailable Revenues- Property Taxes and Advance Tax Collections are only applicable to the General, Road and Bridge Special Revenue, and Permanent Improvement Debt Service Funds.

As of 12-31-15 The County did not have any Deferred Outflows of Resources applicable to Governmental Funds and therefore there are not any shown on the Balance Sheet of the Government Funds.

As of 12-31-15 The County had the following Deferred Inflow of Resources as shown on the Balance Sheet of the Government Funds:

Unavailable Revenues- Property Taxes	\$ 1,655,211
Deferred Revenues- Property Taxes	18,170,493
Advance Tax Collection	<u>8,486,490</u>
 Total Deferred Inflow of Resources	 <u>\$ 28,312,194</u>

The “Unavailable Revenues – Property Taxes” above consists of taxes levied in prior years, but not collected or available for operations as of December 31, 2015. The above “Deferred Revenues – Property Taxes” consists of taxes levied in 2015 and budgeted for 2016 operations, but not collected at December 31, 2015. The above “Advance Tax Collections” consist of taxes levied and collected in 2015 but are budgeted for 2016 operations and are levied for 2016.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015
(continued)

(2) PROPERTY TAXES

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.

Taxes become delinquent February 1, of each year and are subject to simple interest and penalty of 7% in February; 9% in March; 11% in April; 13% in May; 15% in June; 2% in July, and 1% in months thereafter. Collections of the current year's levy are reported as current collections if received by June 30, (within 9 months of the October 1, due date). Collections received thereafter are reported as delinquent collections.

The County's taxes on real property are a lien against such property until paid. The County may foreclose on real property upon which it has a lien for unpaid taxes. The exception is homestead property belonging to persons 65 years of age or older who files for a tax deferral. The County does make considerable effort to collect delinquent taxes before foreclosure proceedings. Delinquent taxes on property not otherwise collected are generally paid when there is a sale or transfer of the title to the property.

Any liens and subsequent suits against the taxpayer for payment of delinquent personal property taxes are barred unless instituted within four years from the time such taxes became delinquent. Unlike real property, the sale or transfer of most personal property does not require any evidence that taxes thereon are paid. The County's 2014 tax rate (for the period October 1, 2014 to September 30, 2015) was \$0.51000 per \$100 valuation. This roll year taxes were for the County's 2015 fiscal year operations. The 2015 tax roll is to be used for 2016 operations and its tax rate is \$0.46000 per \$100 valuation. It is noted that the County operates on a calendar year.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015
(continued)

(3) GRANTS RECEIVABLE DUE FROM OTHER GOVERNMENTS

Amounts due from other governments at December 31, 2015 consist of \$244,189 from various Federal and State Grants. Included in the above amount is \$64,275 of Texas Department of Health grants and \$127,931 from WIC Funds due from other governmental entities.

(4) LONG-TERM OBLIGATIONS

The following is a summary of general long-term debt bond transactions for the year ended December 31, 2015:

	General Obligation	Total
Bonds Payable, 01/01/15	\$16,665,000	\$ 16,665,000
Bonds Issued	15,415,000	15,415,000
Bonds Retired	<u>(16,495,000)</u>	<u>(16,495,000)</u>
Bonds Payable 12/31/15	<u>\$15,585,000</u>	<u>\$ 15,585,000</u>

The annual requirements of the general long-term bonded debt requirements outstanding at December 31, 2015 is as follows:

YEAR ENDING DECEMBER 31	PRINCIPAL	INTEREST	TOTAL REQUIREMENTS
2016	\$ 470,000	\$ 654,925	\$ 1,124,925
2017	505,000	639,300	1,144,300
2018	520,000	626,450	1,146,450
2019	535,000	610,625	1,145,625
2020	555,000	591,500	1,146,500
2021-2025	3,135,000	2,595,100	5,730,100
2026-2030	3,875,000	1,854,950	5,729,950
2031-2035	4,870,000	857,000	5,727,000
2036	<u>1,120,000</u>	<u>22,400</u>	<u>1,142,400</u>
TOTAL	<u><u>\$ 15,585,000</u></u>	<u><u>\$ 8,452,250</u></u>	<u><u>\$ 24,037,250</u></u>

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015
(continued)

The above debt consists of the following:

Certificates of Obligation, Series 2006, dated August 1, 2006 Interest Range 4.25% to 4.75% issued for new showbarn facilities. Amount issued \$19,330,000.	\$ <u>470,000</u>
General Obligation Refunding Bonds, Series 2015, dated August 15, 2015 Interest Range 2.00% to 5.00% issued to refund Certificates of Obligation, Series 2006 that were issued For new showbarn facilities. Amount issued: \$15,415,000	\$ <u>15,115,000</u>
Total Outstanding at December 31, 2015	\$ <u>15,585,000</u>

The above debt is serviced by the Permanent Improvement Debt Service Fund.

During 2006, the County issued Certificates of Obligation in the amount of \$19,300,000 that were used for major fairgrounds construction which consisted of new animal exhibit buildings and other facilities. These certificates are insured by Ambac Assurance Corporation of New York, NY, that had an insurance rating of Ba3 at 12-31-15 by Moody's. This debt will be liquidated in 2016.

During 2015, the County issued General Obligation Refunding Bonds in the amount of \$15,415,000 to partially refund the Series 2006 Certificates of Obligation. The General Obligation Refunding Bonds are insured by the Depository Trust Company (DTC) of New York, NY, that had an insurance rating of AA+ at 12-31-15 by Standard & Poor's. This debt will be liquidated in 2036.

The amount issued was \$15,415,000 to provide resources to purchase U.S. Government and State and Local Securities that were placed in an irrevocable trust held by the fiscal agent for the purpose of generating resources for the last 20 years (2017-2036) of debt service in the amount of \$16,477,748 on the Series 2006 Certificates of Obligation. As a result, the last 20 years of the refunded certificates are considered defeased and the liability has been removed from the Long-Term Obligations. The County is obligated for this debt in the 2016 year. The advance refunding was taken to reduce total debt service payments over the next 20 years by \$732,748, and resulted in an economic gain of \$487,923. The December 31, 2015 balance on the 2006 Certificates of Obligation was \$470,000 which will be liquidated in 2016. As of December 31, 2015, the amount defeased debt outstanding but removed from Long-Term Obligations amounted to \$15,745,000.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
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See Note 1, I for the discussion on compensated absences payable. Also See Note 1, M for discussion of Other Post Employment Benefits (OPEBs), Pollution Remediation Expenses, and Net Pension Retirement Liability.

The following is an overall summary of long-term liability activity for the year ended December 31, 2015:

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
General Obligation Bonds	\$ 16,665,000	\$ 15,415,000	\$ 16,495,000	\$ 15,585,000	\$ 470,000
Compensated Absences					
Payable	225,861	262,979	225,861	262,979	262,979
OPEBs	1,669,927	81,794	34,654	1,717,067	
Pollution Remediation	768,698	-	-	768,698	279,165
Net Pension Liability	3,360,901	1,165,383	1,158,423	3,367,861	0
Refunding Bonds					
Deferred/Premium	0	1,307,574	21,175	1,286,399	63,526
Total	\$ 22,690,387	\$ 18,232,730	\$ 17,935,113	\$ 22,988,004	\$ 1,075,670

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(Continued)

(5) CAPITAL ASSETS

Capital Assets governmental activity for year ended December 31, 2015 was as follows:

	Balance 12/31/2014	Increases	Decreases	Balance 12/31/2015
Capital Assets Not Being Depreciated:				
Land	\$ 3,423,193	\$ 14,296	\$ -	\$ 3,437,489
Construction in Progress	403,752	108,031	(335,752)	\$ 176,031
Total Capital Assets Not Being Depreciated	\$ 3,826,945	\$ 122,327	\$ (335,752)	\$ 3,613,520
Capital Assets Being Depreciated:				
Buildings	\$ 38,667,849	\$ 1,248,490	\$ -	\$ 39,916,339
Improvements Other Than Buildings	1,506,068	2,516,335	-	\$ 4,022,403
Equipment	11,066,442	1,661,929	(570,758)	\$ 12,157,613
Infrastructure				
Roads	45,985,455	-	-	\$ 45,985,455
Bridges	2,714,768	-	-	\$ 2,714,768
Total Capital Assets Being Depreciated:	\$ 99,940,582	\$ 5,426,754	\$ (570,758)	\$ 104,796,578
Less Accumulated Depreciation For:				
Buildings	\$ (16,040,196)	\$ (1,132,720)	\$ -	\$ (17,172,916)
Improvements Other Than Buildings	(945,177)	(49,170)	-	(994,347)
Equipment	(8,390,483)	(768,954)	408,090	(8,751,347)
Infrastructure				
Roads	(35,691,342)	(1,177,232)	-	(36,868,574)
Bridges	(1,656,213)	(75,122)	-	(1,731,335)
Total Capital Assets Being Depreciated:	\$ (62,723,411)	\$ (3,203,198)	\$ 408,090	\$ (65,518,519)
Total Governmental Activity Capital Assets, Net	\$ 41,044,116	\$ 2,345,883	\$ (498,420)	\$ 42,891,579

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(Continued)

The amount of capital assets net of related debt at 12/31/2015 is as follows:

Capital Assets, Net of Depreciation at 12/31/2015		\$ 42,891,579
Less Related Debt		
Certificates of Obligation and Bonds	15,585,000	
Capital Leases	0	
Bond Premium Payables	1,286,399	
Deferred Charge on Refundings	(720,883)	
		16,150,516
Capital Assets, Net of Related Debt at 12/31/2015		\$ 26,741,063

The amount by which capital outlay exceeded depreciation in 2015 is as follows:

Increase in Capital Assets during 2015		\$ 5,549,081
Less Trade Ins and Disposals (\$337,162) + Changes in Construction in Progress (\$227,721) + Gain on Disposal of Capital Assets (\$66,463)		(498,420)
Capital Outlay		5,050,661
Depreciation Expense for the year		(3,203,198)
Net amount by which capital outlay was under depreciation in 2015		\$ 1,847,463

Depreciation expense was charged to functions/programs of the County for the 2015 year as follows:

Governmental Activities

General Admission		\$ 35,892
Judicial		11,986
Financial Administration		-
Legal		1,118
Elections		3,853
Public Facilities		510,518
Public Safety		340,809
Public Transportation		1,523,788
Health and Welfare		18,208
Culture and Recreation		741,293
Conservation		15,733
Total Depreciation Expense		\$ 3,203,198

It is noted that the 12/31/15 Construction in Progress (\$176,031) consisted of \$176,031 for a new radio tower for the Sheriff's Department to be located in Aransas Pass, Texas. The tower will be

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(Continued)

(6) RECEIVABLES

Receivables for the County's individual major and non-major funds at 12-31-15 are as follows:

	<u>Property Taxes</u>	<u>Intergovernmental</u>	<u>Other</u>	<u>Total</u>
Governmental Activities:				
General Fund	\$ 16,551,889	\$ 47,279	\$ 127,415	\$ 16,726,583
Road and Bridge	2,464,711		24,080	2,488,791
Non-Major Governmental Funds	809,104	196,910	26,799	1,032,813
Totals	<u>\$ 19,825,704</u>	<u>\$ 244,189</u>	<u>\$ 178,294</u>	<u>\$ 20,248,187</u>

(7) OTHER DISCLOSURES

A. Excess of expenditures over appropriations did not occur in any of the budgeted funds. Overall, The County had a positive variance.

B. At December 31, 2015, the County did not have a deficit fund balance in any of the Governmental Funds except for the Community Development Capital Projects Fund that had a Deficit Fund Balance of \$17,261 and the CTIF (County Transportation Infrastructure Fund) Grant Capital Projects Fund that had a Deficit Fund Balance of \$1,671. It is noted that the Capital Improvement Capital Project Fund had a Deficit Unassigned Fund Balance of \$254,668 but still had an overall Positive Fund Balance of \$1,170,347. These deficits are expected to be liquidated by future sources of the County.

C. The Reconciliation of interfund transfers are as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund		\$ 2,553,357
Road and Bridge Fund		411,000
Non-Major Governmental Funds	2,964,357	
Total	<u>\$ 2,964,357</u>	<u>\$ 2,964,357</u>

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
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(continued)

The main transfers consisted of \$284,346 from the General Fund to the District Courts Fund for District Court costs, \$ 369,991 from the General Fund to the District Operating Fund for District Attorney costs, \$400,000 from the General Fund to the Indigent Health Care Fund for Indigent Health Care costs, \$780,000 from the General Fund to the Capital Improvements Fund for capital assets costs and \$411,000 from the Road and Bridge Fund to the Capital Improvements Fund for capital assets costs.

D. The interfund receivable and payable balances at December 31, 2015, consisted of the following:

<u>FUNDS</u>	<u>INTERFUND RECEIVABLE</u>	<u>INTERFUND PAYABLES</u>
General Fund	\$ 128,865	\$ 0
Road and Bridge Fund	0	0
Non-Major Governmental Funds	0	128,865
Proprietary Funds	<u>0</u>	<u>0</u>
Totals	<u>\$ 128,865</u>	<u>\$ 128,865</u>

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. It is expected that these balances will be liquidated within one year.

(8) PENSION PLAN

San Patricio County provides retirement, disability, and death benefits for all of its fulltime employees through a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of 800 nontraditional defined benefit pension plans. TCDRS in the aggregate issues a comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034.

It is noted that due to timing constraints that some information was not available for 12-31-15 so 12-31-14 information is presented and this is acceptable by the Governmental Accounting Standards Board (GASB).

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
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(continued)

The plan provisions are adopted by the governing body of the employer, within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with 10 or more years of service, with 30 years of service regardless of age, or when the sum of their age and years of service equals 80 or more. Members are vested after 10 years of service but must leave their accumulated contributions in the plan to receive an employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer, and 477 employees participated in 2015.

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

At December 31, 2014, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	238
Inactive employees entitled to but not yet receiving benefits	358
Active employees	<u>442</u>
	<u>1,038</u>

Funding Policy. The employer has elected the annually determined contribution rate (ADCR) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. It was 10.66% for calendar year 2015. The contribution rate payable by the employee members is the rate of 7.0% as adopted by the governing body of the employer. The employee contribution rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act.

Annual Pension Cost. For the employer's accounting year ending December 31, 2015, the annual pension cost for the TCDRS plan for its employees was \$3,118,684, and the actual contributions were \$3,118,684.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015
(continued)

The TCDRS hires independent outside consulting actuaries to conduct an annual valuation to measure the funding status and to determine the required employer contribution rate for each employer plan. In order to calculate the employer contribution rate, the actuary does the following:

1. Studies each employer's adopted plan of benefits and the profile of its plan participants, and uses assumptions established by the Board to estimate future benefit payments.
2. Discounts the estimate of future benefit payments to the present based on the long-term rate of investment return to determine the present value of future benefits.
3. Compares the present value of future benefits with the plan's assets to determine the difference that needs to be funded based on the funding policy.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(continued)

ACTUARIAL METHODS AND ASSUMPTIONS USED FOR GASB CALCULATIONS
FOR SAN PATRICIO COUNTY

All actuarial methods and assumptions used for this GASB analysis were the same as those used in the December 31, 2014 funding valuation, except as noted below and throughout this report. Please see the employer summary actuarial valuation report as of December 31, 2014 for further details.

Following are key assumptions and methods used in this GASB analysis.

Valuation Timing	Actuarially determined contribution rates are calculated 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
Asset Valuation Method	
Smoothing period	5 years
Recognition method	Non-asymptotic
Corridor	None
Inflation	3.00%
Salary Increases	3.50 %. 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 3.5% (made up of 3.0% inflation and 0.5% productivity increase assumptions) and a merit, promotion and longevity component that on average approximates 1.4% per year for a career employee.
Investment Rate of Return	8.10%
Cost-of-Living Adjustments	Cost-of-Living adjustments for San Patricio 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	Members can retire at ages 60 and above with 10 or more years of service or with 30 years regardless of age, or when the sum of their age and years of service equals 80 or more. A member is vested after 10 years but must leave his accumulated contributions in the plan to receive any employer-financed benefit.
Mortality	The RP2000 Active Employee Mortality Table for males with a two year set-forward and a four-yea setback for females with the projection scale AA.
Other Information	There were no benefit changes during the year.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(continued)

**Service retirees,
beneficiaries, and non-
depositing members (2)**

The RP-2000 Combined Mortality Table with the projected scale AA, with a one-year set forward for males and no age adjustment for females.

Disabled retirees

RP-2000 Disabled Mortality Table for males with no age adjustment and RP-2000 Disabled Mortality Table for females with a two-year set forward, both with the projection scale AA.

(1) Individual entry age normal cost method, as required by GASB 68, used for GASB calculations. Note that a slightly different version of the entry age normal cost method is used for the funding actuarial valuation.

(2) Studies were prepared in July 2000.

Long-Term Expected Rate of Return

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. The amounts shown are based on January 2015 information for a 7 - 10 year time horizon.

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 2013.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015
(continued)

Net Pension Liability

The County's net pension liability was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liability in the December 31, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary Increases	4.90%
Investment Rate of Return	8.10%

Mortality rates for service retirees, as well as the beneficiaries of both service and disability retirees were based on the RP-2000 Combined Male Table with an age set forward of one year and Projection Scale AA for Males, and the RP-2000 Combined Female Table with no age adjustment and Projection Scale AA for Females. For disabled retirees, the RP-2000 Disabled Male Table with no age adjustment and Projection Scale AA for Males, and the RP-2000 Disabled Female Table with an age set forward of two years and Projection Scale AA for Females are used.

The actuarial assumptions that determined the total pension liability as of December 31, 2014 were based on the results of an actuarial experience study for the period January 1, 2009 – December 31, 2012, except where required to be different by GASB 68.

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 2015 information for a 7-10 year time horizon.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015
(continued)

Note that the valuation assumption for long-term expected return is reassessed at a minimum of every four years, and is set based on a 30 year time horizon; the most recent analysis was performed in 2013.

Asset Class	Target Allocation	Geometric Real Rate of Return
US Equities	16.50%	5.35%
Private Equity	12.00%	8.35%
Global Equities	1.50%	5.65%
International Equities - Developed	11.00%	5.35%
International Equities - Emerging	9.00%	6.35%
Investment- Grade Bonds	3.00%	0.55%
High-Yield Bonds	3.00%	3.75%
Opportunistic Credit	5.00%	5.54%
Direct Lending	2.00%	5.80%
Distressed Debt	3.00%	6.75%
REIT Equities	2.00%	4.00%
Commodities	2.00%	-0.20%
Mater Limited Partnerships (MLPs)	2.00%	5.30%
Private Real Estate Partnerships	3.00%	7.20%
Hedge Funds	25.00%	5.15%

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(continued)

Net Pension Liability/(Asset)	December 31, 2013	December 31, 2014
Total Pension Liability	\$ 77,977,999	\$ 82,153,140
Fiduciary Net Position	74,617,098	78,785,279
Net pension liability / (asset)	3,360,901	3,367,861
Fiduciary Net Position as a % of total pension liability	95.69%	95.90%
Pensionable covered payroll (1)	\$ 15,699,285	\$ 16,487,805
Net pension liability as a % of covered payroll	21.41%	20.43%

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 exist above or in other tables in this report.

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

Discount Rate

Discount Rate (2)	8.10%	8.10%
Long-term expected rate of return, net of investment expense (2)	8.10%	8.10%
Municipal bond rate (3)	Does not apply	Does not apply

(2) This rate reflects the long-term rate of return funding valuation assumption of 8.00 %, plus 0.10% adjustment to be gross of administrative expenses as required by GASB 68.

(3) The plan's fiduciary net position is projected to be available to make all projected future benefit payments of current active, inactive, and retired members. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return, and the municipal bond rate does not apply.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(continued)

Changes in Net Pension Liability/ (Asset)

Changes in Net Pension Liability / (Asset)	Increase (Decrease)		
	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability / (Asset) (a) - (b)
Balances as of December 31, 2013	\$ 77,977,999	\$ 74,617,098	\$ 3,360,901
Changes for the year:			
Service Cost	2,062,276		2,062,276
Interest on Total Pension Liability (1)	6,243,146		6,243,146
Effect of Plan changes	-		-
Effect of economic/demographic gains or losses	(227,931)		(227,931)
Effect of assumptions changes or inputs	-		-
Refund of contributions	(551,903)	(551,903)	-
Benefit payments	(3,350,447)	(3,350,447)	-
Administrative expenses		(59,093)	59,093
Member contributions		1,154,146	(1,154,146)
Net investment income		5,063,645	(5,063,645)
Employer contributions		1,790,572	(1,790,572)
Other (2)	-	121,260	(121,260)
Balances as of December 31, 2014	\$ 82,153,140	\$ 78,785,278	\$ 3,367,862

(1) Reflects the change in the liability due to the time value of money. TCDRS does not charge fees or interest.

(2) Relates to allocation of system-wide items.

Sensitivity Analysis

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

	1% Decrease	Current Discount Rate	1% Increase
	7.10%	8.10%	9.10%
Total Pension Liability	\$ 92,186,672	\$ 82,153,140	\$ 73,849,830
Fiduciary Net Position	78,785,279	78,785,279	78,785,279
Net pension liability/ (asset)	\$ 13,401,393	\$ 3,367,861	\$ (4,935,449)

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(continued)

Pension Expense / (Income)

Pension Expense / (Income)	January 1, 2014 to December 31, 2014	
Service Cost	\$	2,062,276
Interest on total pension liability (1)		6,243,146
Effect of plan changes		-
Administrative expenses		59,093
Member contributions		(1,154,146)
Expected investment return net of investment expenses		(6,067,518)
Recognition of deferred inflows/outflows of resources		
Recognition of economic/demographic gains or losses		(56,983)
Recognition of assumption changes or inputs		-
Recognition of investment gains or losses		200,774
Other (2)		(121,260)
		(121,260)
Pension expense/ (income)	\$	1,165,382

(1) Reflects the change in the liability due to the time value of money. TCDRS does not charge fees or interest.

(2) relates to the allocation of system-wide items

As of December 31, 2014, the deferred inflows and outflows of resources are as follows:

Deferred Inflows/Outflows of Resources	Deferred Inflows of Resources		Deferred Outflows of Resources	
Differences between expected and actual experience	\$	170,948	\$	-
Changes of assumptions		-		-
Net difference between projected and actual earnings		-		803,098
Contributions made subsequent to measurement date (3)		N/A		3,118,684

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 ended December 31	
2015	\$ 143,792
2016	143,792
2017	143,792
2018	200,774
2019	-
Thereafter (4)	-

(3) If eligible employer contributions were made subsequent to the measurement date through the employer's fiscal year end, the employer should reflect these contributions, adjusted.

(4) Total remaining balance to be recognized in future years, if any. Note that additional future deferred inflows and outflows of resources may impact these numbers.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015
(continued)

(9) DEFERRED COMPENSATION PLAN

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all County employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The County currently offers its employees a choice between two plans.

The funds in the plans are held by Nationwide Retirement Solutions, Inc. of Columbus, Ohio and VALIC Financial Advisors Inc., Houston, Texas as the plan administrators for the County. These plans qualify under the requirements of Internal Revenue Service Code Section 457, Subsection g. The funds are held in trust by the two plan administrators for the exclusive benefits of the employees and their beneficiaries who will receive these funds directly from these plan administrators. Since these funds are directly remitted to these plan administrators by the County, the County no longer owns the amounts deferred by employees or related income on these amounts. Therefore, since these plans do not qualify to be included with the County's fiduciary funds there are not any plan assets included in the County's financial statements.

(10) CONTINGENT LIABILITIES

The County is contingently liable with respect to law suits and other claims in the ordinary course of its operations. Should such contingencies become a real liability, funds would have to be appropriated in future budgets for settlement. The County does not feel that there are any law suits pending at December 31, 2015, that would have a material effect on the financial condition of the County.

In addition, the County also participates in several federal and state assisted grant programs, all of which are subject to federal regulations and guidelines. Should any of the grant program expenditures be disallowed by any of the respective grantor agencies or should any other contingency become a reality, funds would have to be appropriated in future County budgets for settlement. However, the County feels that such future amounts, if any, would be immaterial.

(11) RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of and damages due to destruction of assets; errors and omissions; and natural disasters for which the County carries commercial insurance. In addition, the County has implemented a Safety Committee to assist in mitigation of risk and promote safety.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015
(continued)

The County is partially self-insured against medical and hospital costs for its employees. The County pays the first \$1,000,000 per year for each employee and the insurance company pays the remaining costs up to \$5,000,000 lifetime maximum. The County's costs are accounted for in the Insurance Internal Service Fund. The San Patricio County Drainage District, San Patricio County Appraisal District, San Patricio County Navigation District and Juvenile Probation Department also participate in the plan, bearing their share of the cost.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs, and other economic and social factors. There were no significant reductions in insurance coverage from coverage in the prior year. Also, the amount of settlements did not exceed insurance coverage for each of the past three years. Changes in the balances of claims liabilities during the past two years are as follows:

	<u>2015</u>		<u>2014</u>
Unpaid Claims at Beginning of Year	\$ 228,679	\$	128,155
Incurred Claims (including IBNRs)	4,095,041		4,008,086
Claim Payments	<u>(3,315,229)</u>		<u>(3,907,562)</u>
Unpaid Claims at End of Year	<u>\$ 1,008,491</u>	\$	<u>228,679</u>

The entire amount of the \$1,008,491 at 12/31/2015 is considered current because it is expected to be paid during the 2016 fiscal year.

(12) RECONCILIATION OF GOVERNMENT-WIDE 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 on 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 \$18,682,662 differences are as follows:

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
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(continued)

Bonds Payable	\$	15,585,000
Compensated Absences Payable		262,979
Interest Payable		166,375
OPEB Liability		1,717,067
Pollution Liability		768,698
Refunding Bonds Premium		1,286,399
Net Pension Liability		3,367,861
Deferred Outflows of Resources		
Deferred Charge on Refunding		(720,883)
Pension		(3,921,782)
Deferred Inflows of Resources		
Pension		170,948
Other		-
Net Adjustments to Reduce fund balance total		<hr/>
Governmental funds to arrive at net position		
Governmental Activities	\$	<u>18,682,662</u>

Another element of that explanation explains that "long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds," The details of this \$7,009,083 differences are as follows:

Taxes Receivable Net of		
Allowances for Uncollectibles	\$	19,825,704
Fines Receivable Net of		
Allowances for Uncollectibles		5,339,860
Other Receivables Net		13,012
Deferred Revenue		<hr/> (18,170,493)
Net Adjustments for Other Long-Term		
Assets Not Available to Pay for		
Current-Period Expenditures and		
therefore are Deferred in the Funds	\$	<u>7,008,083</u>

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015
(continued)

(13) POLLUTION REMEDIATION

At December 31, 2015, The County was implementing pollution remediation by the State of Texas for surface and sub-surface chemical contamination due to crop dusting operations at the Sinton Airport. The County expects to pay approximately \$279,163 in 2016, \$145,412 in 2017, \$169,869 in 2018, and \$174,254 in 2019 for a total estimated future cost of \$768,698. These estimates were furnished to the County by Arcadis, U.S. Inc. of Denver, Colorado who are doing sample studies for the County. It is not anticipated that the estimated liability will change a material amount due to factors such as price increases, changes in technology, or changes in applicable laws or regulations. It is not anticipated that there will be any estimated recoveries in revenues reducing the pollution remediation's liabilities.

(14) COMMITMENTS

At December 31, 2015 the County had \$8,000 committed to finishing a radio tower for the Sheriff's Department.

(15) ACCOUNTING PRONOUNCEMENTS

Recently Issued and Adopted Accounting Pronouncements

GASB Statement No. 68 "Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 27." This statement replaces the requirements of Statements No. 27 and No. 50 related to pension plans that are administered through trusts and equivalent arrangements. The requirements of Statements No. 27 and No. 50 remain applicable for pensions that are not administered as trusts or equivalent arrangements. The requirements of this Statement are effective for financial statements for fiscal years beginning after June 15, 2014, and the County has implemented them for fiscal year 2015 financial statements.

Recently Issued Accounting Pronouncements

GASB Statement No. 72, *Fair Value Measurement and Application* ("GASB 72"), addresses accounting and financial reporting issues related to fair value measurements by providing guidance for determining a fair value measurement for financial reporting purposes and guidance for applying fair value to certain investments and disclosures related to all fair value measurements. GASB 72 will be implemented by the County in fiscal year 2016 and the impact has not yet been determined.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015
(continued)

GASB Statement 73, *Accounting and Financial Reporting for Pensions and Related Assets that are not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statement 67 and 68* ("GASB 73"), establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, *Accounting and Financial Reporting for Pensions*, as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement 68. It also amends certain provisions of Statement No. 67, *Financial Reporting for Pension Plans*, and Statement 68 for pension plans and pensions that are within their respective scopes. GASB 73 will be implemented by the County in fiscal year 2017 and the impact has not yet been determined.

GASB Statement 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans* ("GASB 74"), replaces GASB Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*. GASB 74 addresses the financial reports of defined benefit OPEB plans that are administered through trusts that meet specified criteria. GASB 74 will be implemented by the County in fiscal year 2017 and the impact has not yet been determined.

GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pension Plans* ("GASB 75"), replaces the requirements of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*. GASB 75 requires governments to report a liability on the face of the financial statements for the OPEB they provide. GASB 75 will be implemented in fiscal year 2018 and the impact has not yet been determined.

GASB Statement 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local governments* ("GASB 76"), has the objective to identify – in the context of the current governmental financial reporting environment – the hierarchy of generally accepted accounting principles ("GAAP"). GASB 76 will be implemented by the County in fiscal year 2016 and the impact has not yet been determined.

GASB Statement 77, *Tax Abatement Disclosure* ("GASB 77"), requires governments to disclose information about their own tax abatements separately from information about tax abatements that are entered into by other governments and reduce the reporting government's tax revenues. GASB 77 was implemented by the County in fiscal year 2015.

GASB Statement 78, *Pensions Provided through Certain Multiple –Employer Defined Benefit Pension Plan* ("GASB 78") amends the scope and applicability of Statement 68 to exclude pensions provided to employees of state or local governmental employers through a cost-sharing multiple employer defined benefit pension plan that (1) is not a state or local governmental pension plan, (2) is used to provide defined benefit pensions to both employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and (3) has no predominant state or

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015
(continued)

local governmental employer (either individually or collectively with other state or local governmental employers that provide pensions through the pension plan). This Statement establishes requirements for recognition and measurement of pension expense, expenditures, and liabilities; note disclosures; and required supplementary information for pensions that have the characteristics described above. GASB 78 will be implemented by the County in fiscal year 2016 and the impact has not yet been determined.

GASB Statement 79, *Certain External Investment Pools and Pool Participants* ("GASB 79") establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. This Statement established additional note disclosure requirements for qualifying external investment pools that measure all of their investments at amortized cost for financial reporting purposes and for governments that participate in those pools. GASB 79 will be implemented by the County in fiscal year 2016 and the impact has not yet been determined.

GASB Statement 80, *Blending Requirements for Certain Component Units- an amendment of GASB Statement No. 1* ("GASB 80") amends the blending requirements for the financial statement presentation of component units of all state and local governments established in paragraph 53 of Statement No. 14, *The Financial Reporting Entity, as amended*. GASB 80 will be implemented by the County in fiscal year 2017 and the impact has not yet been determined.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015
(continued)

(16) OTHER POST EMPLOYEE BENEFITS (OPEBs)

The County provides post retirement medical, prescription drug, dental and life insurance benefits on behalf of its eligible retirees and their dependents. The Governmental Accounting Standards Board (GASB) issued GASB Statement No. 45 as its final accrual accounting standards for retiree healthcare and other postemployment benefits ("OPEBs"). GASB 45 requires public employers to perform periodic actuarial valuations to measure and disclose their retiree healthcare liabilities for the financial statements of both the employer and the trust, if any, set aside to advance fund these benefits.

The County selected Lewis & Ellis, Inc. of Richardson, Texas to perform an actuarial valuation of its postemployment healthcare plans with a valuation date of January 1, 2014, and this was done in 2015. The tables below set forth the key results of our valuation. This valuation is to be done every two years even though some updates will be done yearly the next one is to be done in 2017. Cap Risk Consulting Group calculated the Net OPEB Obligation at 12-31-15 to be \$1,717,067.

Calculations are based on the OPEB benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. The actuarial valuations for OPEB plans involve the estimates of the value of reported amounts and assumptions about the probability of events far into the future and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. The actuarial calculations of the OPEB plan reflect a long-term prospective. The net OPEB obligation had a minor increase in 2014 due mainly to decreased contributions.

It is noted that retirees pay for their insurance premiums.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015
(Continued)

Currently the County pays for and reports retiree benefits on a “pay-as-you-go” basis, which is the practice of paying for these benefits as they become due each year. Our estimates below are based on the assumption that the County will continue pay-as-you-go (“Paygo”) funding.

<i>As of January 1, 2015 (in thousands)</i>	<i>Paygo</i>
Net Present Value of County-funded Plan Costs	\$ 83
Actuarial Accrued Liability	37
Net OPEB Obligation	1,670
Discount Rate	3.50%
<i>As of December 31, 2015 (in thousands)</i>	
Annual Required Contribution	\$ 84
OPEB Cost	82
County Contribution	35
Net OPEB Obligation	1,717

The net present value of County-funded plan costs represents the single sum value of the County’s funding obligation with regard to post-employment benefits provided for the current employees and retirees. It equals the present value of benefits and expenses, minus the present value of retiree contributions. It is not a liability in the accounting sense, and need not be disclosed in the County’s financial report. These amounts are discounted for the time value of money.

The actuarial accrued liability (“AAL”) is the portion of the net present value of County-funded plan costs attributable to employee service prior to January 1, 2010. GASB 45 requires the disclosure of this number in the financial report. The attribution method is based on the Entry Age Normal Actuarial Cost Method, described in more detail later in this report.

The Net Present Value and Actuarial Accrued Liability decreased as compared to the prior valuation (e.g., \$16.2 million to \$10.8 million and \$1.6 to \$1.0 million respectively). The decrease is due, in a large part, to contribution rate changes, plan benefit changes, participation changes, and amortization period change.

The net OPEB obligation is the liability for OPEB that GASB Statement 45 requires the County to include in its CAFR (Comprehensive Annual Financial Report) balance sheet.

The Net OPEB Obligation is the accumulated excess of the ARC (Annual Required Contribution) over the actual County OPEB funding. Therefore, to the extent that the County’s funding for OPEB during any fiscal year falls short of the ARC, an OPEB Obligation will exist as of the end of that year.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015
(Continued)

The Annual Required Contribution is the County's funding target for the current fiscal year in accordance with the GASB 45 provisions.

The County's OPEB funding is based on actual claims and administrative expenses paid for retirees less the retirees' contributions. For the 2013 fiscal year, the County's contribution is significantly lower than the previous two years. Because the County has a small number of retirees covered under the medical plan, there are and will be random fluctuations in the claims. The retirees' claims during the year were lower than they have been in recent years and lower than we would expect in the future. The development of the County's contribution is shown below.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The required schedule of funding progress presents multi-year trend information about whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015
(Continued)

Calculations are based on the types of benefits provided under the terms of the substantive plan at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future.

Actuarial calculations reflect a long-term perspective.

The assumption is that the inflation rate, investment return and the projected salary increases is a 3% average over time. The Medical Trend for healthcare cost rates are as follows: Projection years 1 to 8+ years for medical are 1.9%, 8.5%, 8.0%, 7.5%, 7.0%, 6.5% and 6.0% respectively. For dental for projection years 1 to 8+ years the rates are 5.0%, 4.5%, 4.0%, 3.5%, 3.0%, 3.0%, 3.0% and 3.0% respectively. 2015 year data is not readily available.

The actuarial methods and significant assumptions used to determine the ARC for the current year and the information required by paragraph 25c.

- a) The actuarial cost method used is the entry-age normal method.
- b) As of this valuation date, there are no assets, hence no need to an actuarial value of assets.
- c) The amortization method is level percent of payroll. The amortization period is 1 year. The period is closed.
- d) Disclosure of the significant actuarial assumption follows.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015
(continued)

OPEB Cost and Obligation	FY 2013	FY 2014	FY 2015
Normal Cost	\$ 85,719	\$ 47,931	\$ 45,898
Minimum Amortization to Year-end	56,844	37,127	38,145
Interest Adjustment to Year-end	4,990	-	-
Annual Required Contribution	147,553	85,058	84,043
ARC Adjustment	(58,730)	(59,530)	(60,696)
Interest Adjustment to Net OPEB Obligation	57,536	57,324	58,447
OPEB Cost	\$ 146,359	\$ 82,852	\$ 81,794
Contributions Made	\$ (152,402)	\$ (50,762)	\$ (34,654)
Increase (Decrease) in Net OPEB Obligation	\$ (6,043)	\$ 32,090	\$ 47,140
Net OPEB Obligation- beginning of year	1,645,880	1,637,837	1,669,927
Net OPEB Obligation- end of year	\$ 1,639,837	\$ 1,669,927	\$ 1,717,067

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/2013	147,359	103.2%	1,637,837
12/31/2014	82,852	61.27%	1,669,927
12/31/2015	81,794	42.37%	1,717,067

Funded Status

Actuarial Variation Date	1/1/2014
Actuarial Variation of Assets	0
Actuarial Accrued Liability	983,573
Unfunded Actuarial Liability	983,573
Funded Ratio	0.00%
Annualized Covered Payroll	12,906,176
Ratio of Unfunded Actuarial Liability to Annual Covered Payroll	7.74%
Actuarial Cost Method	Entry Age Normal

Required Supplementary Information Schedule for Funding Progress

Actuarial Variation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as Percentage of Covered Payroll ((b-a)/c)
1/1/2010	\$ 0	\$ 10,846,223	\$ 10,846,223	0	14,400,638	75.3%
1/1/2012	\$ 0	\$ 1,591,092	\$ 1,591,092	0	12,760,816	12.5%
1/1/2014	\$ 0	\$ 998,573	\$ 998,573	0	12,906,176	7.74%

It is noted that the actuarial valuation will be done every other year even though some information can be obtained yearly. The next actuarial variation will be done in 2017.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015
(Continued)

(17) TAX ABATEMENTS

State law allows governments to enter into agreements for tax abatements which is anticipated to result in industry expansion and future revenues for the County. Under these agreements a company is exempt from paying a portion if not all property tax revenues to the County for a certain period of time. In return the company agrees to construct or expand new industry for the County and employ a certain number of County residents.

As of 12-31-15 the County had entered into such agreements with the following companies: TPCO America, Oxy Ingleside Chemical Center LLC, Sherwin Alumina, Papalote Creek Wind Farm II, Ingleside Ethylene LLC (Occidental Chemical Company), Cheniere Energy and Cheniere DBA Corpus Christi Liquifaction LLC Train 1, Corpus Christi Liquifaction Train 2 and Corpus Christi Liquifaction Train 3. The tax abatements expire between 2017 and 2023.

The County has also entered into an agreement with Voestalpine in a Chapter 381 Reabatement Program Agreement. The commitments of the company is basically the same as the other companies but in this case the County collects the property taxes from the company and then refunds it back to the company.

It is difficult to estimate the gross taxes abated due to uncertainty in future tax rates and appraised property values. Any estimate is subject to minor changes but currently the County estimates that gross taxes abated during 2016 to 2023 will be \$30,000,000.

The County will need to obtain data and information from the above companies to ensure that they are fulfilling their commitments to the County. It has received two annual certificates of compliance concerning terms of the Tax Abatement Agreements and will request others to ensure they are in compliance also.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015
(Continued)

(18) SUBSEQUENT EVENTS AND OTHER

In 2014 the State is in the initial phase of planning the construction of a new Harbor Bridge between San Patricio County and Nueces County and has requested that the County remit \$12,000,000 for cost assistance by 2019.

In October 2014, The County adopted a resolution/order for agreement for local project advance funding agreement for voluntary local government contribution to this project with required match. The County also entered into a local project agreement between the County and the Texas Department of Public Transportation for advance funding agreement for voluntary local contribution for this project. The County agrees to pay \$3,000,000 to the State of Texas on June 30, 2016 and December 31, 2016, 2017 and 2018. The County has entered into an agreement in 2016 to borrow the funds from the State Infrastructure Bank.

During 2016 the County issued Combination Tax and Revenue Certificates of Obligation, Series 2016, dated February 1, 2016, in the amount of \$8,975,000 to be used for major County road and bridge improvements. Interest ranges from 3.0% to 4.0% with principal and interest payments to be made to BOFK, NA, Austin, Texas, from 2017 to 2036.

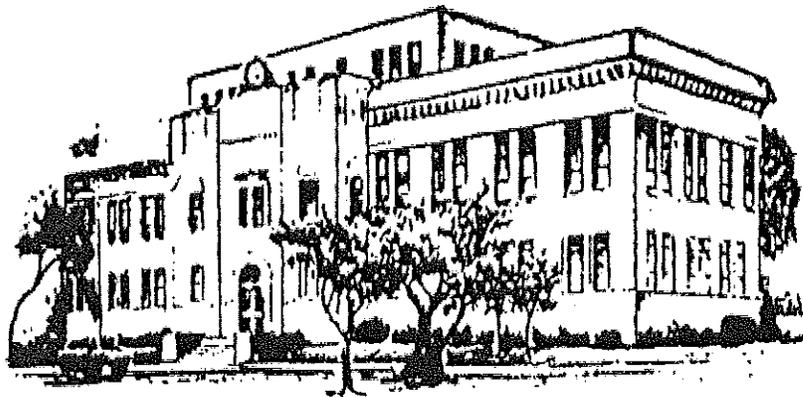
The Commissioners' Court is discussing the possibility of borrowing up to an additional \$30,000,000 over the next several years for more major improvements to County roads and bridges.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015
(Continued)

(19) RESTATEMENT OF NET POSITION

The 12-31-14 Net Position was restated since the Governmental Accounting Standards board (GASB) issued a new pronouncement (GASB 68) that added Net Pension Liability to Liabilities and related Deferred Inflows and Outflows of Resources. Therefore the restatement is as follows:

	Net Position
Beginning Net Position, as previously reported	\$ 44,850,130
Restatement for Net Pension Liability requirements at 12-31-14	
Net Pension Liability	(3,360,901)
Deferred Outflows of Resources - Differences between Projected and Actual Earnings on Pension plan	1,003,872
Deferred Inflows of Resources - Differences between Expected and Actual Expenses on Pension Plan	(227,931)
	\$ 42,265,170
Beginning Net Position, as restated	



REQUIRED SUPPLEMENTARY INFORMATION

(Major General and Special Revenue Funds Budgetary Comparisons)

The following are the Major governmental funds of the County that had adopted 2015 budgets.

The General Fund is a constitutional fund and is utilized to account for all County revenues and expenditures except those which are required by law to be classified in other constitutional funds and such other funds that are presented separately to facilitate proper accountability.

The Road and Bridge Special Revenue Fund is used to account for costs associated with the construction and maintenance of roads and bridges in the County. Revenues are derived primarily from ad valorem taxes, vehicle registration charges, State Lateral Road Distribution funds, and interest.

(Other Post Employment Benefits)

The Schedule for Funding Progress of Other Post Employment Benefits discloses trend data.

(Pension Trend Data)

The Schedule of Changes in Net Pension Liability and Related Ratio for San Patricio County discloses certain pension trend data.

The Schedule of Employer Contributions for San Patricio County discloses certain pension trend data.

Not all information for fiscal year 2015 was available.

The Notes to Required Supplementary Information provide information on the County's 2015 Budget.

SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2015
GENERAL FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Taxes	\$ 20,851,294	\$ 20,851,294	\$ 21,016,781	\$ 165,487
Licenses and Permits	120,000	120,000	235,602	115,602
Intergovernmental	622,400	622,400	821,035	198,635
Charges for Services	2,193,500	2,193,500	2,156,194	(37,306)
Fines & Forfeitures	803,300	803,300	649,463	(153,837)
Investment Income	15,000	15,000	24,570	9,570
Miscellaneous Revenue	364,550	364,550	462,965	98,415
Total Revenues	24,970,044	24,970,044	25,366,610	396,566
EXPENDITURES				
General Administration	2,745,287	2,933,202	2,805,038	128,164
Judicial	2,696,840	2,755,887	2,578,238	177,649
Legal	764,439	766,423	732,991	33,432
Elections	388,933	388,933	319,218	69,715
Financial Administration	2,409,958	2,409,958	2,242,383	167,575
Public Facilities	1,954,301	1,954,301	1,524,657	429,644
Public Safety	11,118,804	11,146,112	10,755,229	390,883
Environmental	97,130	97,130	97,735	(605)
Health & Welfare	898,821	930,621	820,934	109,687
Culture and Recreation	1,128,454	1,116,104	867,990	248,114
Conservation	273,962	273,962	228,110	45,852
Economic Development	160,000	160,000	142,230	17,770
Total Expenditures	24,636,929	24,932,633	23,114,753	1,817,880
Excess (Deficiency) of Revenues Over Expenditures	333,115	37,411	2,251,857	2,214,446
OTHER FINANCING SOURCES (USES)				
Transfers In	0	0	0	0
Transfers Out	(3,538,777)	(3,243,073)	(2,553,357)	689,716
Total Other Financing Sources (Uses)	(3,538,777)	(3,243,073)	(2,553,357)	689,716
Net Changes in Fund Balances	(3,205,662)	(3,205,662)	(301,500)	2,904,162
Fund Balance at Beginning of Year	9,227,166	9,227,166	9,227,166	
Fund Balance at End of Year	\$ 6,021,504	\$ 6,021,504	\$ 8,925,666	\$ 2,904,162

See accompanying notes to required supplementary information.

SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2015
ROAD AND BRIDGE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Taxes	\$ 3,269,732	\$ 3,269,732	\$ 3,293,938	\$ 24,206
Intergovernmental	134,889	134,889	178,103	43,214
Charges for Services	1,019,500	1,019,500	1,000,636	(18,864)
Fines and Forfeitures	362,000	362,000	307,529	(54,471)
Investment Income	3,500	3,500	6,506	3,006
Miscellaneous	4,300	4,300	140,234	135,934
Total Revenues	<u>4,793,921</u>	<u>4,793,921</u>	<u>4,926,946</u>	<u>133,025</u>
EXPENDITURES				
Public Transportation	5,555,629	5,229,629	4,258,368	971,261
Total Expenditures	<u>5,555,629</u>	<u>5,229,629</u>	<u>4,258,368</u>	<u>971,261</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(761,708)</u>	<u>(435,708)</u>	<u>668,578</u>	<u>1,104,286</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out	(262,000)	(588,000)	(411,000)	177,000
Total Other Financing Sources (Uses)	<u>(262,000)</u>	<u>(588,000)</u>	<u>(411,000)</u>	<u>177,000</u>
Net Changes in Fund Balances	(1,023,708)	(1,023,708)	257,578	1,281,286
Fund Balance at Beginning of Year	3,027,206	3,027,206	3,027,206	
Fund Balance at End of Year	<u>\$ 2,003,498</u>	<u>\$ 2,003,498</u>	<u>\$ 3,284,784</u>	<u>\$ 1,281,286</u>

See accompanying notes to required supplementary information.

SAN PATRICIO COUNTY, TEXAS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2015

1. BUDGETS AND BUDGETARY ACCOUNTING

The County Judge is, by statute, the Budget Officer of the County and has the responsibility of preparing the County's budget. Under the County's budgeting procedures, each department submits a budget request to the special assistant designated by the County Judge to assist him and the Commissioner's Court on budgetary matters. The County Judge reviews budget requests, holds informal hearings when needed, and fills in columns in budget preparation forms, setting out his budget recommendations to the Commissioner's Court.

A public hearing is held on the budget by the Commissioner's Court. Department heads may attend. Before determining the final budget, the Commissioner's Court may increase or decrease the amounts requested by the various departments. Amounts finally budgeted may not exceed the estimate of revenues and available resources. Appropriations lapse at year end.

When the budget has been adopted by the Commissioner's 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 Commissioner's Court advised of the conditions of the various funds and accounts. The Level of Control (the level on which expenditures and transfers out may not legally exceed appropriations) for each legally adopted annual operating budget is the fund. All budget amendment requests by management must be approved by Commissioner's Court.

There were supplementary appropriations made during the year after the 2015 budget was adopted. There were changes between line items that offset. These added appropriations resulted in an increase of \$9,758 due mainly to unanticipated WIC and capital outlay costs. There were changes between line items that offset.

Budgets for the General, Special Revenue, and Debt Service Funds are adopted on a Modified accrual basis of accounting. It is noted that not all special revenue funds adopted budgets in 2015. The basis of budgeting is the same as GAAP (General Accepted Accounting Principles).

Budgets for the 2015 year were adopted for the following funds; General Fund, the Road and Bridge Fund, Indigent Health Care Fund, Sheriff's State Forfeiture Fund, Courthouse Security Fund, Records Management Fund, WIC (Women, Infants and Children) Fund, District Courts Operating Fund, District Attorney Operating Fund, Intoxilizer Program Fund, Justice Court Technology Fund, Court Reporter Service Fund, CB COG Grant Fund, Law Library Fund, District Attorney Forfeiture Fund, Communications System Fund, Airport Fund, and the Permanent Improvement Debt Service Fund.

The County's major governmental funds with adopted budgets for the 2015 year were the General Fund and Road and Bridge Fund.

SAN PATRICIO COUNTY, TEXAS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2015
(continued)

It is noted that the District Attorney Forfeiture Fund and the Sheriff State Forfeiture Fund are under control of the District Attorney and County Sheriff, respectively. These officials adopt their own budgets and present them to the Commissioner's Court.

The Capital Projects Funds are not budgeted on an annual basis; these funds cover ongoing items (such as courthouse and jail construction and right-of-way acquisition) that last for more than one year. It is also noted that for these funds that sources of funding are typically General Fund transfers (which are budgeted) or grants which typically carry their own budgets from grant or agencies. Due to the nature of these funds, annual budgets are not considered meaningful for management control.

Excess of expenditures over appropriations did not occur in any of the budgeted funds. Overall, the County had a positive budget variance.

For the 2015 fiscal year it is noted that the Permanent Improvement Debt Service Fund is the only fund of the County that is presented on a Non-GAAP (Generally Accepted Accounting Principles) Budgetary Basis because the County did not budget for bond issuance costs. There are presented on a GAAP basis in the other financial statements.

**SCHEDULE OF FUNDING PROGRESS OF OTHER POST EMPLOYMENT BENEFITS
FOR SAN PATRICIO COUNTY**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability Entry Age (b)	Unfunded AAL (UAAL)(b-a)	Funded Ratio (b/a)	Covered Payroll (c) *	UAAL as a Percentage of Covered Payroll ((b-a)/c)
1/1/2010	\$0	\$ 10,846,233	\$ 10,846,233	0%	\$ 14,400,638	75.3%
1/1/2012	\$0	\$ 1,591,092	\$ 1,591,092	0%	\$ 12,760,816	12.5%
1/1/2014	\$0	\$ 998,573	\$ 998,573	0%	\$ 12,906,176	7.7%

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
FOR SAN PATRICIO COUNTY**

	2014
Total Pension Liability	
Service Cost	\$ 2,062,276
Interest on Total Pension Liability	6,243,146
Effect of plan changes	-
Effect of assumption changes or inputs	-
Effect of economic/demographic (gains) or losses	(227,931)
Benefit payments/refunds of contributions	(3,902,350)
Net change in total pension liability	\$ 4,175,141
Total pension liability, beginning	77,977,999
Total pension liability, ending (a)	\$ 82,153,140
Fiduciary Net Position	
Employer contributions	\$ 1,790,572
Member contributions	1,154,147
Investment income net of investment expenses	5,063,645
Benefit payments/refunds of contributions	(3,902,350)
Administrative expenses	(59,093)
Other	121,260
Net Change in fiduciary net position	\$ 4,168,181
Fiduciary net position, beginning	74,617,098
Fiduciary net position, ending (b)	\$ 78,758,279
Net pension liability / (asset) , ending = (a) - (b)	\$ 3,367,861
Fiduciary net position as a % of total pension liability	95.90%
Pensionable covered payroll	\$ 16,487,808
Net pension liability as a % of covered payroll	20.43%

The County will continue to add data until ten years are presented.
GASB Statement No. 68 was implemented in fiscal year 2015 and prior year information is not available.

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**SCHEDULE OF EMPLOYER CONTRIBUTIONS
FOR SAN PATRICIO COUNTY**

Year Ending December 31	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll (1)	Actual Contribution as a % of Covered Payroll
2005	Not Available	Not Available	Not Available	Not Available	Not Available
2006	\$ 837,458	\$ 837,458	\$ -	\$ 12,805,173	6.5%
2007	1,054,954	1,054,954	\$ -	13,612,306	7.8%
2008	1,132,641	1,132,641	\$ -	14,728,757	7.7%
2009	1,267,392	1,267,392	\$ -	16,227,813	7.8%
2010	1,582,482	1,582,482	\$ -	16,570,488	9.5%
2011	1,504,115	1,504,115	\$ -	16,331,332	9.2%
2012	1,523,430	1,523,430	\$ -	15,721,693	9.7%
2013	1,604,814	1,604,814	\$ -	15,699,285	10.2%
2014	1,790,572	1,790,572	\$ -	16,487,805	10.9%

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

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Combining and Individual Fund Statements and Schedules

These Statements present information on the individual fund types and serve to assure disclosure is sufficient to meet the County's reporting objectives. These statements also serve to present budgetary data.

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**SAN PATRICIO COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2015**

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
ASSETS				
Cash and Cash Equivalents	\$ 4,941,787	\$ 486,511	\$ 1,780,837	\$ 7,209,135
Taxes Receivable		809,104		809,104
Intergovernmental Receivables	196,910			196,910
Other Receivables	26,192	607		26,799
TOTAL ASSETS	\$ 5,164,889	\$ 1,296,222	\$ 1,780,837	\$ 8,241,948
LIABILITIES				
Accounts Payable	\$ 112,479	\$	\$ 145,252	\$ 257,731
Other Liabilities	65,459			65,459
Due To Other Funds	112,985		15,880	128,865
TOTAL LIABILITIES	290,923	0	161,132	452,055
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenues-Property Taxes	\$	\$ 67,485	\$	\$ 67,485
Deferred Revenues-Property Taxes		741,619		741,619
Advance Tax Collections		346,427		346,427
TOTAL DEFERRED INFLOWS OF RESOURCES	0	1,155,531	0	1,155,531
FUND BALANCES				
Restricted	4,457,377	140,691	970,600	5,568,668
Committed	416,589			416,589
Assigned			922,705	922,705
Unassigned			(273,600)	(273,600)
TOTAL FUND BALANCES	4,873,966	140,691	1,619,705	6,634,362
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 5,164,889	\$ 1,296,222	\$ 1,780,837	\$ 8,241,948

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

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
REVENUES				
Taxes	\$	\$ 1,206,227	\$	\$ 1,206,227
Intergovernmental	1,567,623		805,408	2,373,031
Charges for Services	646,257			646,257
Fines & Forfeitures	185,013			185,013
Investment income	6,632	578	1,509	8,719
Private Source Contributions			70,001	70,001
Miscellaneous Revenue	596,568	3,125	19,912	619,605
Total Revenues	<u>3,002,093</u>	<u>1,209,930</u>	<u>896,830</u>	<u>5,108,853</u>
EXPENDITURES				
Current				
General Administration	116,757			116,757
Judicial	1,369,288			1,369,288
Legal	74,337			74,337
Elections	2,207			2,207
Public Facilities			1,308,172	1,308,172
Public Safety	322,245			322,245
Public Transportation	654,039		342,883	996,922
Health & Welfare	1,294,336			1,294,336
Debt Service		1,454,646		1,454,646
Total Expenditures	<u>3,833,209</u>	<u>1,454,646</u>	<u>1,651,055</u>	<u>6,938,910</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(831,116)</u>	<u>(244,716)</u>	<u>(754,225)</u>	<u>(1,830,057)</u>
OTHER FINANCING SOURCES (USES)				
Bonds Issued		15,415,000		15,415,000
Bond Premium		1,307,574		1,307,574
Payments to Escrow Agent		(16,477,749)		(16,477,749)
Transfers In	1,558,777	0	1,405,580	2,964,357
Transfers Out	0	0	0	0
Total Other Financing Sources (Uses)	<u>1,558,777</u>	<u>244,825</u>	<u>1,405,580</u>	<u>3,209,182</u>
Net Changes in Fund Balances	727,661	109	651,355	1,379,125
Fund Balances at Beginning of Year	4,146,305	140,582	968,350	5,255,237
Fund Balances at End of Year	<u>\$ 4,873,966</u>	<u>\$ 140,691</u>	<u>\$ 1,619,705</u>	<u>\$ 6,634,362</u>

NONMAJOR SPECIAL REVENUE GOVERNMENTAL FUNDS

NonMajor Special Revenue Governmental funds consist of the following:

1. The Indigent Health Care Fund accounts for certain revenues that are used in providing health care to indigent citizens.
2. The Sheriff's State Forfeiture Fund accounts for money received through seizures pursuant to state forfeiture laws.
3. The Courthouse Security Fund accounts for fees collected on criminal cases which can be used for the purpose of providing security services for buildings housing courts.
4. The Records Management Fund accounts for fees collected on civil cases which shall be used for the purpose of preserving and maintaining records of the County.
5. The Women, Infants, and Children (WIC) Fund accounts for WIC Program Funds received from the State and other revenues that are used for costs incurred in providing medical and other services to indigent families
6. The District Courts Operating Fund accounts for certain local intergovernmental and other revenues used for District Court expenditures.
7. The District Attorney Operating Fund accounts for State Grants, other local intergovernmental and other revenues used to fund District Attorney Expenditures.
8. The Intoxilizer Program Fund accounts for monies provided by a local agreement between San Patricio, Aransas, and Nueces Counties which provide for the employment of Intoxilizer staff.
9. The Justice Court Technology Fund accounts for fees and other funds used to enhance Justices of the Peace office technology.
10. The Court Reporter Service Fund accounts for fees and other revenues used for Court Reporter expenditures.
11. The CB COG Grant Fund accounts for grants and other monies used for emergency 911 costs.
12. The Law Library Fund provides for the establishment and maintenance of a library for the use by the members of the Texas Bar Association. It is stocked with several thousand books. Monies are derived from charges which are assessed against each civil case filed in County and District Courts.

NONMAJOR SPECIAL REVENUE GOVERNMENTAL FUNDS
(continued)

13. The Child Abuse Prevention Fund accounts for fees and other funds used to prevent child abuse.
14. The County Atty (Attorney) Pretrial Intervention accounts for fees and other monies used for County Attorney pretrial intervention purposes.
15. The District Attorney Forfeiture Fund accounts for forfeitures and other revenues that are used for District Attorney expenditures.
16. The Airport Fund accounts for funds used for airport maintenance.
17. The Sheriff's Forfeiture Fund accounts for money received through seizures pursuant to federal forfeiture laws.
18. The District Attorney Federal Forfeiture Fund accounts for federal forfeitures and other revenues that are used for District Attorney expenditures.
19. The Texas Department of Health Grant Fund accounts for Federal grant funds used for Tuberculosis Control, Maternal & Child Health Services, and Community & Rural Health Services.
20. The Help Americans Vote Act (HAVA) Grant Fund accounts for grants and other monies used to help Americans vote, which includes the purchase of voting equipment and voter education assistance.
21. The Election Services Fund accounts for funds used for election services.
22. The County Attorney Check Fee Fund is used to account for "hot check" charges received by the County Attorney.
23. The District Attorney Check Fee Fund is used to account for "hot check" charges received by the District Attorney.
24. The Jail Commissary Fund is used to account for jail commissary profits.

**NONMAJOR SPECIAL REVENUE GOVERNMENTAL FUNDS
(continued)**

25. The Emergency Food and Shelter Program (EFSP) Fund accounts for Federal Grants used to provide emergency food and shelter to low income families.
26. The Clerk Contingency Fund accounts for certain County and District Clerk fees and other monies to be used for contingency costs.
27. The Communications System Fund accounts for radio maintenance fees received from other governmental entities

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

	<u>INDIGENT HEALTH CARE FUND</u>	<u>SHERIFF STATE FORFEITURE FUND</u>	<u>COURTHOUSE SECURITY FUND</u>	<u>RECORDS MANAGEMENT FUND</u>
ASSETS				
Cash and Cash Equivalents	\$ 181,102	\$ 386,685	\$ 580,078	\$ 926,168
Receivables				
Intergovernmental Receivable				
Other Receivables			1,705	6,810
TOTAL ASSETS	\$ <u>181,102</u>	\$ <u>386,685</u>	\$ <u>581,783</u>	\$ <u>932,978</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts Payable	\$ 64,329		\$ 33	\$ 13,978
Other Liabilities				
Due to Other Funds				
Total Liabilities	<u>64,329</u>	<u>0</u>	<u>33</u>	<u>13,978</u>
Fund Balances - (Deficits)				
Restricted		386,685	581,750	919,000
Committed	116,773			
Total Fund Balances	<u>116,773</u>	<u>386,685</u>	<u>581,750</u>	<u>919,000</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ <u>181,102</u>	\$ <u>386,685</u>	\$ <u>581,783</u>	\$ <u>932,978</u>

(Continued)

<u>WIC</u>	<u>DISTRICT COURTS OPERATING FUND</u>	<u>DISTRICT ATTORNEY OPERATING FUND</u>	<u>INTOXILIZER PROGRAM</u>	<u>JUSTICE COURT TECHNOLOGY FUND</u>	<u>COURT REPORTER SERVICE FUND</u>	<u>CB COG GRANT FUND</u>
\$	\$ 42,464	\$ 12,173	\$ 12,971	\$ 226,550	\$ 104,428	\$ 272,234
127,931	4,704	20		1,407	345	
<u>\$ 127,931</u>	<u>\$ 47,168</u>	<u>\$ 12,193</u>	<u>\$ 12,971</u>	<u>\$ 227,957</u>	<u>\$ 104,773</u>	<u>\$ 272,234</u>
\$ 4,328	\$ 1,006	\$ 2,317 1,130	\$ 263	\$	\$	\$
98,081						
<u>102,409</u>	<u>1,006</u>	<u>3,447</u>	<u>263</u>	<u>0</u>	<u>0</u>	<u>0</u>
25,522	46,162	8,746	12,708	227,957	104,773	272,234
<u>25,522</u>	<u>46,162</u>	<u>8,746</u>	<u>12,708</u>	<u>227,957</u>	<u>104,773</u>	<u>272,234</u>
<u>\$ 127,931</u>	<u>\$ 47,168</u>	<u>\$ 12,193</u>	<u>\$ 12,971</u>	<u>\$ 227,957</u>	<u>\$ 104,773</u>	<u>\$ 272,234</u>

**SAN PATRICIO COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2015
(Continued)**

	<u>LAW LIBRARY</u>	<u>DISTRICT ATTORNEY FORFEITURE FUND</u>	<u>AIRPORT FUND</u>	<u>SHERIFF FORFEITURE FUND</u>
ASSETS				
Cash and Cash Equivalents	\$ 45,432	\$ 61,088	\$ 418,152	\$ 456,470
Receivables				
Intergovernmental Receivable				
Other Receivables	<u>1,387</u>	<u> </u>	<u>4,739</u>	<u> </u>
TOTAL ASSETS	\$ <u>46,819</u>	\$ <u>61,088</u>	\$ <u>422,891</u>	\$ <u>456,470</u>
 LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts Payable	\$ 4,194	\$ 81	\$ 39,640	\$
Other Liabilities				
Due to Other Funds	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>4,194</u>	<u>81</u>	<u>39,640</u>	<u>0</u>
Fund Balances - (Deficits)				
Restricted	42,625	61,007	383,251	456,470
Committed				
Total Fund Balances	<u>42,625</u>	<u>61,007</u>	<u>383,251</u>	<u>456,470</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ <u>46,819</u>	\$ <u>61,088</u>	\$ <u>422,891</u>	\$ <u>456,470</u>

(Continued)

<u>TEXAS DEPT. OF HEALTH GRANTS</u>	<u>VOTER REGISTRATION FUND</u>	<u>ELECTION SERVICES</u>	<u>COUNTY ATTORNEY CHECK FEE FUND</u>	<u>DISTRICT ATTORNEY CHECK FEE FUND</u>
\$	\$ 21,874	\$ 278,932	\$ 40,908	\$ 7,598
64,275			90	
<u>104</u>				
\$ <u>64,379</u>	\$ <u>21,874</u>	\$ <u>278,932</u>	\$ <u>40,998</u>	\$ <u>7,598</u>
\$ 863	\$	\$	\$	\$
<u>14,904</u>				
<u>15,767</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
48,612	21,874	278,932	40,998	7,598
<u>48,612</u>	<u>21,874</u>	<u>278,932</u>	<u>40,998</u>	<u>7,598</u>
\$ <u>64,379</u>	\$ <u>21,874</u>	\$ <u>278,932</u>	\$ <u>40,998</u>	\$ <u>7,598</u>

**SAN PATRICIO COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2015
(Continued)**

	<u>CHILD ABUSE PREVENTION FUND</u>	<u>COUNTY ATTY PRETRIAL INTERVENTION</u>	<u>JAIL COMMISSARY FUND</u>	<u>COMMUNI- CATIONS SYSTEM FUND</u>
ASSETS				
Cash and Cash Equivalents	\$ 4,220	\$ 284,132	\$ 133,337	\$ 195,034
Receivables				
Intergovernmental Receivable				
Other Receivables		1,983		7,470
	<u>4,220</u>	<u>286,115</u>	<u>133,337</u>	<u>202,504</u>
TOTAL ASSETS	\$ <u>4,220</u>	\$ <u>286,115</u>	\$ <u>133,337</u>	\$ <u>202,504</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts Payable	\$	\$ 57	\$ 1,281	\$ 44,438
Other Liabilities				
Due to Other Funds				
	<u>0</u>	<u>57</u>	<u>1,281</u>	<u>44,438</u>
Total Liabilities	<u>0</u>	<u>57</u>	<u>1,281</u>	<u>44,438</u>
Fund Balances - (Deficits)				
Restricted	4,220	286,058	132,056	
Committed				158,066
	<u>4,220</u>	<u>286,058</u>	<u>132,056</u>	<u>158,066</u>
Total Fund Balances	<u>4,220</u>	<u>286,058</u>	<u>132,056</u>	<u>158,066</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ <u>4,220</u>	\$ <u>286,115</u>	\$ <u>133,337</u>	\$ <u>202,504</u>

<u>DISTRICT ATTORNEY FEDERAL FORFEITURE</u>	<u>EFSP GRANT</u>	<u>CLERKS CONTINGENCY FUND</u>	<u>TOTAL NONMAJOR SPECIAL REVENUE FUNDS</u>
\$ 54,925	\$ 16,552	\$ 178,280	\$ 4,941,787
		132	196,910
			26,192
<u>\$ 54,925</u>	<u>\$ 16,552</u>	<u>\$ 178,412</u>	<u>\$ 5,164,889</u>
\$	\$	\$	\$ 112,479
			65,459
			112,985
<u>0</u>	<u>0</u>	<u>0</u>	<u>290,923</u>
54,925	16,552	178,412	4,457,377
			416,589
<u>54,925</u>	<u>16,552</u>	<u>178,412</u>	<u>4,873,966</u>
<u>\$ 54,925</u>	<u>\$ 16,552</u>	<u>\$ 178,412</u>	<u>\$ 5,164,889</u>

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

	INDIGENT HEALTH CARE FUND	SHERIFF STATE FORFEITURE FUND	COURTHOUSE SECURITY FUND	RECORDS MANAGEMENT FUND
REVENUES				
Intergovernmental	\$	\$	\$	\$
Charges for Services			42,620	247,818
Fines & Forfeitures		56,663		
Investment Income	179	496	848	1,220
Miscellaneous		18,000		18
Total Revenues	179	75,159	43,468	249,056
EXPENDITURES				
General Administration				116,757
Judicial				47,760
Legal				
Elections				
Public Facilities				
Public Safety		4,466	47,029	
Public Transportation				
Health & Welfare	293,528			
Total Expenditures	293,528	4,466	47,029	164,517
Excess (Deficiency) of Revenues Over Expenditures	(293,349)	70,693	(3,561)	84,539
OTHER FINANCING SOURCES (USES):				
Transfers In	400,000			
Transfers Out				
Total Other Financing Sources (Uses)	400,000	0	0	0
Net Changes in Fund Balances	106,651	70,693	(3,561)	84,539
Fund Balances (Deficits) at Beginning of Year	10,122	315,992	585,311	834,461
Fund Balances (Deficits) at End of Year	\$ 116,773	\$ 386,685	\$ 581,750	\$ 919,000

(Continued)

<u>WIC</u>	<u>DISTRICT COURTS OPERATING FUND</u>	<u>DISTRICT ATTORNEY OPERATING FUND</u>	<u>INTOXILIZER PROGRAM</u>	<u>JUSTICE COURT TECHNOLOGY FUND</u>	<u>COURT REPORTER SERVICE FUND</u>	<u>CB COG GRANT FUND</u>
\$ 613,816	\$ 295,109	\$ 83,683 1,885	\$ 59,205	\$ 30,905	\$ 14,093	\$ 196,103
461	227 492	120 480	45 20	296	141	274
<u>614,277</u>	<u>295,828</u>	<u>86,168</u>	<u>59,270</u>	<u>31,201</u>	<u>14,234</u>	<u>196,377</u>
	605,924	501,034		1,924	9,701	
			98,356			1,813
<u>629,919</u>						
<u>629,919</u>	<u>605,924</u>	<u>501,034</u>	<u>98,356</u>	<u>1,924</u>	<u>9,701</u>	<u>1,813</u>
<u>(15,642)</u>	<u>(310,096)</u>	<u>(414,866)</u>	<u>(39,086)</u>	<u>29,277</u>	<u>4,533</u>	<u>194,564</u>
	284,346	369,991	48,440			
<u>0</u>	<u>284,346</u>	<u>369,991</u>	<u>48,440</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>(15,642)</u>	<u>(25,750)</u>	<u>(44,875)</u>	<u>9,354</u>	<u>29,277</u>	<u>4,533</u>	<u>194,564</u>
<u>41,164</u>	<u>71,912</u>	<u>53,621</u>	<u>3,354</u>	<u>198,680</u>	<u>100,240</u>	<u>77,670</u>
\$ <u><u>25,522</u></u>	\$ <u><u>46,162</u></u>	\$ <u><u>8,746</u></u>	\$ <u><u>12,708</u></u>	\$ <u><u>227,957</u></u>	\$ <u><u>104,773</u></u>	\$ <u><u>272,234</u></u>

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

(Continued)

	LAW LIBRARY	DISTRICT ATTORNEY FORFEITURE FUND	AIRPORT FUND	SHERIFF FORFEITURE FUND
REVENUES				
Intergovernmental	\$	\$ 4,020	\$	\$
Charges for Services	57,929			
Fines & Forfeitures		39,409		88,941
Investment Income	62	143	472	556
Miscellaneous		3	401,286	
	57,991	43,575	401,758	89,497
EXPENDITURES				
General Administration				
Judicial	52,843	133,880		
Legal				
Elections				
Public Facilities				
Public Safety				
Public Transportation			654,039	
Health & Welfare				
	52,843	133,880	654,039	0
Total Expenditures	52,843	133,880	654,039	0
Excess (Deficiency) of Revenues Over Expenditures	5,148	(90,305)	(252,281)	89,497
OTHER FINANCING SOURCES (USES):				
Transfers In			456,000	
Transfers Out				
	0	0	456,000	0
Total Other Financing Sources (Uses)	0	0	456,000	0
Net Changes in Fund Balances	5,148	(90,305)	203,719	89,497
Fund Balances (Deficits) at Beginning of Year	37,477	151,312	179,532	366,973
Fund Balances (Deficits) at End of Year	\$ 42,625	\$ 61,007	\$ 383,251	\$ 456,470

(Continued)

<u>TEXAS DEPT. OF HEALTH GRANTS</u>	<u>VOTER REGISTRATION FUND</u>	<u>ELECTION SERVICES</u>	<u>COUNTY ATTORNEY CHECK FEE FUND</u>	<u>DISTRICT ATTORNEY CHECK FEE FUND</u>
\$ 311,836	\$ 2,391	\$ 21,538	\$ 6,677	\$ 375
54,598				
	30	360		10
<u>40</u>	<u> </u>	<u>18,772</u>	<u>1</u>	<u> </u>
<u>366,474</u>	<u>2,421</u>	<u>40,670</u>	<u>6,678</u>	<u>385</u>
			2,259	
	2,207			
<u>370,889</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>370,889</u>	<u>2,207</u>	<u>0</u>	<u>2,259</u>	<u>0</u>
<u>(4,415)</u>	<u>214</u>	<u>40,670</u>	<u>4,419</u>	<u>385</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>(4,415)</u>	<u>214</u>	<u>40,670</u>	<u>4,419</u>	<u>385</u>
<u>53,027</u>	<u>21,660</u>	<u>238,262</u>	<u>36,579</u>	<u>7,213</u>
\$ <u>48,612</u>	\$ <u>21,874</u>	\$ <u>278,932</u>	\$ <u>40,998</u>	\$ <u>7,598</u>

**SAN PATRICIO COUNTY, TEXAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2015
 (Continued)**

	<u>CHILD ABUSE PREVENTION FUND</u>	<u>COUNTY ATTY PRETRIAL INTERVENTION</u>	<u>JAIL COMMISSARY FUND</u>	<u>COMMUNI- CATIONS SYSTEM FUND</u>
REVENUES				
Intergovernmental	\$	\$	\$	\$
Charges for Services	841	1,460		64,215
Fines & Forfeitures		97,562		
Investment Income		381	165	264
Miscellaneous			52,245	100,750
Total Revenues	<u>841</u>	<u>99,403</u>	<u>52,410</u>	<u>165,229</u>
EXPENDITURES				
General Administration				
Judicial				
Legal		72,078		
Elections				
Public Facilities				
Public Safety			20,469	150,112
Public Transportation				
Health & Welfare				
Total Expenditures	<u>0</u>	<u>72,078</u>	<u>20,469</u>	<u>150,112</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>841</u>	<u>27,325</u>	<u>31,941</u>	<u>15,117</u>
OTHER FINANCING SOURCES (USES):				
Transfers In				
Transfers Out				
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Changes in Fund Balances	841	27,325	31,941	15,117
Fund Balances (Deficits) at Beginning of Year	<u>3,379</u>	<u>258,733</u>	<u>100,115</u>	<u>142,949</u>
Fund Balances (Deficits) at End of Year	<u>\$ 4,220</u>	<u>\$ 286,058</u>	<u>\$ 132,056</u>	<u>\$ 158,066</u>

<u>DISTRICT ATTORNEY FEDERAL FORFEITURE</u>	<u>EFSP GRANT</u>	<u>CLERKS CONTINGENCY FUND</u>	<u>TOTAL NONMAJOR SPECIAL REVENUE FUNDS</u>
\$	\$	\$	\$
		5,201	1,567,623
78	23	242	646,257
<u>4,000</u>			185,013
			6,632
			<u>596,568</u>
<u>4,078</u>	<u>23</u>	<u>5,443</u>	<u>3,002,093</u>
			116,757
16,222			1,369,288
			74,337
			2,207
			0
			322,245
			654,039
			<u>1,294,336</u>
<u>16,222</u>	<u>0</u>	<u>0</u>	<u>3,833,209</u>
<u>(12,144)</u>	<u>23</u>	<u>5,443</u>	<u>(831,116)</u>
			1,558,777
			0
<u>0</u>	<u>0</u>	<u>0</u>	<u>1,558,777</u>
<u>(12,144)</u>	<u>23</u>	<u>5,443</u>	<u>727,661</u>
<u>67,069</u>	<u>16,529</u>	<u>172,969</u>	<u>4,146,305</u>
\$ <u>54,925</u>	\$ <u>16,552</u>	\$ <u>178,412</u>	\$ <u>4,873,966</u>

**SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2015
INDIGENT HEALTH CARE FUND**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Investment Income	\$ 50	\$ 50	\$ 179	\$ 129
Total Revenues	<u>50</u>	<u>50</u>	<u>179</u>	<u>129</u>
EXPENDITURES				
Health & Welfare	400,000	400,000	293,528	106,472
Total Expenditures	<u>400,000</u>	<u>400,000</u>	<u>293,528</u>	<u>106,472</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(399,950)</u>	<u>(399,950)</u>	<u>(293,349)</u>	<u>106,601</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	400,000	400,000	400,000	0
Total Other Financing Sources (Uses)	<u>400,000</u>	<u>400,000</u>	<u>400,000</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Sources over Net Changes in Fund Balances	50	50	106,651	106,601
Fund Balance at Beginning of Year	<u>10,122</u>	<u>10,122</u>	<u>10,122</u>	
Fund Balance at End of Year	\$ <u>10,172</u>	\$ <u>10,172</u>	\$ <u>116,773</u>	\$ <u>106,601</u>

**SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2015
SHERIFF'S STATE FORFEITURE FUND**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Intergovernmental	\$	\$	\$	\$ 0
Fines & Forfeitures			56,663	56,663
Investment Income			496	496
Miscellaneous Revenue			18,000	18,000
Total Revenues	<u>0</u>	<u>0</u>	<u>75,159</u>	<u>75,159</u>
EXPENDITURES				
Public Safety	200,000	200,000	4,466	195,534
Total Expenditures	<u>200,000</u>	<u>200,000</u>	<u>4,466</u>	<u>195,534</u>
Net Changes in Fund Balances	(200,000)	(200,000)	70,693	270,693
Fund Balance at Beginning of Year	315,992	315,992	315,992	
Fund Balance at End of Year	<u>\$ 115,992</u>	<u>\$ 115,992</u>	<u>\$ 386,685</u>	<u>\$ 270,693</u>

**SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2015
COURTHOUSE SECURITY FUND**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Charges for Services	\$ 46,000	\$ 46,000	\$ 42,620	\$ (3,380)
Investment Income	400	400	848	448
Total Revenues	<u>46,400</u>	<u>46,400</u>	<u>43,468</u>	<u>(2,932)</u>
EXPENDITURES				
Public Safety	151,319	151,319	47,029	104,290
Total Expenditures	<u>151,319</u>	<u>151,319</u>	<u>47,029</u>	<u>104,290</u>
Net Changes in Fund Balances	(104,919)	(104,919)	(3,561)	101,358
Fund Balance at Beginning of Year	<u>585,311</u>	<u>585,311</u>	<u>585,311</u>	
Fund Balance at End of Year	<u>\$ 480,392</u>	<u>\$ 480,392</u>	<u>\$ 581,750</u>	<u>\$ 101,358</u>

**SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2015
RECORDS MANAGEMENT FUND**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Charges for Services	\$ 147,700	\$ 147,700	\$ 247,818	\$ 100,118
Investment Income	350	350	1,220	870
Miscellaneous Revenue			18	18
Total Revenues	148,050	148,050	249,056	101,006
EXPENDITURES				
General Administration	647,267	647,267	116,757	530,510
Judicial	100,967	100,967	47,760	53,207
Total Expenditures	748,234	748,234	164,517	583,717
Excess (Deficiency) of Revenues Net Changes in Fund Balances	(600,184)	(600,184)	84,539	684,723
OTHER FINANCING SOURCES (USES)				
Transfers In				0
Total Other Financing Sources (Uses)	0	0	0	0
Excess (Deficiency) of Revenues and Other Sources over Net Changes in Fund Balances	(600,184)	(600,184)	84,539	684,723
Fund Balance at Beginning of Year	834,461	834,461	834,461	
Fund Balance at End of Year	\$ 234,277	\$ 234,277	\$ 919,000	\$ 684,723

SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2015
WIC FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Intergovernmental	\$ 594,096	\$ 634,150	\$ 613,816	\$ (20,334)
Investment Income				0
Miscellaneous Revenue			461	461
Total Revenues	<u>594,096</u>	<u>634,150</u>	<u>614,277</u>	<u>(19,873)</u>
EXPENDITURES				
Health & Welfare	<u>594,096</u>	<u>634,150</u>	<u>629,919</u>	<u>4,231</u>
Total Expenditures	<u>594,096</u>	<u>634,150</u>	<u>629,919</u>	<u>4,231</u>
Net Changes in Fund Balances	0	0	(15,642)	(15,642)
Fund Balance at Beginning of Year	<u>41,164</u>	<u>41,164</u>	<u>41,164</u>	
Fund Balance at End of Year	<u>\$ 41,164</u>	<u>\$ 41,164</u>	<u>\$ 25,522</u>	<u>\$ (15,642)</u>

SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2015
DISTRICT COURTS OPERATING FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Intergovernmental	\$ 295,109	\$ 295,109	\$ 295,109	\$ 0
Investment Income	100	100	227	127
Miscellaneous Revenue			492	492
Total Revenues	<u>295,209</u>	<u>295,209</u>	<u>295,828</u>	<u>619</u>
EXPENDITURES				
Judicial	626,403	626,403	605,924	20,479
Total Expenditures	<u>626,403</u>	<u>626,403</u>	<u>605,924</u>	<u>20,479</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(331,194)</u>	<u>(331,194)</u>	<u>(310,096)</u>	<u>21,098</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	284,346	284,346	284,346	0
Total Other Financing Sources (Uses)	<u>284,346</u>	<u>284,346</u>	<u>284,346</u>	<u>0</u>
Net Changes in Fund Balances	(46,848)	(46,848)	(25,750)	21,098
Fund Balance at Beginning of Year	71,912	71,912	71,912	
Fund Balance at End of Year	<u>\$ 25,064</u>	<u>\$ 25,064</u>	<u>\$ 46,162</u>	<u>\$ 21,098</u>

SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2015
DISTRICT ATTORNEY OPERATING FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Intergovernmental	\$ 140,411	\$ 140,411	\$ 83,683	\$ (56,728)
Charges for Services	2,000	2,000	1,885	(115)
Investment Income	50	50	120	70
Miscellaneous Revenue			480	480
Total Revenues	<u>142,461</u>	<u>142,461</u>	<u>86,168</u>	<u>(56,293)</u>
EXPENDITURES				
Judicial	<u>539,083</u>	<u>539,083</u>	<u>501,034</u>	<u>38,049</u>
Total Expenditures	<u>539,083</u>	<u>539,083</u>	<u>501,034</u>	<u>38,049</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(396,622)</u>	<u>(396,622)</u>	<u>(414,866)</u>	<u>(18,244)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	<u>369,991</u>	<u>369,991</u>	<u>369,991</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>369,991</u>	<u>369,991</u>	<u>369,991</u>	<u>0</u>
Net Changes in Fund Balances	(26,631)	(26,631)	(44,875)	(18,244)
Fund Balance at Beginning of Year	<u>53,621</u>	<u>53,621</u>	<u>53,621</u>	<u></u>
Fund Balance at End of Year	<u>\$ 26,990</u>	<u>\$ 26,990</u>	<u>\$ 8,746</u>	<u>\$ (18,244)</u>

SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2015
INTOXILIZER PROGRAM FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Intergovernmental	\$ 59,205	\$ 59,205	\$ 59,205	\$ 0
Investment Income	10	10	45	35
Miscellaneous Revenue			20	20
Total Revenues	59,215	59,215	59,270	55
EXPENDITURES				
Public Safety	107,605	107,605	98,356	9,249
Total Expenditures	107,605	107,605	98,356	9,249
Excess (Deficiency) of Revenues Over Expenditures	(48,390)	(48,390)	(39,086)	9,304
OTHER FINANCING SOURCES (USES)				
Transfers In	48,440	48,440	48,440	0
Total Other Financing Sources (Uses)	48,440	48,440	48,440	0
Net Changes in Fund Balances	50	50	9,354	9,304
Fund Balance at Beginning of Year	3,354	3,354	3,354	
Fund Balance at End of Year	\$ 3,404	\$ 3,404	\$ 12,708	\$ 9,304

**SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2015
JUSTICE COURT TECHNOLOGY FUND**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Charges for Services	\$ 36,800	\$ 36,800	\$ 30,904	\$ (5,896)
Investment Income	100	100	296	196
Total Revenues	<u>36,900</u>	<u>36,900</u>	<u>31,200</u>	<u>(5,700)</u>
EXPENDITURES				
Judicial	<u>86,600</u>	<u>86,600</u>	<u>1,924</u>	<u>84,676</u>
Total Expenditures	<u>86,600</u>	<u>86,600</u>	<u>1,924</u>	<u>84,676</u>
Net Changes in Fund Balances	(49,700)	(49,700)	29,276	78,976
Fund Balance at Beginning of Year	<u>198,680</u>	<u>198,680</u>	<u>198,680</u>	
Fund Balance at End of Year	\$ <u>148,980</u>	\$ <u>148,980</u>	\$ <u>227,956</u>	\$ <u>78,976</u>

**SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2015
COURT REPORTER SERVICE FUND**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Charges for Services	\$ 14,000	\$ 14,000	\$ 14,093	\$ 93
Investment Income	50	50	141	91
Total Revenues	<u>14,050</u>	<u>14,050</u>	<u>14,234</u>	<u>184</u>
EXPENDITURES				
Judicial	<u>76,000</u>	<u>76,000</u>	<u>9,701</u>	<u>66,299</u>
Total Expenditures	<u>76,000</u>	<u>76,000</u>	<u>9,701</u>	<u>66,299</u>
Net Changes in Fund Balances	(61,950)	(61,950)	4,533	66,483
Fund Balance at Beginning of Year	<u>100,240</u>	<u>100,240</u>	<u>100,240</u>	
Fund Balance at End of Year	<u>\$ 38,290</u>	<u>\$ 38,290</u>	<u>\$ 104,773</u>	<u>\$ 66,483</u>

**SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2015
CB COG GRANT FUND**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Intergovernmental	\$	\$	196,103	\$ 196,103
Investment Income	50	50	274	224
Total Revenues	<u>50</u>	<u>50</u>	<u>196,377</u>	<u>196,327</u>
EXPENDITURES				
Public Safety	61,984	61,984	1,813	60,171
Total Expenditures	<u>61,984</u>	<u>61,984</u>	<u>1,813</u>	<u>60,171</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(61,934)</u>	<u>(61,934)</u>	<u>194,564</u>	<u>256,498</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out				0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Sources over Net Changes in Fund Balances	<u>(61,934)</u>	<u>(61,934)</u>	<u>194,564</u>	<u>256,498</u>
Fund Balance at Beginning of Year	<u>77,670</u>	<u>77,670</u>	<u>77,670</u>	
Fund Balance at End of Year	<u>\$ 15,736</u>	<u>\$ 15,736</u>	<u>\$ 272,234</u>	<u>\$ 256,498</u>

SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2015
LAW LIBRARY FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Charges for Services	\$ 57,000	\$ 57,000	\$ 57,929	\$ 929
Investment Income	5	5	62	57
Total Revenues	<u>57,005</u>	<u>57,005</u>	<u>57,991</u>	<u>986</u>
EXPENDITURES				
Judicial	73,031	73,031	52,843	20,188
Total Expenditures	<u>73,031</u>	<u>73,031</u>	<u>52,843</u>	<u>20,188</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(16,026)</u>	<u>(16,026)</u>	<u>5,148</u>	<u>21,174</u>
OTHER FINANCING SOURCES (USES)				
Transfers In				0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Sources over Net Changes in Fund Balances	<u>(16,026)</u>	<u>(16,026)</u>	<u>5,148</u>	<u>21,174</u>
Fund Balance at Beginning of Year	<u>37,477</u>	<u>37,477</u>	<u>37,477</u>	
Fund Balance at End of Year	<u>\$ 21,451</u>	<u>\$ 21,451</u>	<u>\$ 42,625</u>	<u>\$ 21,174</u>

**SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2015
DISTRICT ATTORNEY FORFEITURE FUND**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Intergovernmental	\$ 1,920	\$ 1,920	\$ 4,020	\$ 2,100
Fines & Forfeitures	40,000	40,000	39,409	(591)
Investment Income	130	130	143	13
Miscellaneous Revenue	50	50	3	(47)
Total Revenues	<u>42,100</u>	<u>42,100</u>	<u>43,575</u>	<u>1,475</u>
EXPENDITURES				
Judicial	150,940	150,940	133,880	17,060
Total Expenditures	<u>150,940</u>	<u>150,940</u>	<u>133,880</u>	<u>17,060</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(108,840)</u>	<u>(108,840)</u>	<u>(90,305)</u>	<u>18,535</u>
OTHER FINANCING SOURCES (USES)				
Transfers In				0
Transfers Out	(118,160)	(118,160)		118,160
Total Other Financing Sources (Uses)	<u>(118,160)</u>	<u>(118,160)</u>	<u>0</u>	<u>118,160</u>
Net Changes in Fund Balances	(227,000)	(227,000)	(90,305)	136,695
Fund Balance at Beginning of Year	151,312	151,312	151,312	
Fund Balance at End of Year	<u>\$ (75,688)</u>	<u>\$ (75,688)</u>	<u>\$ 61,007</u>	<u>\$ 136,695</u>

SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2015
AIRPORT FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Intergovernmental	\$	\$	\$	\$ 0
Investment Income	50	50	472	422
Miscellaneous Revenue	665,000	665,000	401,286	(263,714)
Total Revenues	<u>665,050</u>	<u>665,050</u>	<u>401,758</u>	<u>(263,292)</u>
EXPENDITURES				
Public Transportation	1,226,030	1,226,030	654,039	571,991
Total Expenditures	<u>1,226,030</u>	<u>1,226,030</u>	<u>654,039</u>	<u>571,991</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(560,980)</u>	<u>(560,980)</u>	<u>(252,281)</u>	<u>308,699</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	456,000	456,000	456,000	0
Total Other Financing Sources (Uses)	<u>456,000</u>	<u>456,000</u>	<u>456,000</u>	<u>0</u>
Net Changes in Fund Balances	(104,980)	(104,980)	203,719	308,699
Fund Balance at Beginning of Year	179,532	179,532	179,532	
Fund Balance at End of Year	<u>\$ 74,552</u>	<u>\$ 74,552</u>	<u>\$ 383,251</u>	<u>\$ 308,699</u>

**SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2015
COMMUNICATIONS SYSTEM FUND**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Intergovernmental				0
Charges for Services	\$ 80,000	\$ 80,000	\$ 64,215	\$ (15,785)
Investment Income	50	50	264	214
Miscellaneous Revenue			100,750	100,750
Total Revenues	<u>80,050</u>	<u>80,050</u>	<u>165,229</u>	<u>85,179</u>
EXPENDITURES				
Public Safety	160,000	160,000	150,112	9,888
Total Expenditures	<u>160,000</u>	<u>160,000</u>	<u>150,112</u>	<u>9,888</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(79,950)</u>	<u>(79,950)</u>	<u>15,117</u>	<u>95,067</u>
OTHER FINANCING SOURCES (USES)				
Transfers In				0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Sources over Net Changes in Fund Balances	(79,950)	(79,950)	15,117	95,067
Fund Balance at Beginning of Year	142,949	142,949	142,949	
Fund Balance at End of Year	<u>\$ 62,999</u>	<u>\$ 62,999</u>	<u>\$ 158,066</u>	<u>\$ 95,067</u>

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NONMAJOR DEBT SERVICE GOVERNMENTAL FUNDS

Non-Major Debt Service Governmental Funds consist of the following:

1. The Permanent Improvement Bonds Fund is used to accumulate monies for payment on the bonded debt of the County.

**SAN PATRICIO COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
DECEMBER 31, 2015**

	<u>PERMANENT IMPROVEMENT DEBT SERVICE</u>		<u>TOTAL NONMAJOR DEBT SERVICE FUNDS</u>
ASSETS			
Cash and Cash Equivalents	\$ 486,511	\$	486,511
Taxes Receivable	809,104		809,104
Other Receivables	607		607
	<u>1,296,222</u>		<u>1,296,222</u>
TOTAL ASSETS	\$ 1,296,222	\$	1,296,222
LIABILITIES			
Other Liabilities	\$ 0	\$	0
Total Liabilities	<u>0</u>		<u>0</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenues-Property Taxes	67,485		67,485
Deferred Revenues-Property Taxes	741,619		741,619
Advance Tax Collections	346,427		346,427
	<u>1,155,531</u>		<u>1,155,531</u>
Total Deferred Inflows of Resources	<u>1,155,531</u>		<u>1,155,531</u>
FUND BALANCES			
Restricted	140,691		140,691
Total Fund Balances (Deficits)	<u>140,691</u>		<u>140,691</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 1,296,222	\$	1,296,222

**SAN PATRICIO COUNTY, TEXAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 NONMAJOR DEBT SERVICE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>PERMANENT IMPROVEMENT DEBT SERVICE</u>	<u>TOTAL NONMAJOR DEBT SERVICE FUNDS</u>
REVENUES		
Taxes	\$ 1,206,227	\$ 1,206,227
Investment Income	578	578
Miscellaneous Revenues	3,125	3,125
	<u>1,209,930</u>	<u>1,209,930</u>
EXPENDITURES		
Debt Service	1,454,646	1,454,646
	<u>1,454,646</u>	<u>1,454,646</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(244,716)</u>	<u>(244,716)</u>
OTHER FINANCING SOURCES (USES)		
Bonds Issued	15,415,000	15,415,000
Bond Premium	1,307,574	1,307,574
Payment to Refunding Escrow Agent	(16,477,749)	(16,477,749)
	<u>244,825</u>	<u>244,825</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures		
Net Changes in Fund Balances	109	109
Fund Balances at Beginning of Year	<u>140,582</u>	<u>140,582</u>
Fund Balances (Deficits) at End of Year	<u>\$ 140,691</u>	<u>\$ 140,691</u>

SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2015
PERMANENT IMPROVEMENT DEBT SERVICE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Taxes	\$ 1,201,599	\$ 1,201,599	\$ 1,206,227	\$ 4,628
Investment Income	500	500	578	78
Miscellaneous Revenues			3,125	3,125
Total Revenues	<u>1,202,099</u>	<u>1,202,099</u>	<u>1,209,930</u>	<u>7,831</u>
EXPENDITURES				
Debt Service	<u>1,219,023</u>	<u>1,219,023</u>	<u>1,211,471</u>	<u>7,552</u>
Total Expenditures	<u>1,219,023</u>	<u>1,219,023</u>	<u>1,211,471</u>	<u>7,552</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(16,924)</u>	<u>(16,924)</u>	<u>(1,541)</u>	<u>15,383</u>
Fund Balance at Beginning of Year	<u>140,582</u>	<u>140,582</u>	<u>140,582</u>	
Fund Balance (Deficit) at End of Year	<u>\$ 123,658</u>	<u>\$ 123,658</u>	139,041	<u>\$ 15,383</u>
ADD (DEDUCT) Other Reconciling Items to Adjust from Budgetary Basis to GAAP Basis:				
Bond Issuance Costs			(243,175)	
Bonds Issued			15,415,000	
Bond Premium			1,307,574	
Payment to Refunding Escrow Agent			(16,477,749)	
Fund Balance (GAAP Basis)			<u>\$ 140,691</u>	

For the 2015 fiscal year it is noted that the Permanent Improvement Debt Service Fund is the only fund of the County that is presented on a Non-GAAP (Generally Accepted Accounting Principles) Budgetary Basis because the County did not budget for bond issuance costs. They are presented on GAAP basis in the other financial statements.

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NONMAJOR CAPITAL PROJECTS GOVERNMENTAL FUNDS

Non-Major Capital Governmental Funds for San Patricio County, Texas, are set up to account for the acquisition of major improvements to buildings, parks, right-of-way, road construction and other capital facilities and consist of the following:

1. The Capital Improvements Fund is used to account for certain monies used for major building construction and improvements and other costs.
2. The Home Program Fund accounts for Federal and other monies that are used to build homes for qualified County residents.
3. The Right-of-Way Fund accounts for monies used for right-of-way purchases for road construction.
4. The CIAP (Coastal Impact Assistance Program) Fund accounts for Federal and other funds used for conservation, protection and preservation of coastal areas including wetlands.
5. The Community Development Fund accounts for Federal and other funds that are used for major community improvements.
6. The CTIF (County Transportation Infrastructure Fund) Grant Fund accounts for State (on a reimbursement basis) and other funds that are used for major road repairs and improvements.

**SAN PATRICIO COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2015**

	<u>CAPITAL IMPROVEMENTS</u>	<u>RIGHT-OF-WAY</u>	<u>HOME PROGRAM</u>
ASSETS			
Cash and Cash Equivalents	\$ <u>1,312,385</u>	\$ <u>443,826</u>	\$ <u> </u>
TOTAL ASSETS	\$ <u>1,312,385</u>	\$ <u>443,826</u>	\$ <u> 0</u>
 LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts Payable	\$ 142,038	\$ 162	\$
Due to Other Funds	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>142,038</u>	<u>162</u>	<u> 0</u>
Fund Balances -			
Restricted	945,974		
Assigned	479,041	443,664	
Unassigned	<u>(254,668)</u>	<u> </u>	<u> </u>
Total Fund Balances	<u>1,170,347</u>	<u>443,664</u>	<u> 0</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ <u>1,312,385</u>	\$ <u>443,826</u>	\$ <u> 0</u>

<u>COMMUNITY DEVELOPMENT</u>	<u>CIAP</u>	<u>CTIF GRANT</u>	<u>TOTAL NONMAJOR CAPITAL PROJECT FUNDS</u>
\$ _____	\$ 24,626	\$ _____	\$ 1,780,837
\$ <u>0</u>	\$ <u>24,626</u>	\$ <u>0</u>	\$ <u>1,780,837</u>
\$ 3,052		\$	\$ 145,252
14,209		1,671	15,880
<u>17,261</u>	<u>0</u>	<u>1,671</u>	<u>161,132</u>
	24,626		970,600
(17,261)		(1,671)	922,705
<u>(17,261)</u>	<u>24,626</u>	<u>(1,671)</u>	<u>(273,600)</u>
			1,619,705
\$ <u>0</u>	\$ <u>24,626</u>	\$ <u>0</u>	\$ <u>1,780,837</u>

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

	<u>CAPITAL IMPROVEMENTS</u>	<u>RIGHT-OF-WAY</u>	<u>HOME PROGRAM</u>
REVENUES			
Intergovernmental	\$	\$	\$ 176,410
Investment Income	974	535	
Private Source Contributions			
Miscellaneous Revenue	<u>12,000</u>	<u>7,912</u>	<u></u>
Total Revenues	<u>12,974</u>	<u>8,447</u>	<u>176,410</u>
EXPENDITURES			
Current			
Public Facilities	430,240		176,410
Public Transportation	<u>275,404</u>	<u>59,122</u>	<u></u>
Total Expenditures	<u>705,644</u>	<u>59,122</u>	<u>176,410</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(692,670)</u>	<u>(50,675)</u>	<u>0</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	1,191,000	200,000	601
Transfers Out	<u></u>	<u></u>	<u></u>
Total Other Financing Sources (Uses)	<u>1,191,000</u>	<u>200,000</u>	<u>601</u>
Net Changes in Fund Balances	498,330	149,325	601
Fund Balances at Beginning of Year	<u>672,017</u>	<u>294,339</u>	<u>(601)</u>
Fund Balances at End of Year	<u>\$ 1,170,347</u>	<u>\$ 443,664</u>	<u>\$ 0</u>

<u>COMMUNITY DEVELOPMENT</u>	<u>CIAP</u>	<u>CTIF GRANT</u>	<u>TOTAL NONMAJOR CAPITAL PROJECT FUNDS</u>
\$ 409,245	\$ 213,067	\$ 6,686	\$ 805,408
70,001			1,509
			70,001
			19,912
<u>479,246</u>	<u>213,067</u>	<u>6,686</u>	<u>896,830</u>
496,507	205,015		1,308,172
		8,357	342,883
<u>496,507</u>	<u>205,015</u>	<u>8,357</u>	<u>1,651,055</u>
(17,261)	8,052	(1,671)	(754,225)
	13,979		1,405,580
			0
<u>0</u>	<u>13,979</u>	<u>0</u>	<u>1,405,580</u>
(17,261)	22,031	(1,671)	651,355
<u>0</u>	<u>2,595</u>	<u>0</u>	<u>968,350</u>
<u>\$ (17,261)</u>	<u>\$ 24,626</u>	<u>\$ (1,671)</u>	<u>\$ 1,619,705</u>

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AGENCY FUNDS

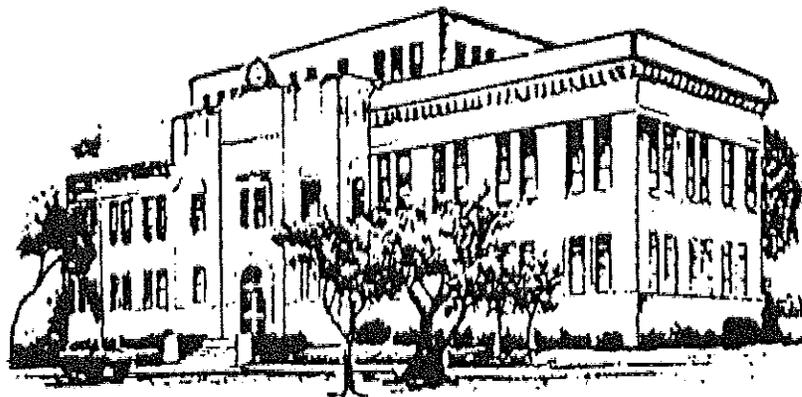
The Agency Funds are a Fiduciary Fund Type and are used to account for monies received and disbursed by the County in the capacity of trustee, custodian, or agent for individuals or other entities.

The Agency Funds consist of the following:

1. The Payroll Funds were established as clearing accounts. Cash is transferred from other County funds to the Payroll Funds, from which disbursements are made for payroll, federal income tax withheld, social security, retirement, deferred compensation, group insurance premiums, and other employee benefits and deductions.
2. The District Wide Adult Probation Department Funds account for monies received from other governmental entities and other sources and remitted to other entities for probation cost purposes.
3. The Dispute Resolution Center Fund accounts for funds that are collected by the County and held until the funds are awarded to the Resolution Center.
4. The Tri-County Narcotics Task Force Agency Fund accounts for funds that have been seized during drug arrests and held by the County until the funds are awarded by the Courts.
5. The County Clerk Trust Fund accounts for monies received that are put in trust funds and held for other individuals or entities.
6. The County Clerk Other Funds account for monies received from various County officials and remitted to the other entities.
7. The District Clerk Trust Fund accounts for monies received that are put in trust funds and held for other individuals or entities.
8. The District Clerk Other Funds account for monies received from various County officials and remitted to other entities.
9. The Health Department Fund accounts for certain funds used for Health Department salaries and other costs.
10. The Forfeiture Trust-Sheriff Fund accounts for escrow monies received through seizures pursuant to the forfeiture law.
11. The Section 125 Fund accounts for monies consisting of salaries and wages that have been deducted by the County for some of employees in order to take tax advantages provided by Internal Revenue Code Section 125.

AGENCY FUNDS
(continued)

12. The Court Cost and Fees Fund accounts for receipt and disbursement of monies related to statutory court costs and fees.
13. The Tax Collector Fund accounts for receipt and disbursement of monies related to tax collections for other entities.
14. The Sheriff Regular Fund accounts for fees collected by the Sheriff's Office.
15. The Sheriff Cash Bond Fund accounts for bond funds collected by the Sheriff's Office.
16. The Inmate Trust Fund accounts for County prisoner inmate funds remitted to the jail office to be used to buy personal items for the inmates.
17. The Justices of the Peace Fund accounts for fines and fees collected by the Justices of the Peace.
18. The District Attorney Fund accounts for certain payroll transactions of the District Attorney's Office.
19. The District Juvenile Probation Fund accounts for certain Juvenile Probations fees.
20. The District Attorney Seizure Fund accounts for funds seized and held pending court judgement.
21. The District Wide Juvenile Probation Department Funds account for monies received from other governmental entities and other sources and remitted to other entities for juvenile probation cost purposes.



**SAN PATRICIO COUNTY, TEXAS
AGENCY FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2015**

	<u>PAYROLL FUNDS</u>	<u>DISTRICT WIDE ADULT PROBATION DEPT FUNDS</u>	<u>DISPUTE RESOLUTION CENTER</u>	<u>TRI-COUNTY NARCOTICS TASK FORCE AGENCY FUND</u>
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 439,914	\$ 736,281	\$ 4,740	\$ 25,263
Due from Others		4,231		
Due from Other Governments				
TOTAL ASSETS	\$ <u>439,914</u>	\$ <u>740,512</u>	\$ <u>4,740</u>	\$ <u>25,263</u>
<u>LIABILITIES</u>				
Due to Others	\$ 439,914	\$ 740,512	\$ 4,740	\$ 25,263
Due to Other Governments				
TOTAL LIABILITIES	\$ <u>439,914</u>	\$ <u>740,512</u>	\$ <u>4,740</u>	\$ <u>25,263</u>

(Continued)

<u>COUNTY CLERK - TRUST FUND</u>	<u>COUNTY CLERK - OTHER FUNDS</u>	<u>DISTRICT CLERK - TRUST FUND</u>	<u>DISTRICT CLERK - OTHER FUNDS</u>	<u>HEALTH DEPARTMENT FUND</u>	<u>FORFEITURE TRUST- SHERIFF</u>
\$ 249,618	\$ 62,315	\$ 678,901	\$ 12,907	\$	\$ 1,476
<u>\$ 249,618</u>	<u>\$ 62,315</u>	<u>\$ 678,901</u>	<u>\$ 12,907</u>	<u>\$ 0</u>	<u>\$ 1,476</u>
\$ 249,618	\$ 62,315	\$ 678,901	\$ 12,907	\$	\$ 1,476
<u>\$ 249,618</u>	<u>\$ 62,315</u>	<u>\$ 678,901</u>	<u>\$ 12,907</u>	<u>\$ 0</u>	<u>\$ 1,476</u>

SAN PATRICIO COUNTY, TEXAS
AGENCY FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2015
 (Continued)

	<u>SECTION 125</u> <u>TRUST FUND</u>	<u>COURT</u> <u>COSTS</u> <u>AND FEES</u>	<u>TAX</u> <u>COLLECTOR</u>	<u>SHERIFF</u> <u>REGULAR</u> <u>FUND</u>	<u>SHERIFF</u> <u>CASH</u> <u>BOND FUND</u>
<u>ASSETS</u>					
Cash and Cash Equivalents \$	18,684	\$ 476,466	\$ 5,902,199	\$	\$ 23,503
Due from Others					
Due from Other Governments					
TOTAL ASSETS	\$ <u>18,684</u>	\$ <u>476,466</u>	\$ <u>5,902,199</u>	\$ <u>0</u>	\$ <u>23,503</u>
<u>LIABILITIES</u>					
Due to Others	\$ 18,684	\$ 476,466	\$ 5,902,199	\$	\$ 23,503
Due to Other Governments					
TOTAL LIABILITIES	\$ <u>18,684</u>	\$ <u>476,466</u>	\$ <u>5,902,199</u>	\$ <u>0</u>	\$ <u>23,503</u>

<u>INMATE TRUST FUND</u>	<u>JUSTICES OF THE PEACE FUND</u>	<u>DISTRICT ATTORNEY</u>	<u>DISTRICT ATTORNEY SEIZURE FUND</u>	<u>DISTRICT JUVENILE PROBATION</u>	<u>DISTRICT WIDE JUVENILE PROBATION DEPT FUNDS</u>	<u>TOTAL AGENCY FUNDS</u>
\$ 22,157	\$ 46,186	\$ 250	\$ 175,910	\$	\$ 718,180 6,799 9,168	\$ 9,594,950 11,030 9,168
<u>\$ 22,157</u>	<u>\$ 46,186</u>	<u>\$ 250</u>	<u>\$ 175,910</u>	<u>\$ 0</u>	<u>\$ 734,147</u>	<u>\$ 9,615,148</u>
\$ 22,157	\$ 46,186	\$ 250	\$ 175,910	\$	\$ 734,147	\$ 9,615,148 0
<u>\$ 22,157</u>	<u>\$ 46,186</u>	<u>\$ 250</u>	<u>\$ 175,910</u>	<u>\$ 0</u>	<u>\$ 734,147</u>	<u>\$ 9,615,148</u>

**SAN PATRICIO COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>BALANCE</u> 01/01/2015	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> 12/31/2015
<u>PAYROLL FUNDS</u>				
ASSETS				
Cash and Cash Equivalents	\$ 411,853	\$ 28,061		\$ 439,914
Due From Other Governments	<u>0</u>			<u>0</u>
	<u>\$ 411,853</u>	<u>\$ 28,061</u>	<u>0</u>	<u>\$ 439,914</u>
LIABILITIES				
Due to Others	\$ 411,853	\$ 28,061		\$ 439,914
Due to Other Governments	<u>0</u>			<u>0</u>
	<u>\$ 411,853</u>	<u>\$ 28,061</u>	<u>0</u>	<u>\$ 439,914</u>
<u>DISTRICT ADULT PROBATION DEPARTMENT FUNDS</u>				
ASSETS				
Cash and Cash Equivalents	\$ 795,805	\$	\$ 59,524	\$ 736,281
Due from Others	4,569		338	4,231
Due from Other Governments	<u>0</u>			<u>0</u>
	<u>\$ 800,374</u>	<u>\$ 0</u>	<u>\$ 59,862</u>	<u>\$ 740,512</u>
LIABILITIES				
Due to Others	\$ 800,374	\$	\$ 59,862	\$ 740,512
Due to Other Governments	<u>0</u>			<u>0</u>
	<u>\$ 800,374</u>	<u>\$ 0</u>	<u>\$ 59,862</u>	<u>\$ 740,512</u>
<u>DISPUTE RESOLUTION CENTER FUND</u>				
ASSETS				
Cash and Cash Equivalents	\$ 2,588	\$ 2,152	\$	\$ 4,740
	<u>\$ 2,588</u>	<u>\$ 2,152</u>	<u>\$ 0</u>	<u>\$ 4,740</u>
LIABILITIES				
Due to Others	\$ 2,588	\$ 2,152	\$	\$ 4,740
	<u>\$ 2,588</u>	<u>\$ 2,152</u>	<u>\$ 0</u>	<u>\$ 4,740</u>

(Continued)

SAN PATRICIO COUNTY, TEXAS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2015
 (Continued)

	<u>BALANCE</u> <u>01/01/2015</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>12/31/2015</u>
<u>TRI-COUNTY NARCOTICS TASK FORCE AGENCY FUND</u>				
ASSETS				
Cash and Cash Equivalents	\$ <u>25,228</u>	\$ <u>35</u>	\$ <u> </u>	\$ <u>25,263</u>
	\$ <u>25,228</u>	\$ <u>35</u>	\$ <u>0</u>	\$ <u>25,263</u>
LIABILITIES				
Due to Others	\$ <u>25,228</u>	\$ <u>35</u>	\$ <u> </u>	\$ <u>25,263</u>
	\$ <u>25,228</u>	\$ <u>35</u>	\$ <u>0</u>	\$ <u>25,263</u>
<u>COUNTY CLERK-TRUST FUND</u>				
ASSETS				
Cash and Cash Equivalents	\$ <u>301,321</u>	\$ <u> </u>	<u>51,703</u>	\$ <u>249,618</u>
	\$ <u>301,321</u>	\$ <u>0</u>	\$ <u>51,703</u>	\$ <u>249,618</u>
LIABILITIES				
Due to Others	\$ <u>301,321</u>	\$ <u> </u>	\$ <u>51,703</u>	\$ <u>249,618</u>
	\$ <u>301,321</u>	\$ <u>0</u>	\$ <u>51,703</u>	\$ <u>249,618</u>
<u>COUNTY CLERK - OTHER FUNDS</u>				
ASSETS				
Cash and Cash Equivalents	\$ <u>68,917</u>	\$ <u> </u>	\$ <u>6,602</u>	\$ <u>62,315</u>
	\$ <u>68,917</u>	\$ <u>0</u>	\$ <u>6,602</u>	\$ <u>62,315</u>
LIABILITIES				
Due to Others	\$ <u>68,917</u>	\$ <u> </u>	\$ <u>6,602</u>	\$ <u>62,315</u>
	\$ <u>68,917</u>	\$ <u>0</u>	\$ <u>6,602</u>	\$ <u>62,315</u>
<u>DISTRICT CLERK - TRUST FUND</u>				
ASSETS				
Cash and Cash Equivalents	\$ <u>302,351</u>	\$ <u>376,550</u>	\$ <u> </u>	\$ <u>678,901</u>
	\$ <u>302,351</u>	\$ <u>376,550</u>	\$ <u>0</u>	\$ <u>678,901</u>
LIABILITIES				
Due to Others	\$ <u>302,351</u>	\$ <u>376,550</u>	\$ <u> </u>	\$ <u>678,901</u>
	\$ <u>302,351</u>	\$ <u>376,550</u>	\$ <u>0</u>	\$ <u>678,901</u>

(Continued)

SAN PATRICIO COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015
(Continued)

	<u>BALANCE</u> <u>01/01/2015</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>12/31/2015</u>
<u>DISTRICT CLERK - OTHER FUNDS</u>				
ASSETS				
Cash and Cash Equivalents	\$ 175,513	\$ _____	\$ 162,606	\$ 12,907
	<u>\$ 175,513</u>	<u>\$ 0</u>	<u>\$ 162,606</u>	<u>\$ 12,907</u>
LIABILITIES				
Due to Others	\$ 175,513	\$ _____	\$ 162,606	\$ 12,907
	<u>\$ 175,513</u>	<u>\$ 0</u>	<u>\$ 162,606</u>	<u>\$ 12,907</u>
<u>HEALTH DEPARTMENT FUND</u>				
ASSETS				
Cash and Cash Equivalents	\$ 0	\$ _____	\$ _____	\$ _____
	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
LIABILITIES				
Due to Others	\$ 0	\$ _____	\$ _____	\$ _____
	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>FORFEITURE TRUST - SHERIFF</u>				
ASSETS				
Cash and Cash Equivalents	\$ 1,474	\$ 2	\$ _____	\$ 1,476
	<u>\$ 1,474</u>	<u>\$ 2</u>	<u>\$ 0</u>	<u>\$ 1,476</u>
LIABILITIES				
Due to Others	\$ 1,474	\$ 2	\$ _____	\$ 1,476
	<u>\$ 1,474</u>	<u>\$ 2</u>	<u>\$ 0</u>	<u>\$ 1,476</u>
<u>SECTION 125 - TRUST FUND</u>				
ASSETS				
Cash and Cash Equivalents	\$ 14,379	\$ 4,305	\$ _____	\$ 18,684
	<u>\$ 14,379</u>	<u>\$ 4,305</u>	<u>\$ 0</u>	<u>\$ 18,684</u>
LIABILITIES				
Due to Others	\$ 14,379	\$ 4,305	\$ _____	\$ 18,684
	<u>\$ 14,379</u>	<u>\$ 4,305</u>	<u>\$ 0</u>	<u>\$ 18,684</u>
(Continued)				

SAN PATRICIO COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015
(Continued)

	<u>BALANCE</u> <u>01/01/2015</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>12/31/2015</u>
<u>COURT COST AND FEES</u>				
ASSETS				
Cash and Cash Equivalents	\$ 300,034	\$ 176,432	\$ _____	\$ 476,466
	<u>\$ 300,034</u>	<u>\$ 176,432</u>	<u>\$ 0</u>	<u>\$ 476,466</u>
LIABILITIES				
Due to Others	\$ 300,034	\$ 176,432	\$ _____	\$ 476,466
	<u>\$ 300,034</u>	<u>\$ 176,432</u>	<u>\$ 0</u>	<u>\$ 476,466</u>
<u>TAX COLLECTOR</u>				
ASSETS				
Cash and Cash Equivalents	\$ 3,952,240	\$ 1,949,959	\$ _____	\$ 5,902,199
	<u>\$ 3,952,240</u>	<u>\$ 1,949,959</u>	<u>\$ 0</u>	<u>\$ 5,902,199</u>
LIABILITIES				
Due to Others	\$ 3,952,240	\$ 1,949,959	\$ _____	\$ 5,902,199
	<u>\$ 3,952,240</u>	<u>\$ 1,949,959</u>	<u>\$ 0</u>	<u>\$ 5,902,199</u>
<u>SHERIFF REGULAR FUND</u>				
ASSETS				
Cash and Cash Equivalents	\$ 13,478	\$ _____	\$ 13,478	\$ 0
	<u>\$ 13,478</u>	<u>\$ 0</u>	<u>\$ 13,478</u>	<u>\$ 0</u>
LIABILITIES				
Due to Others	\$ 13,478	\$ _____	\$ 13,478	\$ 0
	<u>\$ 13,478</u>	<u>\$ 0</u>	<u>\$ 13,478</u>	<u>\$ 0</u>
<u>SHERIFF CASH BOND FUND</u>				
ASSETS				
Cash and Cash Equivalents	\$ 29,103	\$ _____	\$ 5,600	\$ 23,503
	<u>\$ 29,103</u>	<u>\$ 0</u>	<u>\$ 5,600</u>	<u>\$ 23,503</u>
LIABILITIES				
Due to Others	\$ 29,103	\$ _____	\$ 5,600	\$ 23,503
	<u>\$ 29,103</u>	<u>\$ 0</u>	<u>\$ 5,600</u>	<u>\$ 23,503</u>

(Continued)

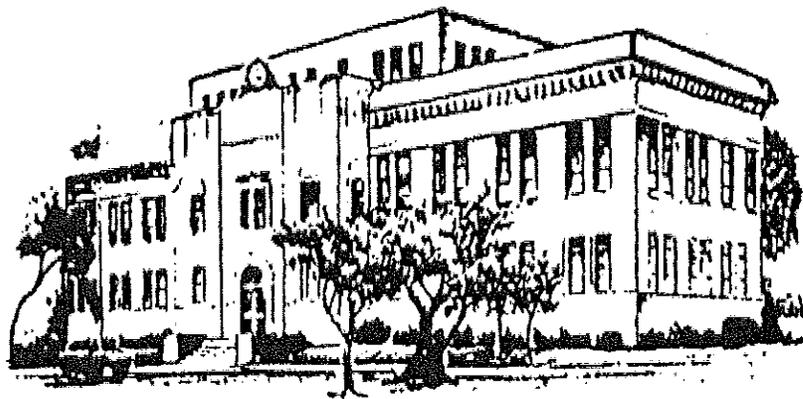
SAN PATRICIO COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015
(Continued)

	<u>BALANCE</u> <u>01/01/2015</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>12/31/2015</u>
<u>INMATE TRUST FUND</u>				
ASSETS				
Cash and Cash Equivalents	\$ 34,652	\$ _____	\$ 12,495	\$ 22,157
	<u>\$ 34,652</u>	<u>\$ 0</u>	<u>\$ 12,495</u>	<u>\$ 22,157</u>
LIABILITIES				
Due to Others	\$ 34,652	\$ _____	\$ 12,495	\$ 22,157
	<u>\$ 34,652</u>	<u>\$ 0</u>	<u>\$ 12,495</u>	<u>\$ 22,157</u>
<u>JUSTICES OF THE PEACE FUND</u>				
ASSETS				
Cash and Cash Equivalents	\$ 58,573	\$ _____	\$ 12,387	\$ 46,186
	<u>\$ 58,573</u>	<u>\$ 0</u>	<u>\$ 12,387</u>	<u>\$ 46,186</u>
LIABILITIES				
Due to Others	\$ 58,573	\$ _____	\$ 12,387	\$ 46,186
	<u>\$ 58,573</u>	<u>\$ 0</u>	<u>\$ 12,387</u>	<u>\$ 46,186</u>
<u>DISTRICT ATTORNEY</u>				
ASSETS				
Cash and Cash Equivalents	\$ 96	\$ 154	\$ _____	\$ 250
	<u>\$ 96</u>	<u>\$ 154</u>	<u>\$ 0</u>	<u>\$ 250</u>
LIABILITIES				
Due to Others	\$ 96	\$ 154	\$ _____	\$ 250
	<u>\$ 96</u>	<u>\$ 154</u>	<u>\$ 0</u>	<u>\$ 250</u>
<u>DISTRICT ATTORNEY SEIZURE FUND</u>				
ASSETS				
Cash and Cash Equivalents	\$ 256,752	\$ _____	\$ 80,842	\$ 175,910
	<u>\$ 256,752</u>	<u>\$ 0</u>	<u>\$ 80,842</u>	<u>\$ 175,910</u>
LIABILITIES				
Due to Others	\$ 256,752	\$ _____	\$ 80,842	\$ 175,910
	<u>\$ 256,752</u>	<u>\$ 0</u>	<u>\$ 80,842</u>	<u>\$ 175,910</u>

(Continued)

SAN PATRICIO COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015
(Continued)

	<u>BALANCE</u> <u>01/01/2015</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>12/31/2015</u>
<u>DISTRICT JUVENILE PROBATION</u>				
ASSETS				
Cash and Cash Equivalents	\$ 0	\$	\$	\$ 0
	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
LIABILITIES				
Due to Others	\$ 0	\$	\$	\$ 0
	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>DISTRICT JUVENILE PROBATION DEPARTMENT FUNDS</u>				
ASSETS				
Cash and Cash Equivalents	\$ 508,109	\$ 210,071	\$	\$ 718,180
Due from Others	5,781	1,018		6,799
Due from Other Governments	9,168			9,168
	<u>\$ 523,058</u>	<u>\$ 211,089</u>	<u>\$ 0</u>	<u>\$ 734,147</u>
LIABILITIES				
Due to Others	\$ 523,058	\$ 211,089	\$	\$ 734,147
Due to Other Governments	0			0
	<u>\$ 523,058</u>	<u>\$ 211,089</u>	<u>\$ 0</u>	<u>\$ 734,147</u>
<u>TOTALS - ALL AGENCY FUNDS</u>				
ASSETS				
Cash and Cash Equivalents	\$ 7,252,466	\$ 2,747,721	\$ 405,237	\$ 9,594,950
Due from Others	10,350	1,018	338	11,030
Due from Other Governments	9,168	0	0	9,168
TOTAL ASSETS	<u>\$ 7,271,984</u>	<u>\$ 2,748,739</u>	<u>\$ 405,575</u>	<u>\$ 9,615,148</u>
LIABILITIES				
Due to Others	\$ 7,271,984	\$ 2,748,739	\$ 405,575	\$ 9,615,148
Due to Other Governments	0	0	0	0
TOTAL LIABILITIES	<u>\$ 7,271,984</u>	<u>\$ 2,748,739</u>	<u>\$ 405,575</u>	<u>\$ 9,615,148</u>



Other Schedules

The following three schedules present information on the County's
Capital Assets.

**SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF CAPITAL ASSETS - BY SOURCE
DECEMBER 31, 2015**

CAPITAL ASSETS

Land	\$	3,437,489
Buildings		39,916,339
Improvements, Other than Buildings		4,022,403
Equipment		12,157,613
Infrastructure		48,700,223
Construction in Progress		<u>176,031</u>
Total Capital Assets	\$	<u><u>108,410,098</u></u>

INVESTMENTS IN CAPITAL ASSETS BY SOURCE

From Governmental Funds and Other	\$	<u>108,410,098</u>
Total Investment In Capital Assets	\$	<u><u>108,410,098</u></u>

Note: The figures above are presented at cost. Infrastructure consists of \$45,985,455 for roads and \$2,714,768 for bridges.

SAN PATRICIO COUNTY
SCHEDULE OF CAPITAL ASSETS
BY FUNCTION AND ACTIVITY
DECEMBER 31, 2015

FUNCTION & ACTIVITY	TOTAL	LAND	BUILDINGS	IMPROVE- MENTS, OTHER THAN BUILDINGS	EQUIPMENT
<u>GENERAL ADMINISTRATION</u>					
CIVIL DEFENSE	\$ 82,049				\$ 82,049
COUNTY JUDGE	34,492				34,492
COUNTY CLERK	266,407		84,100	34,789	147,518
VETERANS SERVICE	25,210			25,210	
RECORDS MANAGEMENT	13,090				13,090
PRINTING DEPARTMENT	65,088				65,088
PERSONNEL SAFETY	0				
INFORMATION SERVICES	99,931				99,931
NON-DEPARTMENTAL	276,297				276,297
TOTAL GENERAL ADMINISTRATION	862,564	0	84,100	59,999	718,465
<u>JUDICIAL</u>					
DISTRICT CLERK	100,354				100,354
DISTRICT COURT	10,837				10,837
JUSTICES OF THE PEACE	12,595				12,595
DISTRICT ATTORNEY	71,545				71,545
TOTAL JUDICIAL	195,331	0	0	0	195,331
<u>FINANCIAL ADMINISTRATION</u>					
COUNTY AUDITOR	68,929				68,929
TAX-ASSESSOR COLLECT	0				0
TOTAL FINANCIAL ADMINISTRATION	68,929	0	0	0	68,929
<u>LEGAL</u>					
COUNTY ATTORNEY	26,874				26,874
TOTAL LEGAL	26,874	0	0	0	26,874
<u>ELECTIONS</u>					
ELECTIONS	246,036				246,036
TOTAL ELECTIONS	246,036	0	0	0	246,036
<u>PUBLIC FACILITIES</u>					
LAND & BUILDINGS	19,527,673	2,436,174	16,099,330	748,509	243,660
BUILDING SUPERINTENDENT	125,489			279	125,210
AIRPORT - TP McCAMPBELL	5,345,645	697,174	1,787,451	2,354,971	506,049
AIRPORT - SINTON	516,270	153,905	139,974	172,201	50,190
CITIZEN COLLECTION STATIONS	73,000	61,673		11,327	
COUNTY FAIRGROUNDS	20,931,510		20,682,445	35,576	213,489
TOTAL PUBLIC FACILITIES	46,519,587	3,348,926	38,709,200	3,322,863	1,138,598

(Continued)

**SAN PATRICIO COUNTY
SCHEDULE OF CAPITAL ASSETS
BY FUNCTION AND ACTIVITY
DECEMBER 31, 2015
(Continued)**

FUNCTION & ACTIVITY	TOTAL	LAND	BUILDINGS	IMPROVE- MENTS, OTHER THAN BUILDINGS	EQUIPMENT
<u>PUBLIC SAFETY</u>					
CONSTABLES:					
PRECINCT #1	\$ 18,751				\$ 18,751
PRECINCT #2	21,284				21,284
PRECINCT #4	11,614				11,614
PRECINCT #5	0				0
PRECINCT #6	43,245				43,245
PRECINCT #8	17,951				17,951
SHERIFF	2,809,824	24,334	136,916		2,648,574
JUVENILE PROBATION AND DETENTION CENTER	183,635		0	27,940	155,695
HIGHWAY PATROL	8,420				8,420
BREATH TESTING	84,284				84,284
TOTAL PUBLIC SAFETY	3,199,008	24,334	136,916	27,940	3,009,818
<u>PUBLIC TRANSPORTATION</u>					
ROAD AND BRIDGE:					
PRECINCT #1	791,260	2,400	24,000	4,511	760,349
PRECINCT #2	2,195,771	13,606	201,318	28,307	1,952,540
PRECINCT #3	2,594,938	14,370	131,899	39,340	2,409,329
PRECINCT #4	1,069,212	10,000	215,644		843,568
GENERAL	52,417				52,417
TOTAL PUBLIC TRANSPORTATION	6,703,598	40,376	572,861	72,158	6,018,203
<u>HEALTH & WELFARE</u>					
COUNTY HEALTH UNIT	280,672				280,672
WOMEN'S, INFANTS AND CHILDREN (GRANT)	182,705		171,000		11,705
TOTAL HEALTH AND WELFARE	463,377	0	171,000	0	292,377
<u>CULTURE & RECREATION</u>					
LIBRARY	22,360				22,360
COUNTY PARKS	1,035,037	22,853	150,346	539,443	322,395
COUNTY FAIRGROUNDS	0				0
TOTAL CULTURE & RECREATION	1,057,397	22,853	150,346	539,443	344,755
<u>CONSERVATION</u>					
COUNTY EXTENSION AGENT EXHIBIT BUILDING	191,143	1,000	91,916		98,227
	0				0
TOTAL CONSERVATION	191,143	1,000	91,916	0	98,227
TOTALS	\$ 59,533,844	\$ 3,437,489	\$ 39,916,339	\$ 4,022,403	\$ 12,157,613
<u>INFRASTRUCTURE</u>					
ROADS	45,985,455				
BRIDGES	2,714,768				
TOTAL INFRASTRUCTURE	48,700,223				
CONSTRUCTION IN PROGRESS	176,031				
TOTAL CAPITAL ASSETS	\$ 108,410,098				

Note: The above figures are presented at cost.

**SCHEDULE OF CHANGES IN CAPITAL ASSETS
BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 2015**

<u>FUNCTION & ACTIVITY</u>	<u>CAPITAL ASSETS 1-1-2015</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>CAPITAL ASSETS 12-31-2015</u>
<u>GENERAL ADMINISTRATION</u>				
CIVIL DEFENSE	\$ 114,429		\$ 32,380	\$ 82,049
COUNTY JUDGE	34,492			34,492
COUNTY CLERK	266,407			266,407
VETERANS SERVICE	25,210			25,210
RECORDS MANAGEMENT	13,090			13,090
PRINTING DEPARTMENT	65,088			65,088
PERSONNEL SAFETY	0			0
INFORMATION SERVICES	99,931			99,931
NON-DEPARTMENTAL	162,427	113,870		276,297
TOTAL GENERAL ADMINISTRATION	781,074	113,870	32,380	862,564
<u>JUDICIAL</u>				
DISTRICT CLERK	100,354			100,354
DISTRICT COURT	10,837			10,837
JUSTICES OF THE PEACE	21,502		8,907	12,595
DISTRICT ATTORNEY	55,323	16,222		71,545
TOTAL JUDICIAL	188,016	16,222	8,907	195,331
<u>FINANCIAL ADMINISTRATION</u>				
COUNTY AUDITOR	68,929			68,929
TAX-ASSESSOR COLLECTOR	0			0
TOTAL FINANCIAL ADMINISTRATION	68,929	0	0	68,929
<u>LEGAL</u>				
COUNTY ATTORNEY	34,258		7,384	26,874
TOTAL LEGAL	34,258	0	7,384	26,874
<u>ELECTIONS</u>				
ELECTIONS	246,036			246,036
TOTAL ELECTIONS	246,036	0	0	246,036
<u>PUBLIC FACILITIES</u>				
LAND & BUILDINGS	19,527,673			19,527,673
BUILDING SUPERINTENDENT	85,848	65,423	25,782	125,489
AIRPORT - TP McCAMPBELL	2,107,317	3,238,328		5,345,645
AIRPORT - SINTON	516,270			516,270
CITIZEN COLLECTION STATIONS	73,000			73,000
COUNTY FAIRGROUNDS	20,905,728	25,782		20,931,510
TOTAL PUBLIC FACILITIES	43,215,836	3,329,533	25,782	46,519,587

(Continued)

**SCHEDULE OF CHANGES IN CAPITAL ASSETS
BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 2015
(Continued)**

<u>FUNCTION & ACTIVITY</u>	<u>CAPITAL ASSETS 1-1-2015</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>CAPITAL ASSETS 12-31-2015</u>
<u>PUBLIC SAFETY</u>				
CONSTABLES:				
PRECINCT #1	\$ 18,751			\$ 18,751
PRECINCT #2	40,721		19,437	21,284
PRECINCT #4	11,614			11,614
PRECINCT #5	0			0
PRECINCT #6	21,493	21,752		43,245
PRECINCT #8	17,951			17,951
SHERIFF	2,515,336	522,928	228,440	2,809,824
JUVENILE PROBATION AND DETENTION CENTER	178,196	24,829	19,390	183,635
HIGHWAY PATROL	8,420			8,420
BREATH TESTING	84,284			84,284
TOTAL PUBLIC SAFETY	2,896,766	569,509	267,267	3,199,008
<u>PUBLIC TRANSPORTATION</u>				
ROAD AND BRIDGE:				
PRECINCT #1	703,344	193,332	105,416	791,260
PRECINCT #2	2,075,334	143,602	23,165	2,195,771
PRECINCT #3	2,154,529	440,409		2,594,938
PRECINCT #4	1,135,712	8,000	74,500	1,069,212
GENERAL	52,417			52,417
TOTAL PUBLIC TRANSPORTATION	6,121,336	785,343	203,081	6,703,598
<u>HEALTH & WELFARE</u>				
COUNTY HEALTH UNIT	259,048	21,624		280,672
WOMEN'S, INFANTS AND CHILDREN (GRANT)	182,705			182,705
TOTAL HEALTH AND WELFARE	441,753	21,624	0	463,377
<u>CULTURE & RECREATION</u>				
LIBRARY	22,360			22,360
COUNTY PARKS	430,088	604,949		1,035,037
COUNTY FAIRGROUNDS	0			0
TOTAL CULTURE & RECREATION	452,448	604,949	0	1,057,397
<u>CONSERVATION</u>				
COUNTY EXTENSION AGENT	217,100		25,957	191,143
EXHIBIT BUILDING	0			0
SHOWBARN	0			0
TOTAL CONSERVATION	217,100	0	25,957	191,143
<u>INFRASTRUCTURE</u>				
ROADS	45,985,455			45,985,455
BRIDGES	2,714,768			2,714,768
TOTAL INFRASTRUCTURE	48,700,223	0	0	48,700,223
CONSTRUCTION IN PROGRESS	403,752	108,031	335,752	176,031
TOTAL CAPITAL ASSETS	\$ 103,767,527	\$ 5,549,081	\$ 906,510	\$ 108,410,098

Note: The above figures are presented at cost.

STATISTICAL SECTION (UNAUDITED)

The Statistical Section presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information say about the County's overall financial health. It includes six categories of information: Financial Trends (pages 152-161), Revenue Capacity (pages 162-173), Debt Capacity (pages 174-180), Demographic and Economic Information (pages 182-184), Operating Information (pages 185-188), and Other Information (pages 189-192).

Financial Trends – These schedules contain trend information to help readers understand how the County's financial performance and well-being have changed over time.

Revenue Capacity – These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.

Debt Capacity – These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

Demographic and Economic Information – These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's activities take place.

Operating Information – These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report related to the services the County provides and the activities it performs.

Other Information – These schedules include any other information the County feels would be of interest to the reader.

**SAN PATRICIO COUNTY, TEXAS
NET POSITION BY COMPONENTS
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Governmental Activities				
Net Investment in Capital Assets	\$ 26,741,063	\$ 24,379,116	\$ 25,138,848	\$ 26,318,086
Restricted for Debt Service and Other	9,945,219	8,182,548	6,944,722	6,252,549
Unrestricted	<u>14,355,981</u>	<u>12,288,466</u>	<u>11,243,567</u>	<u>11,569,502</u>
Total governmental activities net position	<u>\$ 51,042,263</u>	<u>\$ 44,850,130</u>	<u>\$ 43,327,137</u>	<u>\$ 44,140,137</u>

It is also noted that during the above years the County did not have any Business-type activities so the information above is the same for the primary government.

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ 28,886,546	\$ 30,640,322	\$ 32,837,782	\$ 33,309,227	\$ 34,049,445	\$ 31,789,329
0	0	205,020	444,758	519,716	578,212
<u>12,637,553</u>	<u>14,165,679</u>	<u>17,458,342</u>	<u>19,990,260</u>	<u>21,853,732</u>	<u>18,871,398</u>
<u>\$ 41,524,099</u>	<u>\$ 44,806,001</u>	<u>\$ 50,501,144</u>	<u>\$ 53,744,245</u>	<u>\$ 56,422,893</u>	<u>\$ 51,238,939</u>

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

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Expenses					
Governmental Activities:					
General Administration	\$ 2,696,408	\$ 2,530,259	\$ 2,257,556	2,416,010	\$ 2,537,854
Judicial	3,549,114	3,599,207	3,236,692	3,246,614	3,566,865
Legal	717,260	709,822	824,359	664,737	1,035,809
Elections	292,270	330,419	272,003	394,269	338,124
Financial Administration	2,012,455	2,078,564	1,973,481	1,981,284	2,044,998
Public Facilities	3,902,469	5,062,836	3,777,484	3,040,902	4,016,462
Public Safety	9,211,314	10,087,528	9,610,037	9,824,659	10,260,748
Environmental	97,735	87,692	90,069	91,475	109,388
Public Transportation	5,075,370	6,020,513	5,848,842	6,067,055	6,288,960
Health and Welfare	1,920,419	2,226,186	2,216,294	2,114,111	2,387,453
Culture and Recreation	570,599	370,289	720,409	808,262	838,691
Conservation	220,252	260,400	203,486	190,098	216,313
Economic Development	142,230	130,292	0	0	
Amortization of Bond Issuance Costs	0	0	0	0	0
Interest Long Term Debt	668,175	779,466	798,791	814,339	831,348
Total Governmental Activities					
Expenses	<u>\$ 31,076,070</u>	<u>\$ 34,273,473</u>	<u>\$ 31,829,503</u>	<u>\$ 31,653,815</u>	<u>\$ 34,473,013</u>

(continued)

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$	2,800,597	\$ 2,455,393	\$ 5,023,713	\$ 2,113,842	\$ 2,114,757
	3,604,665	3,389,464	3,262,148	3,074,405	2,830,136
	713,260	720,290	543,832	488,193	449,410
	421,241	272,843	362,296	267,174	165,136
	2,032,576	1,903,478	1,734,888	1,572,418	1,425,167
	4,402,114	4,524,661	3,017,922	2,346,042	1,881,216
	10,201,056	9,829,865	8,682,571	7,410,239	7,098,237
	81,231	84,702	90,000	72,766	54,933
	5,863,906	6,384,212	5,720,000	3,162,774	1,958,204
	2,616,456	2,527,697	2,548,166	2,145,401	2,016,407
	959,600	910,603	806,382	222,455	188,479
	210,672	201,375	185,911	238,682	227,278
	0	0	0	0	0
	0	10,404	10,404	10,404	3,468
	847,410	864,134	881,901	941,275	321,045
	<u>\$ 34,754,784</u>	<u>\$ 34,079,121</u>	<u>\$ 32,870,134</u>	<u>\$ 24,066,070</u>	<u>\$ 20,733,873</u>

SAN PATRICIO COUNTY, TEXAS
CHANGES IN NET POSITION
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)
(continued)

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Program Revenues					
Governmental Activities:					
Charges for Services					
General Administration	\$ 520,934	\$ 581,567	\$ 452,172	412,385	\$ 494,541
Judicial	3,108,239	2,131,870	863,848	3,541,609	1,816,575
Legal	124,556	110,061	90,194	95,046	103,308
Elections	40,375	35,509	33,258	23,953	30,575
Financial Administration	901,018	790,242	711,999	636,175	526,545
Public Facilities	84,469	391,313	92,600	79,008	95,023
Public Safety	986,665	874,994	803,337	889,013	780,808
Environmental	67,104	60,037	60,969	55,775	70,881
Public Transportation	1,401,922	1,621,456	1,547,843	1,496,468	1,317,381
Health and Welfare	155,083	201,273	251,418	254,396	307,365
Culture & Recreation	<u>195,827</u>	<u>190,641</u>	<u>179,564</u>	<u>192,885</u>	<u>133,121</u>
Total Charges for Services	7,586,192	6,988,963	5,087,202	7,676,713	5,676,123
Operating Grants & Contributions	2,106,500	1,826,418	1,828,280	2,082,007	2,321,793
Capital Grants & Contributions -					
Public Facilities	<u>3,407,135</u>	<u>1,162,295</u>	<u>1,024,790</u>	<u>545,913</u>	<u>576,224</u>
Total Governmental Activities					
Program Revenues	<u>\$ 13,099,827</u>	<u>\$ 9,977,676</u>	<u>\$ 7,940,272</u>	<u>10,304,633</u>	<u>\$ 8,574,140</u>
Net (Expense) Revenue	<u>\$ (17,976,243)</u>	<u>\$ (24,295,797)</u>	<u>\$ (23,889,231)</u>	<u>(21,349,182)</u>	<u>\$ (25,898,873)</u>
General Revenues and Other Changes					
In Net Position					
Governmental Activities:					
Property Taxes	\$ 25,655,399	\$ 24,925,002	\$ 22,477,888	21,641,361	\$ 19,938,817
Investment Earnings	41,434	25,264	35,380	56,773	38,778
Other General Activities	<u>1,056,503</u>	<u>868,533</u>	<u>562,668</u>	<u>492,493</u>	<u>582,040</u>
Total Governmental Activities	<u>\$ 26,753,336</u>	<u>\$ 25,818,799</u>	<u>\$ 23,075,936</u>	<u>22,190,627</u>	<u>\$ 20,559,635</u>
Special Items	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,016,772</u>	
Changes in Net Position	<u>\$ 8,777,093</u>	<u>\$ 1,523,002</u>	<u>\$ (813,295)</u>	<u>2,858,217</u>	<u>\$ (5,339,238)</u>

Note: It is noted that during the above years the County did not have any Business-type activities so the information above is the same for the primary government.

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$	383,829	\$ 485,418	\$ 481,893	\$ 583,839	\$ 588,741
	2,263,227	2,592,852	2,109,493	2,241,891	1,580,491
	83,593	62,649	67,579	53,491	58,536
	50,049	36,844	88,115	51,283	69,231
	926,537	944,130	860,789	669,889	810,667
	81,853	107,934	137,354	114,488	142,285
	818,917	847,294	978,620	888,293	981,085
	45,128	42,502	56,587	44,742	41,201
	1,211,310	1,213,403	1,304,453	1,304,140	1,327,025
	285,674	360,372	335,225	259,648	229,088
	<u>166,810</u>	<u>76,542</u>	<u>34,748</u>	<u>0</u>	<u>0</u>
	6,316,927	6,769,940	6,454,856	6,211,704	5,828,350
	2,571,845	2,197,429	2,353,082	1,606,706	2,029,425
	<u>184,812</u>	<u>1,100,428</u>	<u>933,234</u>	<u>1,037,452</u>	<u>398,592</u>
\$	<u>9,073,584</u>	<u>10,067,797</u>	<u>9,741,172</u>	<u>8,855,862</u>	<u>8,256,367</u>
\$	<u>(25,681,200)</u>	<u>(24,011,324)</u>	<u>(23,128,962)</u>	<u>(15,210,208)</u>	<u>(12,477,506)</u>
\$	19,886,367	\$ 20,096,396	\$ 18,947,806	\$ 17,460,961	\$ 16,045,078
	59,837	153,540	872,867	2,273,600	1,463,743
	<u>86,019</u>	<u>518,287</u>	<u>629,641</u>	<u>659,601</u>	<u>745,453</u>
\$	<u>20,032,223</u>	<u>20,768,223</u>	<u>20,450,314</u>	<u>20,394,162</u>	<u>18,254,274</u>
\$	<u>(5,648,977)</u>	<u>(3,243,101)</u>	<u>(2,678,648)</u>	<u>5,183,954</u>	<u>5,776,768</u>

SAN PATRICIO COUNTY, TEXAS
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST FIVE YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
General Fund					
Unspendable	\$ 0	\$ 0	\$ 25,460	\$ 0	\$ 0
Restricted	0	0	0	0	0
Committed	0	0	0	0	0
Assigned	3,012,510	3,974,360	3,843,196	4,138,129	1,192,501
Unassigned	<u>5,913,156</u>	<u>5,252,806</u>	<u>4,973,744</u>	<u>3,936,911</u>	<u>5,158,626</u>
Total General Fund	\$ <u>8,925,666</u>	\$ <u>9,227,166</u>	\$ <u>8,842,400</u>	\$ <u>8,075,040</u>	\$ <u>6,351,127</u>
All Other Governmental Funds					
Unspendable	\$ 0	\$ 0	\$ 11,183	\$ 0	\$ 0
Restricted	8,853,452	7,738,917	6,862,732	6,168,950	4,525,634
Committed	416,589	376,149	446,609	904,895	3,102,163
Assigned	922,705	412,207	615,087	796,250	0
Unassigned	<u>(273,600)</u>	<u>(244,830)</u>	<u>(517,245)</u>	<u>0</u>	<u>(95,954)</u>
Total All Other Governmental Funds	\$ <u>9,919,146</u>	\$ <u>8,282,443</u>	\$ <u>7,418,366</u>	\$ <u>7,870,095</u>	\$ <u>7,531,843</u>
Total for All Governmental Funds	\$ <u>18,844,812</u>	\$ <u>17,509,609</u>	\$ <u>16,260,766</u>	\$ <u>15,945,135</u>	\$ <u>13,882,970</u>

Note: The County will add yearly data until ten years are presented.

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

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
REVENUES					
Taxes	\$ 25,516,946	\$ 24,755,038	\$ 22,517,331	\$ 21,619,977	\$ 19,996,613
Licenses and Permits	235,602	249,399	132,776	125,377	229,201
Intergovernmental	3,372,169	3,255,701	3,109,686	2,936,847	3,246,062
Charges for Services	3,803,087	3,941,726	3,818,124	3,826,880	3,697,912
Fines & Forfeitures	1,142,005	1,334,969	1,156,391	1,238,093	1,322,086
Investment Income	39,795	24,989	35,365	56,745	38,595
Miscellaneous Revenue	1,292,805	1,582,204	1,013,436	935,912	817,039
Total Revenues	<u>\$ 35,402,409</u>	<u>\$ 35,144,026</u>	<u>\$ 31,783,109</u>	<u>\$ 30,739,831</u>	<u>\$ 29,347,508</u>
EXPENDITURES					
Current					
General Administration	\$ 2,921,795	\$ 2,518,268	\$ 2,383,184	\$ 2,320,461	\$ 2,416,218
Judicial	3,947,526	3,686,005	3,270,481	3,194,031	3,369,045
Legal	807,328	725,216	830,258	656,118	999,471
Elections	321,425	338,931	275,657	362,032	300,471
Financial Administration	2,242,383	2,112,020	1,992,823	1,935,498	1,930,099
Public Facilities	2,832,829	4,281,248	3,789,728	1,977,149	2,750,711
Public Safety	11,077,474	10,342,108	9,886,559	9,553,882	9,652,590
Environmental	97,735	87,692	90,069	91,475	109,388
Public Transportation	5,255,290	5,039,006	4,369,762	4,341,984	4,571,187
Health & Welfare	2,115,270	2,247,161	2,278,789	2,063,775	2,254,092
Culture and Recreation	867,990	882,496	858,083	787,033	802,339
Conservation	228,110	290,705	228,938	180,692	201,142
Economic Development	142,230	130,292	0	0	0
Debt Service					
Principal	750,000	430,000	410,000	395,000	380,000
Interest	459,071	783,285	801,135	818,241	834,710
Other Charges	245,575	750	2,012	295	675
Total Expenditures	<u>\$ 34,312,031</u>	<u>\$ 33,895,183</u>	<u>\$ 31,467,478</u>	<u>\$ 28,677,666</u>	<u>\$ 30,572,138</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 1,090,378</u>	<u>\$ 1,248,843</u>	<u>\$ 315,631</u>	<u>\$ 2,062,165</u>	<u>\$ (1,224,630)</u>
OTHER FINANCING SOURCES (USES)					
Bonds Issued	\$ 15,415,000		\$	\$	\$
Discount on Bonds	0				
Bond Premium	1,307,574				
Payment to Refunding Escrow Agent	(16,477,749)				
Capital Leases	0				
Transfers In	2,964,357	2,838,507	1,425,362	1,338,048	3,051,843
Transfers Out	(2,964,357)	(2,838,507)	(1,425,362)	(1,338,048)	(3,051,843)
Total Other Financing Sources (Uses)	<u>\$ 244,825</u>	<u>\$ 0</u>	<u>\$</u>	<u>\$ 0</u>	<u>\$ 0</u>
Net Changes in Fund Balances	<u>\$ 1,335,203</u>	<u>\$ 1,248,843</u>	<u>\$ 315,631</u>	<u>\$ 2,062,165</u>	<u>\$ (1,224,630)</u>
Debt service as a percentage of Noncapital Expenditures	<u>4.4%</u>	<u>3.7%</u>	<u>4.3%</u>	<u>4.1%</u>	<u>4.0%</u>

	2010	2009	2008	2007	2006
\$	19,917,045	\$ 20,006,042	\$ 18,858,646	\$ 17,489,519	\$ 16,115,187
	140,023	165,986	118,750	140,361	131,425
	3,112,718	3,615,328	3,748,422	3,064,863	2,890,580
	3,969,552	4,363,361	4,315,206	4,171,543	4,390,024
	1,613,690	1,484,589	1,430,348	1,429,821	1,297,149
	57,852	146,800	833,179	2,191,425	1,381,567
	633,024	474,107	592,968	388,674	552,280
\$	<u>29,443,904</u>	<u>\$ 30,256,213</u>	<u>\$ 29,897,519</u>	<u>\$ 28,876,206</u>	<u>\$ 26,758,212</u>
\$	2,362,816	\$ 2,429,490	\$ 2,160,419	\$ 1,999,055	\$ 2,085,984
	3,391,155	3,265,775	3,154,027	3,012,657	2,823,118
	686,833	705,769	526,640	478,716	448,874
	381,515	243,492	332,441	237,391	190,986
	1,915,928	1,833,328	1,658,420	1,566,045	1,421,852
	3,042,616	5,228,275	9,764,935	14,287,984	1,977,656
	9,778,113	9,383,450	8,517,647	7,226,623	7,049,948
	81,231	84,702	90,000	72,766	54,933
	4,549,007	4,949,096	4,604,233	4,448,628	4,471,449
	2,502,589	2,461,646	2,480,687	2,102,488	2,012,623
	916,226	886,385	875,330	233,063	251,452
	188,176	181,729	161,383	218,768	210,270
	0	0	0	0	0
	365,000	429,059	411,055	1,043,165	1,000,385
	850,541	868,858	886,418	978,665	72,552
	748	295	295	295	500
\$	<u>31,012,494</u>	<u>\$ 32,951,349</u>	<u>\$ 35,623,930</u>	<u>\$ 37,906,309</u>	<u>\$ 24,072,582</u>
\$	<u>(1,568,590)</u>	<u>\$ (2,695,136)</u>	<u>\$ (5,726,411)</u>	<u>\$ (9,030,103)</u>	<u>\$ 2,685,630</u>
\$	\$	\$	\$	19,330,000	\$
				(10,889)	
	2,301,705	4,347,048	1,644,006	1,685,282	380,847
	(2,301,705)	(4,347,048)	(1,644,006)	(1,685,282)	(2,114,107)
\$	<u>0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 19,319,111</u>	<u>\$ 380,847</u>
\$	<u>(1,568,590)</u>	<u>\$ (2,695,136)</u>	<u>\$ (5,726,411)</u>	<u>\$ 22,004,741</u>	<u>\$ 2,124,122</u>
	<u>4.0%</u>	<u>4.8%</u>	<u>5.3%</u>	<u>5.7%</u>	<u>4.7%</u>

**SAN PATRICIO COUNTY, TEXAS
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

<u>YEAR</u>	<u>PROPERTY TAXES</u>	<u>TOTAL</u>
2006	\$ 16,045,078	\$ 16,045,078
2007	17,460,961	17,460,961
2008	18,947,806	18,947,806
2009	20,096,396	20,096,396
2010	19,886,367	19,886,367
2011	19,938,817	19,938,817
2012	21,641,361	21,641,361
2013	22,477,888	22,477,888
2014	24,925,002	24,925,002
2015	25,655,399	25,655,399

**SAN PATRICIO COUNTY, TEXAS
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

<u>YEAR</u>	<u>PROPERTY TAXES</u>	<u>TOTAL</u>
2006	\$ 16,115,187	\$ 16,115,187
2007	17,489,519	17,489,519
2008	18,858,646	18,858,646
2009	20,006,042	20,006,042
2010	19,917,045	19,917,045
2011	19,996,613	19,996,613
2012	21,619,977	21,619,977
2013	22,517,331	22,517,331
2014	24,755,038	24,755,038
2015	25,516,946	25,516,946

SAN PATRICIO COUNTY, TEXAS
ASSESSED AND ESTIMATED ACTUAL VALUES OF TAXABLE PROPERTY
LAST TEN YEARS
(UNAUDITED)

ASSESSED VALUES				
YEAR	REAL ESTATE AND PERSONAL		MINERALS AND IMPROVEMENTS	
2006	\$	1,884,479,577	\$	1,305,579,600
2007		2,181,884,577		1,511,623,702
2008		2,265,516,297		1,564,485,877
2009		2,314,411,085		1,597,743,333
2010		2,443,258,273		1,686,688,960
2011		2,436,453,843		1,681,991,562
2012		2,362,521,246		1,631,414,093
2013		2,693,578,596		1,859,496,121
2014		2,483,753,166		2,429,713,650
2015		2,507,595,578		2,453,034,388

	<u>TOTAL</u>	<u>ESTIMATED ACTUAL VALUES</u>	<u>RATIO ASSESSED TO ESTIMATED ACTUAL VALUES</u>	<u>DIRECT TAX RATE (PER \$100 ASSESSED VALUE</u>
\$	3,190,059,177	\$ 3,190,059,177	100	0.53990
	3,693,508,279	3,693,508,279	100	0.52750
	3,830,002,174	3,830,002,174	100	0.52750
	3,912,154,418	3,912,154,418	100	0.52450
	4,129,947,233	4,129,947,233	100	0.52450
	4,118,445,405	4,118,445,405	100	0.581778
	3,993,935,339	3,993,935,339	100	0.55000
	4,553,074,717	4,553,074,717	100	0.52000
	4,913,469,783	4,913,469,783	100	0.51000
	4,960,629,966	4,960,629,966	100	0.46000

SAN PATRICIO COUNTY, TEXAS
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$100 OF ASSESSED VALUE)
(UNAUDITED)

<u>GOVERNMENTAL SUBDIVISIONS</u>	<u>DATE OF FISCAL YEAR</u>	<u>PERCENTAGE APPLICABLE TO SAN PATRICIO COUNTY</u>	<u>2006</u>	<u>2007</u>
San Patricio County	01-01 / 12-31	100.00	\$ 0.5399	\$ 0.5275
<u>Cities</u>				
Aransas Pass	10-01 / 09-30	91.48	0.60124	0.60124
Gregory	10-01 / 09-30	100.00	0.71129	0.71129
Ingleside	10-01 / 09-30	100.00	0.73000	0.73000
Ingleside on the Bay	10-01 / 09-30	100.00	0.16484	0.16484
Lakeside	10-01 / 09-30	100.00	0.07806	0.07806
Mathis	01-01 / 12-31	100.00	0.97457	0.97457
Odem	10-01 / 09-30	100.00	0.85224	0.85224
Portland	04-01 / 03-31	100.00	0.50230	0.50230
Sinton	10-01 / 09-30	100.00	0.64000	0.64000
Taft	10-01 / 09-30	100.00	0.78284	0.78284
<u>School Districts</u>				
Aransas Pass I.S.D.	09-01 / 08-31	79.68	1.44842	1.44842
Banquete I.S.D.	09-01 / 08-31	0.17		
Corpus Christi I.S.D.				
Gregory-Portland I.S.D.	07-01 / 06-30	100.00	1.61000	1.61000
Ingleside I.S.D.	09-01 / 08-31	100.00	1.50000	1.50000
Mathis I.S.D.	09-01 / 08-31	85.56	1.44690	1.44690
Odem I.S.D.	09-01 / 08-31	100.00	1.50030	1.50030
Sinton I.S.D.	09-01 / 08-31	100.00	1.44250	1.44250
Skidmore-Tynan I.S.D.	09-01 / 08-31	3.67	1.58500	1.58500
Taft I.S.D.	09-01 / 08-31	100.00	1.45200	1.45200
<u>Special Districts</u>				
San Patricio Drainage District	01-01 / 12-31	100.00	0.09105	0.09105
San Patricio Navigation District	01-01 / 12-31	100.00	*	*
Industrial	01-01 / 12-31	100.00	0.73000	0.73000
Industrial District 8	01-01 / 12-31	100.00	0.73000	0.73000
Ingleside Industrial	01-01 / 12-31	100.00		
Nueces County Emergency Service Dist. No. 4	01-01 / 12-31	100.00	*	*

* No levy

Note: The information above was obtained from each entity's financial office.

	2008	2009	2010	2011	2012	2013	2014	2015
\$	0.5275	\$ 0.5245	\$ 0.5245	\$ 0.5818	\$ 0.55000	\$ 0.52000	\$ 0.51000	\$ 0.46000
	0.58000	0.59286	0.60749	0.73020	0.69575	0.69575	0.68035	0.68035
	0.63229	0.62774	0.57946	0.60788	0.65000	0.65000	0.89000	0.89000
	0.71500	0.70000	0.69750	0.69750	0.68000	0.68000	0.62500	0.60250
	0.17606	0.18996	0.18996	0.20726	0.20726	0.20726	0.20927	0.16456
	0.08208	0.08829	0.09134	0.10520	0.10995	0.10995	0.11601	0.12873
	0.97457	0.95789	0.90010	0.90011	0.84317	0.84317	0.90000	0.96000
	0.84500	0.83754	0.80817	0.88525	0.88524	0.88524	0.86117	0.79196
	0.50689	0.52037	0.54287	0.61407	0.58184	0.58184	0.57275	0.52964
	0.63548	0.63548	0.63548	0.65000	0.65000	0.65000	0.65000	0.64004
	0.75000	0.75000	0.75000	0.82745	1.09052	1.09052	1.09052	0.96167
	1.06138	1.07138	1.07138	1.07138	1.07138	1.07138	1.57675	1.07138
				1.51220	1.51320	1.51320	1.51320	1.51320
				1.23735	1.23735	1.23735	1.23735	1.32132
	1.36000	1.36000	1.37000	1.37000	1.35000	1.35000	1.35000	1.30000
	1.13000	1.13900	1.15600	1.14000	1.09000	1.09000	1.08000	1.08000
	1.35000	1.35000	1.35000	1.42507	1.34780	1.34780	1.28700	1.28700
	1.29244	1.29240	1.22646	1.29250	1.66700	1.66700	1.54100	1.62724
	1.24000	1.35120	1.25700	1.36120	1.30200	1.30200	1.30200	1.52900
	1.27773	1.27901	1.27839	1.60512	1.30200	1.30200	1.47500	1.47500
	1.26072	1.30970	1.40639	1.38520	1.47247	1.47247	1.40000	1.50383
	0.07974	0.07928	0.07640	0.07178	0.66905	0.66905	0.09860	0.05406
	*	*	*	*	*	*	*	*
	0.71500	0.70000	0.70000	0.00000		*	0.72070	0.72070
	0.71500	0.70000	0.69750	0.69750	0.68000	0.68000	0.72070	0.72070
					*	*	*	*
*	0.07000	0.69750	0.68750	0.70000	0.70000	0.70000	0.70000	0.70000
			0.10000					

SAN PATRICIO COUNTY
COMPONENTS OF THE DISTRICT COMPONENT PROPERTY TAX RATES
(PER \$100 OF ASSESSED VALUE)
LAST TEN YEARS
(UNAUDITED)

<u>Fiscal Year</u>	<u>OPERATING FUNDS</u>		
	<u>General</u>	<u>Road and Bridge Special (LM &R)</u>	<u>Total</u>
2006	\$ 0.4361	\$ 0.0744	\$ 0.5105
2007	0.4354	0.0629	0.4983
2008	0.4354	0.0667	0.5021
2009	0.4333	0.0663	0.4996
2010	0.4287	0.0653	0.494
2011	0.475156	0.072445	0.547601
2012	0.451547	0.068846	0.520393
2013	0.423560	0.070000	0.49356
2014	0.419948	0.065920	0.485868
2015	0.384219	0.057003	0.441222

<u>Certificates of Obligation and Bonds</u>	<u>Other</u>	<u>Total</u>	<u>Total County-Wide Tax Rate</u>
\$ 0.0294	\$ 0	\$ 0.0294	0.53990
0.0292	0	0.0292	0.52750
0.0254	0	0.0254	0.52750
0.0249	0	0.0249	0.52450
0.0305	0	0.0305	0.52450
0.034177	0	0.034177	0.581778
0.029607	0	0.029607	0.55000
0.02644	0	0.02644	0.52000
0.024132	0	0.024132	0.51000
0.18778	0	0.18778	0.46000

**SAN PATRICIO COUNTY, TEXAS
PRINCIPAL TAXPAYERS - 2015 AND NINE YEARS AGO
(UNAUDITED)**

RANK	NAME	ASSESSED VALUE	PERCENT OF TOTAL
1	EC&R PAPALOTE CREEK I LP	\$ 221,437,650	4.46%
2	OXYMAR	213,300,780	4.30%
3	INGLESIDE COGENERATION LP	169,000,920	3.41%
4	E I DUPONT DE NEMOURS & CO	163,455,966	3.30%
5	OCCIDENTAL CHEMICAL CORP.	146,040,327	2.94%
6	INGLESIDE ETHYLENE LLC	140,848,540	2.84%
7	GREGORY POWER PARTNERS LP	134,485,891	2.71%
8	FLINT HILLS RESOURCES CC LLC	132,508,031	2.67%
9	VOESTALPINE TEXAS LLC	104,408,710	2.10%
10	TRICAN WELL SERVICES	<u>93,068,540</u>	<u>1.88%</u>
	Total (30.61 % of Actual Value, \$4,960,629,966)	\$ <u><u>\$1,518,555,355</u></u>	<u><u>30.61%</u></u>

The information on this page is for 2015.

(Continued)

**SAN PATRICIO COUNTY, TEXAS
 PRINCIPAL TAXPAYERS - 2015 AND NINE YEARS AGO
 (UNAUDITED)
 (CONTINUED)**

RANK	NAME	ASSESSED VALUE	PERCENT OF TOTAL
1	OxyMar Chemica Corp.	\$ 237,352,930	7.44%
2	E. I Dupont DeNemours & Co.	129,902,250	4.07%
3	Occidental Chemical Corp.	110,260,710	3.46%
4	EOG Resources	83,114,750	2.61%
5	Ingleside Cogeneration LP	81,389,420	2.55%
6	Gregory Power Partners	75,687,750	2.37%
7	AEP Texas Central Company	49,951,130	1.57%
8	Air Liquide America LP (I)	38,441,440	1.21%
9	BPU Reynolds Sherwin Alumina	33,951,530	1.06%
10	Kiewitt Offshore Services LTD	<u>28,774,310</u>	<u>0.90%</u>
	Total	\$ <u><u>868,826,220</u></u>	<u><u>27.24%</u></u>
	(27.24% of Actual Value, \$3,190,059,177)		

The information on this page is for nine years ago, 2006.

**SAN PATRICIO COUNTY, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS
(UNAUDITED)**

<u>FISCAL YEAR</u>	<u>TOTAL TAX LEVY</u>	<u>CURRENT TAX COLLECTIONS</u>	<u>PERCENT OF LEVY COLLECTED</u>	<u>DELINQUENT TAX COLLECTIONS*</u>
2006	\$ 16,703,475	\$ 15,476,324	92.7%	\$ 638,863
2007	16,524,208	16,360,757	99.0%	67,888
2008	19,483,256	18,249,124	93.7%	609,522
2009	19,859,744	19,338,718	97.4%	262,849
2010	19,889,250	19,128,583	96.2%	502,107
2011	20,915,379	19,239,366	92.0%	757,247
2012	21,953,992	20,779,062	94.6%	840,915
2013	23,959,902	21,763,726	90.8%	753,605
2014	25,073,632	24,073,156	96.0%	681,882
2015	26,207,962	24,784,285	94.6%	732,661

*Includes cancellations and supplements

Collections on 2015 tax roll not complete until end of collection period on September 30, 2016. The 2015 roll year total tax levy was \$26,207,962, which will be used for 2016 operations.

Each Roll Year begins October 1st and ends on September 30th of the next year. The Fiscal Years above are calendar years (January 1 to December 31). The County operates on a calendar year.

The Advance Tax Collections above are monies collected in the above fiscal years during October 1 through December 31. These funds are deferred revenues since they are for the fiscal year and will be included with the next year's current tax collections as budgeted.

	<u>TOTAL CURRENT AND DELINQUENT COLLECTIONS</u>	<u>PERCENT OF TOTAL TAX COLLECTIONS TO TAX LEVY</u>	<u>ADVANCE TAX COLLECTIONS</u>
\$	16,115,187	96.5%	\$ 3,962,340
	16,428,645	99.4%	7,416,529
	18,858,646	96.8%	7,368,142
	19,601,567	98.7%	6,882,139
	19,630,690	98.7%	7,168,271
	19,996,613	95.6%	5,642,113
	21,619,977	98.5%	8,216,285
	22,517,331	94.0%	7,751,438
	24,755,038	98.7%	7,629,791
	25,516,946	97.4%	8,486,490

SAN PATRICIO COUNTY, TEXAS
RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS
(UNAUDITED)

YEAR	GOVERNMENT ACTIVITIES		TOTAL PRIMARY GOVERNMENT	PERCENTAGE OF PERSONAL INCOME	PER CAPITA
	GENERAL OBLIGATION BONDS	CAPITAL LEASES			
2006	\$ 20,300,000	\$ 228,279	\$ 20,528,279	N/A	\$ 306
2007	19,330,000	155,114	19,485,114	1.14	290
2008	18,995,000	79,059	19,074,059	0.97	284
2009	18,645,000	-	18,645,000	0.95	278
2010	18,280,000	-	18,280,000	1.48	281
2011	17,900,000	-	17,900,000	0.82	276
2012	17,505,000	-	17,505,000	0.79	270
2013	17,095,000	-	17,095,000	0.61	264
2014	16,665,000	-	16,665,000	0.72	257
2015	15,585,000	-	15,585,000	0.66	240

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

N/A Information not readily available.

SAN PATRICIO COUNTY, TEXAS
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR
GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES OF
ALL GENERAL, SPECIAL REVENUE, DEBT SERVICE AND
CAPITAL PROJECTS FUNDS - LAST TEN YEARS
(UNAUDITED)

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>OTHER</u>	<u>TOTAL DEBT SERVICE</u>	<u>TOTAL GENERAL EXPENDITURES</u>	<u>RATIO OF DEBT SERVICE TO GENERAL EXPENDITURES</u>
2006	\$ 930,000	\$ 60,755	\$ 500	\$ 991,255	24,072,582	4.12
2007	970,000	1,035,312	295	2,005,607	37,906,309	5.29
2008	335,000	880,291	295	1,215,586	35,623,930	3.41
2009	350,000	865,735	295	1,216,030	32,951,349	3.69
2010	365,000	850,541	1,248	1,216,789	31,012,494	3.92
2011	380,000	834,710	675	1,215,385	30,572,138	3.98
2012	395,000	818,241	295	1,213,536	28,677,666	4.23
2013	410,000	801,135	2,012	1,213,147	30,434,331	3.99
2014	430,000	783,285	750	1,214,035	33,895,183	3.58
2015	750,000	459,071	245,575	1,454,646	34,312,031	4.24

Note: The above debt service expenditures consist only of general bonded debt expenditure.
The above figures are presented on the modified accrual basis of accounting.

**SAN PATRICIO COUNTY, TEXAS
COMPUTATION OF LEGAL DEBT MARGIN
LAST TEN YEARS
(UNAUDITED)**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Assessed Value of Real Property	\$ <u>2,507,595,578</u>	\$ <u>2,483,756,133</u>	\$ <u>2,696,578,596</u>	\$ <u>2,362,521,246</u>	\$ <u>2,436,453,843</u>
Debt Limited to 25% of Assessed Value of Real Property (Article 3, Section 52, Constitution of the State of Texas)	\$ 626,898,895	\$ 620,939,033	\$ 673,394,649	\$ 590,630,312	\$ 609,113,461
Amount of Debt Applicable to Debt Limit	<u>(1,285,000) *</u>				
Legal Debt Margin	\$ <u>625,613,895</u>	\$ <u>619,654,033</u>	\$ <u>672,109,649</u>	\$ <u>589,345,312</u>	\$ <u>607,828,461</u>

*This constitutional limit applies only to the County's unlimited bond issue.

Note: The amounts above are at December 31st of each year.

<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<u>2,443,268,273</u> \$	<u>2,314,411,085</u> \$	<u>2,265,516,297</u> \$	<u>2,181,884,557</u> \$	<u>1,844,479,577</u>
610,814,568 \$	578,527,713 \$	566,379,074 \$	545,471,139 \$	461,119,894
<u>(1,285,000) *</u>	<u>(1,285,000) *</u>	<u>(1,285,000) *</u>	<u>(1,285,000) *</u>	<u>(1,285,000) *</u>
<u>609,529,568</u> \$	<u>577,242,713</u> \$	<u>565,094,074</u> \$	<u>544,186,139</u> \$	<u>459,834,894</u>

**SAN PATRICIO COUNTY, TEXAS
RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUES
AND NET BONDED DEBT PER CAPITA
LAST TEN YEARS
(UNAUDITED)**

<u>YEAR</u>	<u>POPULATION*</u>	<u>ASSESSED VALUES</u>	<u>GROSS BONDED DEBT</u>	<u>LESS DEBT SERVICE FUNDS</u>
2006	67,138 \$	3,190,059,177 \$	20,300,000 \$	765,032
2007	67,138	3,693,508,279	19,330,000	670,268
2008	67,138	3,830,002,174	18,995,000	595,644
2009	67,138	3,912,154,418	18,645,000	348,285
2010	64,804	4,129,947,237	18,280,000	80,134
2011	64,804	4,118,445,405	17,900,000	28,580
2012	64,804	3,993,935,339	17,505,000	86,717
2013	64,804	4,553,074,717	17,095,000	86,549
2014	64,804	4,913,469,783	16,665,000	140,582
2015	64,804	4,960,629,966	15,585,000	140,691

*SOURCE: U.S. Bureau of Census and Texas Almanac published by the Dallas Morning News.

	NET BONDED DEBT	RATIO OF NET BONDED DEBT TO ASSESSED VALUES	NET BONDED DEBT PER CAPITA
\$	19,534,968	0.61	\$ 291
	18,659,732	0.51	278
	18,399,356	0.48	274
	18,296,715	0.47	273
	18,199,866	0.44	281
	17,871,420	0.43	276
	17,418,283	0.34	269
	17,008,451	0.37	262
	16,524,418	0.34	255
	15,444,309	0.31	238

**SAN PATRICIO COUNTY, TEXAS
COMPUTATION OF NET DIRECT AND OVERLAPPING DEBT
DECEMBER 31, 2015
(UNAUDITED)**

NAME OF GOVERNMENTAL UNIT	NET DEBT DATE	OUTSTANDING AMOUNT	APPLICABLE TO SAN PATRICIO COUNTY	
			PERCENT	AMOUNT
NET DIRECT				
San Patricio County	12/31/2015	\$ 15,444,309	100.00%	\$ 15,444,309
OVERLAPPING				
Cities				
*Aransas Pass	2/29/2016	25,740,000	91.20%	23,474,880
*Gregory	2/29/2016	2,475,000	100.00%	2,475,000
*Ingleside on the Bay	2/29/2016	1,810,000	100.00%	1,810,000
*Ingleside	9/30/2014	9,033,239	100.00%	9,033,239
*Mathis	12/31/2015	1,278,000	100.00%	1,278,000
*Odem	2/29/2016	1,855,000	100.00%	1,855,000
*Portland	2/29/2016	14,200,000	100.00%	14,200,000
*Sinton	2/29/2016	3,835,000	100.00%	3,835,000
*Taft	2/29/2016	5,946,602	100.00%	5,946,602
School Districts				
*Aransas Pass I.S.D.	8/31/2015	1,124,068	83.70%	940,845
*Banquete I.S.D.	2/29/2016	9,335,000	0.14%	13,069
*Corpus Christi I.S.D.	2/29/2016	368,935,000	0.15%	553,403
*Gregory-Portland I.S.D.	2/9/2016	51,947,000	100.00%	51,947,000
*Ingleside I.S.D.	8/31/2015	7,014,575	100.00%	7,014,575
*Mathis I.S.D.	12/31/2015	14,960,945	83.74%	12,528,295
*Odem-Edroy I.S.D.	8/31/2015	27,478,920	100.00%	27,478,920
*Sinton I.S.D.	8/31/2015	26,493,524	100.0%	26,493,524
*Skidmore-Tynan I.S.D.	2/29/2016	11,951,174	4.09%	488,803
*Taft I.S.D.	8/31/2015	<u>28,405,389</u>	100.00%	<u>28,405,389</u>
TOTAL OVERLAPPING		\$ <u>613,818,436</u>		\$ <u>219,771,544</u>
GRAND TOTALS		\$ <u><u>629,262,745</u></u>		\$ <u><u>235,215,853</u></u>

* Taken from Texas Municipal Reports compiled and published by Municipal Advisory Council of Texas, Austin, Texas. The latest publication for San Patricio County is dated April 4, 2016.

Note: Outstanding amount above for San Patricio County includes only bonded debt. It is also noted that percentages above are calculated using land area percentages.

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**SAN PATRICIO COUNTY, TEXAS
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN YEARS
 (UNAUDITED)**

<u>YEAR</u>	<u>POPULATION</u>	<u>MEDIAN AGE</u>	<u>SCHOOL ENROLLMENT</u>	<u>EDUCATION LEVEL IN YEAR OF FORMAL SCHOOLING</u>
2006	67,138	32.3	15,761	N/A
2007	67,138	32.3	15,769	N/A
2008	67,138	32.7	15,778	N/A
2009	67,138	32.8	15,642	N/A
2010	64,804	32.7	15,176	N/A
2011	64,804	33.8	15,211	N/A
2012	64,804	32	15,215	N/A
2013	64,804	33.8	14,615	N/A
2014	64,804	36.1	14,736	N/A
2015	64,804	36.2	14,831	N/A

Sources: U.S. Bureau of Census, School Districts, Wikipedia, the free Encyclopedia, Sperlings, Texas Education Agency, PODUNK, and Texas Almanac

Note: Estimates that are used for some of the information will be changed when actual data is available.

N/A Information not readily available.

	<u>PERSONAL INCOME</u>	<u>PER CAPITA PERSONAL INCOME</u>	<u>UNEMPLOYMENT RATE</u>
\$	N/A	\$ N/A	4.2%
	1,709,343,000	24,674	5.6%
	1,965,288,680	27,452	5.9%
	1,952,368,590	26,422	9.7%
	1,752,536,666	27,044	10.6%
	2,182,999,554	31,998	9.5%
	2,257,512,144	34,836	8.2%
	2,795,709,364	43,141	6.9%
	2,692,282,180	41,545	6.3%
	2,370,011,889	36,572	6.6%

**SAN PATRICIO COUNTY, TEXAS
MAJOR EMPLOYERS
DECEMBER 31, 2015 AND NINE YEARS AGO
(UNAUDITED)**

EMPLOYER	2015			2006		
	NUMBER OF EMPLOYEES	RANK	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT	NUMBER OF EMPLOYEES	RANK	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT
Kiewit Offshore Services, Ltd.	2,000	1	6.64%	1,000	2	3.27%
Sherwin Alumina Co.	608	2	2.02%	650	3	2.78%
Gulf Marine Fabricators	601	3	2.01%			
San Patricio County	551	4	1.83%	200	7	0.65%
Wal-Mart	498	5	1.64%	485	5	1.59%
HEB	482	6	1.60%	250	6	0.82%
Oxidental Chemical	403	7	1.33%	500	4	1.64%
Dupont Dumoury	321	8	1.06%	199	8	0.64%
North Bay Hospital	210	9	0.70%	155	9	0.51%
Southwest Marine				130	10	0.43%
Naval Station Ingleside				3605	1	11.79%
	<u>5,674</u>		<u>18.83%</u>	<u>7,374</u>		<u>24.12%</u>

Source: Municipal Advisory Council of Texas (Austin, Texas) San Patricio Economic Development Corporation (Gregory, Texas), local Chambers of Commerce in the cities located in the County, and the Entities. Estimates had to be used in some cases.

SAN PATRICIO COUNTY, TEXAS
FULL-TIME EQUIVALENT COUNTY EMPLOYEES BY FUNCTION
LAST TEN YEARS
(UNAUDITED)

FUNCTION	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
General Administrator	34	34	34	34	34	34	34	34	34	34
Judicial	43	44	43	43	43	43	43	43	43	43
Legal	22	21	20	20	20	20	20	20	20	20
Elections	2	2	2	2	2	2	2	2	2	2
Financial Administratic	35	35	35	34	35	35	35	33	32	34
Public Facilities	18	18	18	18	18	18	18	17	17	18
Public Safety	162	160	158	157	159	155	144	93	93	98
Public Transportation	61	61	60	60	60	60	60	60	60	60
Health and Welfare	37	37	38	38	38	38	38	38	38	39
Culture and Recreation	2	2	2	2	2	2	2	2	2	2
Conservation	<u>5</u>									
Totals	<u>421</u>	<u>419</u>	<u>415</u>	<u>413</u>	<u>416</u>	<u>412</u>	<u>401</u>	<u>347</u>	<u>346</u>	<u>355</u>

Sources: San Patricio County Personnel and Payroll Departments

SAN PATRICIO COUNTY, TEXAS
SALARIES AND SURETY BONDS FOR PRINCIPAL OFFICIALS
FOR THE YEAR ENDED DECEMBER 31, 2015
(UNAUDITED)

NAME	TITLE	AMOUNT OF ANNUAL SALARY	SURETY BOND
Terry Simpson	County Judge	\$ 95,042	\$ 10,000
	Juvenile Board	6,000	
Nina G. Trevino	Commissioner, Pct. No 1	65,703	3,000
Fred P. Nardini	Commissioner, Pct. No 2	65,703	3,000
Alma Moreno	Commissioner, Pct. No 3	65,703	3,000
Vacant	Commissioner, Pct. No 4	65,703	3,000
Leroy Moody	Sheriff	80,662	15,000
Gracie A. Gonzales	County Clerk	65,703	35,000
Elizabeth Welborn	County Court-at-Law-Judge	139,000	5,000
	Juvenile Board	6,000	
Dalia Sanchez	Tax Assessor-Collector	65,703	50,000
David Aken	County Attorney	114,652	2,500
Courtney Dugat	County Treasurer	65,703	15,000
Laura Miller	District Clerk	65,703	5,000
David W. Wendel	County Auditor	108,909	5,000
Julius L. Petrus, Jr.	County Surveyor	0	1,000
Michael E. Welborn	District Attorney	6,000	5,000

JUSTICE OF THE PEACE

Yolanda Guerrero	Precinct No. 1	52,219	1000
Daniel Garza	Precinct No. 2	50,730	1000
Karen Diaz	Precinct No. 4	50,730	1000
Nere Villarreal	Precinct No. 5	50,730	5000
Susan Price	Precinct No. 6	50,730	5000
Elvia Hernandez	Precinct No. 8	50,730	1000

CONSTABLES

Joe Gaitain	Precinct No. 1	41,550	1000
Steve Garcia	Precinct No. 2	41,162	1000
Parnel Haynes	Precinct No. 4	41,162	1000
Juan C. Gonzales	Precinct No. 5	41,162	1000
Don Perkins	Precinct No. 6	41,162	1000
Teresa Gonzales	Precinct No. 8	41,162	1000

**SAN PATRICIO COUNTY, TEXAS
OPERATING INDICATORS BY FUNCTION
LAST NINE YEARS
(UNAUDITED)**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Public Transportation									
Streets Resurfacing (Miles)	33	33	33	33	33	33	33	33	32
Public Safety									
Physical Arrests	789	788	781	768	763	761	762	758	745
Traffic Violations	1,342	1,321	1,301	1,299	1,297	1,294	1,292	1,286	1,223

Note: The County will add yearly data until ten years of information are presented.
More information will be presented in future years.

Sources: San Patricio County Road and Bridge and Law Enforcement Departments.

**SAN PATRICIO COUNTY, TEXAS
CAPITAL ASSET STATISTICS BY FUNCTION
LAST NINE YEARS
(UNAUDITED)**

	2015	2014	2013	2012	2011	2010	2009	2008	2007
General Administration									
Vehicles and Other	23	23	23	23	23	23	24	24	23
Judicial									
Vehicles and Other	12	12	11	11	11	11	11	11	10
Financial Administration									
Vehicles and Other	12	12	12	12	12	11	10	10	10
Legal									
Other	1	2	1	1	1	1	1	1	1
Elections									
Other	3	3	3	3	3	3	3	3	3
Public Facilities									
Land, Bldgs and Improv.	122	130	128	125	125	125	125	124	122
Vehicles and Other	12	18	17	17	13	13	13	13	12
Public Safety									
Vehicles and Other	126	125	125	124	124	124	124	123	121
Public Transportation									
Road Mileage	613	613	613	613	613	613	613	613	613
Bridges	55	57	55	55	55	55	55	55	55
Vehicles and Other	214	214	214	214	218	218	218	217	214
Health and Welfare									
Vehicles and Other	18	18	18	18	18	18	18	18	18
Culture and Recreation									
Vehicles and Other	18	18	18	18	18	18	18	18	18
Conservation									
Vehicles and Other	5	5	5	5	5	5	5	5	5

Note: The County will add information yearly until ten years are presented. All County Land, Building, and Improvements are included under Public Facilities in this schedule.

Sources: County Fixed Asset Records.

SAN PATRICIO COUNTY, TEXAS
PROPERTY VALUE, CONSTRUCTION, AND BANK DEPOSITS
LAST TEN YEARS
(UNAUDITED)

<u>YEAR</u>	<u>PROPERTY VALUES*</u>	<u>CONSTRUCTION</u>	<u>BANK DEPOSITS</u>
2006	\$ 3,190,059,177	\$ 193,224,063	\$ 402,478,000
2007	3,693,508,279	191,372,124	424,000,000
2008	3,830,002,174	186,522,354	449,000,000
2009	3,912,154,418	47,723,292	472,317,000
2010	4,129,947,233	21,563,920	479,622,000
2011	4,118,445,405	29,193,607	513,380,000
2012	3,993,935,339	114,094,883	545,920,000
2013	4,553,074,717	122,323,569	595,093,000
2014	4,913,469,783	124,201,860	601,022,000
2015	\$ 4,960,629,966	\$ 110,408,620	\$ 653,724,000

* Before exemptions, obtained from San Patricio County Tax Appraisal District.
The Construction amounts were obtained from the San Patricio County Tax Office.
The bank deposits were obtained from the Federal Deposit Insurance Corporation,
Washington D.C.

SAN PATRICIO COUNTY, TEXAS
 COLLECTION AND DISPOSAL OF SOLID WASTE
 LAST TEN YEARS
 (UNAUDITED)

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Gross Revenues	\$71,270	\$60,969	\$55,775	\$70,881	\$45,128	\$42,502	\$56,587	\$44,742	\$41,201	\$28,074
Expenses	121,191	90,069	91,475	109,338	81,231	84,702	90,000	72,766	54,933	47,918
Net Revenues	(\$49,921)	(\$29,100)	(\$35,700)	(\$38,457)	(\$36,103)	(\$42,200)	(\$33,413)	(\$28,024)	(\$13,732)	(\$19,844)

The County operates two collection stations for the disposal of solid waste by the residents. The first station is located at the McCampbell - Porter Airport, between Ingleside and Aransas Pass. The hours of operation are between 8:00 AM and 4:30 PM Monday through Friday, and between 8:00 AM and 12:00 PM on Saturday. As of December 31, 2014, the minimum fee charged is \$0.50 per bag of household trash. The fees increase depending on the type and amount of solid waste. The second station is located at R&B Precinct #3 in Mathis. The hours of operation are between 7:30 AM and 4:00 PM, Monday through Friday. As of December 31, 2014, the minimum fee charged is \$0.50 per bag of household trash. The fees increase depending on the type and amount of solid waste. Revenue from the collection stations are deposited into the County's General Fund and Road and Bridge Pct. 3 Funds. The annual revenues and expenditures are shown above.

SAN PATRICIO COUNTY, TEXAS
MISCELLANEOUS STATISTICS
DECEMBER 31, 2015
(UNAUDITED)

Location, History, Etc.: San Patricio County (named after the Patron Saint of Ireland) was settled by Irish immigrants holding Spanish Land grants in 1828. The County is situated on an exceedingly fertile alluvial fan laid down by the Nueces (pecans) River during the Pleistocene Geological Age. The land area of the County is 685 square miles; bounded by the Nueces River and Corpus Christi Bay to the south, Redfish Bay and the Gulf of Mexico to the east, and the Aransas River to the north.

Population Growth and Statistics: Farming, ranching, oil and gas production, industry, and the fish and shrimping business have contributed to the growth of San Patricio County. Nueces County and San Patricio County together form one of the 23 Standard Metropolitan Statistical Area (SMSA) of Texas. The 2010 population was 64,804.

<u>Year</u>	<u>Population</u>	<u>Year</u>	<u>Population</u>
1850	200	1940	28,871
1860	620	1950	35,021
1870	602	1960	45,021
1880	1,010	1970	47,288
1890	1,312	1980	58,013
1900	2,372	1990	58,749
1910	7,307	2000	67,138
1920	11,286	2010	64,804
1930	23,836		

Principal Cities: Sinton (5,665), County Seat; Aransas Pass (8,204); Portland (15,099); Mathis (4,942); Taft (3,048); Ingleside (9,387); Gregory (1,907); Odem (2,389); Taft Southwest (1,460); Ingleside on the Bay (615); Edroy (331); San Patricio (395); St. Paul (584); Lake City (509) and Lakeside (312).

County Road Mileage: Total 614.2 miles (100%) divided as follows:
Pct. No. #1 - 93.8 miles (5.3%), Pct. No. #2 - 149.9 miles (24.5%),
Pct. No #3- 276.7 miles (45.0%), and Pct. No. #4 - 93.8 miles (15.3%).

It is noted that at 12-31-15 the County had 55 bridges that it was responsible for maintaining.

County Employees: The total number of San Patricio County employees at December 31, 2015, was 482 full time employees and 36 part time employees. Because they are separate districts these figures do not include Juvenile Probation employees (34 full time and 1 part time) or Adult Probation employees (54 full time and 9 part time). The total County Social Security wages paid during the 2015 year were \$17,505,978.

SAN PATRICIO COUNTY, TEXAS
MISCELLANEOUS STATISTICS
DECEMBER 31, 2015
(UNAUDITED)
(continued)

Agricultural Income: Estimated cash receipts from agricultural production in San Patricio County for 2015 is estimated at \$ 182 million. This level of agricultural income would probably result in \$98 million of economic effect upon the county. The following table is an overview of 2015 Agricultural Income:

<u>AGRICULTURAL PRODUCT</u>	<u>ACREAGE</u>	<u>VALUE</u>
Cotton & Cottonseed	111,305	\$ 52,918,690
Fed Beef & Cow Calf		6,567,900
Grain Sorghum	99,559	36,573,750
Corn	15,376	665,880
Hay	3,339	208,250
Sesame	449	29,925
Wheat	1,859	1,408,230
TOTAL		\$ 98,372,625

Total from Other Livestock - County Shows, Recreational Fishing/Hunting, Commercial Fishing = \$84,109,900

Sources of Data: Texas Cooperative Extension
Texas Almanac
Coastal Bend Area Council of Governments
San Patricio - Aransas A.S.C.S.

Supplementary Financial Information

SAN PATRICIO COUNTY, TEXAS
GENERAL OBLIGATION REFUNDING BONDS SERIES 2015
MATURITY SCHEDULE
INTEREST AT 2.00% TO 5.00% PAYABLE 4-1 & 10-1
December 31, 2015

ISSUED	\$15,415,000
PAID	<u>(300,000)</u>
OUTSTANDING	<u>\$15,115,000</u>

DUE DATE	UNPAID BALANCE	COUPON	PRINCIPAL	INTEREST	ANNUAL REQUIREMENT
	\$ 15,115,000				
4-01-2016 10-01-2016	15,115,000	2.00%	\$0	\$322,175 <u>\$322,175</u>	<u>\$644,350</u>
4-01-2017 10-01-2017	14,610,000	2.00%	\$505,000	\$322,175 <u>\$317,125</u>	<u>\$1,144,300</u>
4-01-2018 10-01-2018	14,090,000	3.00%	\$520,000	\$317,125 <u>\$309,325</u>	<u>\$1,146,450</u>
4-01-2019 10-01-2019	13,555,000	3.00%	\$535,000	\$309,325 <u>\$301,300</u>	<u>\$1,145,625</u>
4-01-2020 10-01-2020	13,000,000	4.00%	\$555,000	\$301,300 <u>\$290,200</u>	<u>\$1,146,500</u>
4-01-2021 10-01-2021	12,420,000	4.00%	\$580,000	\$290,200 <u>\$278,600</u>	<u>\$1,148,800</u>
4-01-2022 10-01-2022	11,820,000	4.00%	\$600,000	\$278,600 <u>\$266,600</u>	<u>\$1,145,200</u>
4-01-2023 10-01-2023	11,195,000	4.00%	\$625,000	\$266,600 <u>\$254,100</u>	<u>\$1,145,700</u>
4-01-2024 10-01-2024	10,545,000	4.00%	\$650,000	\$254,100 <u>\$241,100</u>	<u>\$1,145,200</u>
4-01-2025 10-01-2025	9,865,000	5.00%	\$680,000	\$241,100 <u>\$224,100</u>	<u>\$1,145,200</u>
4-01-2026 10-01-2026	9,155,000	3.00%	\$710,000	\$224,100 <u>\$213,450</u>	<u>\$1,147,550</u>

SAN PATRICIO COUNTY, TEXAS
GENERAL OBLIGATION REFUNDING BONDS SERIES 2015
MATURITY SCHEDULE
INTEREST AT 2.00% TO 5.00% PAYABLE 4-1 & 10-1
December 31, 2015

4-01-2027	\$ 8,415,000	5.00%	\$740,000	\$213,450	
10-01-2027				\$194,950	\$1,148,400
4-01-1028	7,640,000	5.00%	\$775,000	\$194,950	
10-01-2028				\$175,575	\$1,145,525
4-01-2029	6,830,000	4.00%	\$810,000	\$175,575	
10-01-2029				\$159,375	\$1,144,950
4-01-2030	5,990,000	3.625%	\$840,000	\$159,375	
10-01-2030				\$144,150	\$1,143,525
4-01-2031	5,110,000	5.00%	\$880,000	\$144,150	
10-01-2031				\$122,150	\$1,146,300
4-01-2032	4,190,000	5.00%	\$920,000	\$122,150	
10-01-2032				\$99,150	\$1,141,300
4-01-2033	3,215,000	5.00%	\$975,000	\$99,150	
10-01-2033				\$74,775	\$1,148,925
4-01-2034	2,190,000	5.00%	\$1,025,000	\$74,775	
10-01-2034				\$49,150	\$1,148,925
4-01-2035	1,120,000	4.00%	\$1,070,000	\$49,150	
10-01-2035				\$22,400	\$1,141,550
4-01-2036		4.75%	\$1,120,000	\$22,400	\$1,142,400
TOTALS			\$15,115,000	\$8,441,675	\$23,556,675

The above debt was issued to partially defease the Series 2006 Certificates of Obligation which were issued for new showbarn facilities and is serviced by the Permanent Improvement Debt Service fund. Payments are made to BOKF, NA, Austin, TX. The above debt will be liquidated in 2036.

At December 31, 2015, the amount of the above debt spent was \$15,415,000 and the amount unspent was \$0. Also as of December 31, 2015, the County has made all payments on the debt above timely when due.

**SAN PATRICIO COUNTY, TEXAS
 CERTIFICATES OF OBLIGATION SERIES 2006
 MATURITY SCHEDULE
 INTEREST AT 2.00% TO 5.00% PAYABLE 4-1 & 10-1
 December 31, 2015**

ISSUED	\$19,330,000
PAID	<u>(18,860,000)</u>
OUTSTANDING	<u><u>\$470,000</u></u>

DUE DATE	UNPAID BALANCE	COUPON	PRINCIPAL	INTEREST	ANNUAL REQUIREMENT
	\$ 470,000				
4-01-2016	0	4.50%	\$470,000	\$10,575	\$480,575

Maturities partially refunded by 2015 Refunding Bonds.

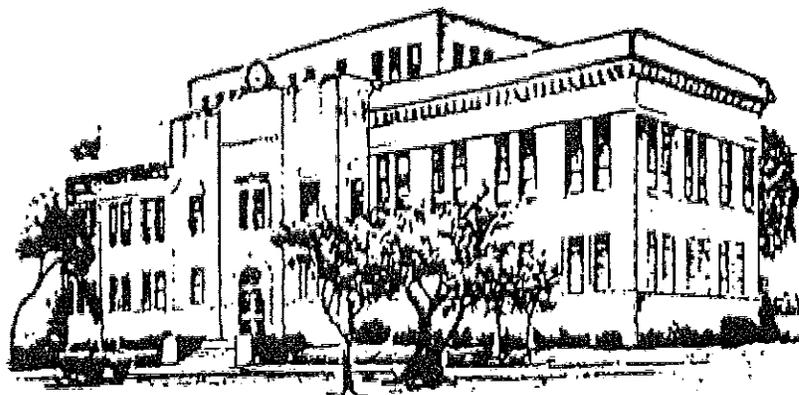
The above debt was issued for new showbarn facilities and is served by the Permanent Improvement Debt Service Fund. Payments are made to the Bank of New York Mellon, Pittsburgh, PA. The above debt will be liquidated in 2016.

At December 31, 2015 the amount of the above debt spent was \$19,330,000 and the amount unspent was \$0. Also as of December 31, 2015 the County has made all payments on the debt above timely when due.

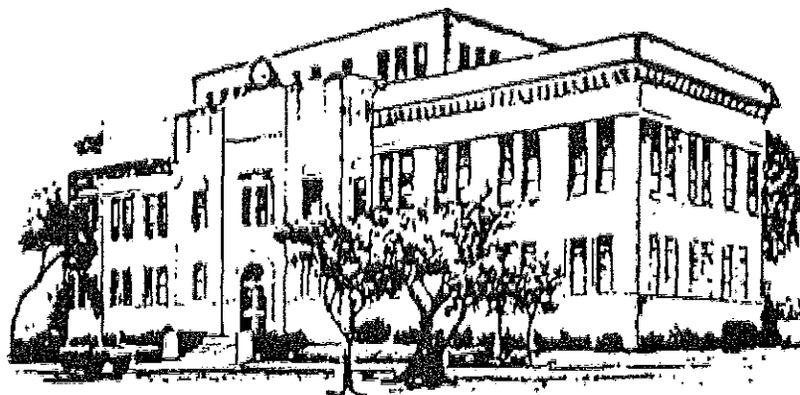
SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF ANNUAL GENERAL LONG-TERM BONDED DEBT REQUIREMENTS
December 31, 2015

The annual requirements of general long-term bonded debt requirements outstanding at December 31, 2015 are as follows:

YEAR ENDING DECEMBER 31	PRINCIPAL	INTEREST	TOTAL REQUIREMENTS
2016	\$ 470,000	\$ 654,925	\$ 1,124,925
2017	505,000	639,300	1,144,300
2018	520,000	626,450	1,146,450
2019	535,000	610,625	1,145,625
2020	555,000	591,500	1,146,500
2021	580,000	568,800	1,148,800
2022	600,000	545,200	1,145,200
2023	625,000	520,700	1,145,700
2024	650,000	495,200	1,145,200
2025	680,000	465,200	1,145,200
2026	710,000	437,550	1,147,550
2027	740,000	408,400	1,148,400
2028	775,000	370,525	1,145,525
2029	810,000	334,950	1,144,950
2030	840,000	303,525	1,143,525
2031	880,000	266,300	1,146,300
2032	920,000	221,300	1,141,300
2033	975,000	173,925	1,148,925
2034	1,025,000	123,925	1,148,925
2035	1,070,000	71,550	1,141,550
2036	1,120,000	22,400	1,142,400
TOTALS	\$ 15,585,000	\$ 8,452,250	\$ 24,037,250



Single Audit Section





Lovvorn & Kieschnick, LLP
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable County Judge
and County Commissioners
San Patricio County, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of San Patricio County, Texas, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise San Patricio County, Texas' basic financial statements, and have issued our report thereon dated June 30, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered San Patricio County, Texas' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of San Patricio County, Texas' internal control. Accordingly, we do not express an opinion on the effectiveness of San Patricio County, Texas' internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did

not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether San Patricio County, Texas' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Lovvorn & Kieschnick, LLP

Lovvorn & Kieschnick, LLP

June 30, 2016



Lovvorn & Kieschnick, LLP
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Honorable County Judge
and County Commissioners
San Patricio County, Texas

Report on Compliance for Each Major Federal Program

We have audited San Patricio County, Texas' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of San Patricio County, Texas' major federal programs for the year ended December 31, 2015. San Patricio County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of San Patricio County, Texas' major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the *Uniform Guidance* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about San Patricio County, Texas' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of San Patricio County, Texas' compliance.

Opinion on Each Major Federal Program

In our opinion, San Patricio County, Texas, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2015.

Report on Internal Control Over Compliance

Management of San Patricio County, Texas, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered San Patricio County, Texas' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the *Uniform Guidance*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of San Patricio County, Texas' internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the *Uniform Guidance*. Accordingly, this report is not suitable for any other purpose.

Lovvorn & Kieschnick, LLP

Lovvorn & Kieschnick, LLP

June 30, 2016

SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2015

A. Summary of Auditor's Results

1. Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

One or more material weakness(es) identified? Yes X No

One or more significant deficiencies identified that are not considered to be material weaknesses? Yes X None Reported

Noncompliance material to financial statements noted? Yes X No

2. Federal Awards

Internal control over major programs:

One or more material weakness(es) identified? Yes X No

One or more significant deficiencies identified that are not considered to be material weaknesses? Yes X None Reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a) of the Uniform Guidance? Yes X No

Identification of major programs:

<u>CFDA Numbers(s)</u>	<u>Name of Federal Program or Cluster</u>
14.228	ORCA Grant
14.228	TRDA Grant
14.228	GLO
14.239	TDHCA Grant

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? X Yes No

B. Financial Statement Findings

NONE

C. Federal Award Findings and Questioned Costs

NONE

SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2015

<u>Finding/Recommendation</u>	<u>Current Status</u>	<u>Management's Explanation If Not Implemented</u>
N/A - No prior findings		

SAN PATRICIO COUNTY, TEXAS
CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED DECEMBER 31, 2015

Program

None

Corrective Action Plan

No corrective action required

SAN PATRICIO COUNTY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED DECEMBER 31, 2015

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE			
<i>Passed Through Texas Department of State Health Services</i>			
WIC Program Fiscal Year 2015	10.557		\$ <u>608,528</u>
Total U.S. Department of Agriculture			608,528
U.S DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
<i>Passed Through Texas Department of Agriculture</i>			
ORCA GRANT	14.228	713105	81,839
TRDA GRANT	14.228	713421	385,008
GLO	14.228	DRS 210166	<u>28,861</u>
Total Passed Through Office of Rural Community Affairs			495,708
<i>Passed Through Office of Texas Department of Housing and Community Affairs</i>			
TDHCA Grant	14.239	1001855	<u>176,410</u>
			176,410
Total Passed Through Office of Texas Department of Housing and Community Affairs			<u>672,118</u>
Total U.S. Department of Housing and Urban Development			1,280,646
U.S DEPARTMENT OF HEALTH AND HUMAN SERVICES			
<i>Passed Through Texas Department of State Health Services</i>			
Centers for Disease Control and Prevention			
CPS/Hazards	93.069		93,794
CPS/Ebola			426
Immunization Grants	93.268		108,486
Preventive Health - RLSS/LPHS	93.991		109,125
Family Planning Grant	93.994		<u>-</u>
Total U.S. Department of Health and Human Services			311,831
U.S DEPARTMENT OF THE INTERIOR			
<i>Direct:</i>			
GOMESA	15.435		1,579
Coastal Impact Assistance Program	15.668	F12AF70275	208,696
		F12AF00885	-
		F13AF00043	<u>9,850</u>
Total U.S. Department of Interior			220,125

U.S. DEPARTMENT OF HOMELAND SECURITY

Direct:

DEM- Operation Border Star	97.067		76,568
DEM- Operation Stone Garden	97.067		<u>42,205</u>
Total U.S. Department of Homeland Security			118,773

EXECUTIVE OFFICE OF THE PRESIDENT

High Intensity Drug Trafficking Areas	95.001	G14HN0021A	12,562
		G15HN0021A	<u>4,090</u>
Total Executive Office of the President			16,652

U.S DRUG ENFORCEMENT ADMINISTRATION

Organized Crime Drug Enforcement Task Force	16.000	SW-TX-0891H	8,667
	16.000	SW-TX-0999H	<u>1,920</u>
Total U.S Drug Enforcement Agency			10,587

U.S. DEPARTMENT GENERAL SERVICE ADMINISTRATION

<i>Passed Through Texas Facilities Donations of Federal Surplus Personal Property</i>	39.003		<u>29,019</u>
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TOTAL EXPENDITURES OF FEDERAL AWARDS \$ 1,987,633

SAN PATRICIO COUNTY, TEXAS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2015

Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of San Patricio County, Texas and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.